

AN EVER- RESONATING HEART

2019/2020 INTERIM REPORT | 中期報告

STOCK CODE 股份代號：417

T S L | 謝瑞麟

An Ever-Resonating HEART

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CORPORATE INFORMATION

公司資料

COMPANY NAME

Tse Sui Luen Jewellery (International) Limited
(incorporated in Bermuda with limited liability)

EXECUTIVE DIRECTORS

Yau On Yee, Annie (Chairman & Chief Executive Officer)
Ng Yi Kum, Estella (Deputy Chairman, Chief Strategy Officer & Chief Financial Officer)

NON-EXECUTIVE DIRECTOR

Huang Erwin Steve (Deputy Chairman)

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

COMPANY SECRETARY

Ng Yi Kum, Estella

AUTHORISED REPRESENTATIVES

Yau On Yee, Annie
Ng Yi Kum, Estella

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

EXECUTIVE COMMITTEE

Yau On Yee, Annie (Chairman)
Ng Yi Kum, Estella

LEGAL ADVISERS

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

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

公司名稱

謝瑞麟珠寶(國際)有限公司
(於百慕達註冊成立之有限公司)

執行董事

邱安儀(主席及行政總裁)
伍綺琴(副主席及首席策略暨財務官)

非執行董事

黃岳永(副主席)

獨立非執行董事

崔志仁
陳裕光
周治偉

公司秘書

伍綺琴

授權代表

邱安儀
伍綺琴

審核委員會

崔志仁(主席)
陳裕光
周治偉

薪酬委員會

周治偉(主席)
崔志仁
陳裕光
邱安儀
伍綺琴

提名委員會

陳裕光(主席)
周治偉
邱安儀

執行委員會

邱安儀(主席)
伍綺琴

法律顧問

香港法律：
禮德齊伯禮律師行
香港中環遮打道18號歷山大廈20樓

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

AUDITOR

Ernst & Young

Certified Public Accountants

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

PRINCIPAL BANKERS

Hang Seng Bank Limited

83 Des Voeux Road Central, Hong Kong

China CITIC Bank International Limited

61-65 Des Voeux Road Central, Hong Kong

China Construction Bank (Asia) Corporation Limited

28/F., CCB Tower, 3 Connaught Road Central, Central, Hong Kong

Fubon Bank (Hong Kong) Limited

Fubon Bank Building, 38 Des Voeux Road Central, Hong Kong

United Overseas Bank Limited

23/F., 3 Garden Road, Central, Hong Kong

Chong Hing Bank Limited

Ground Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong

Bangkok Bank Public Company Limited, Hong Kong Branch

Bangkok Bank Building, 28 Des Voeux Road Central, Hong Kong

Dah Sing Bank, Limited

36/F., Everbright Centre, 108 Gloucester Road, Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Corporate Services (Bermuda) Limited

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

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Rooms 1712-1716, 17/F., Hopewell Centre,
183 Queen's Road East, Wanchai, Hong Kong

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

STOCK CODE

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WEBSITE

www.tsj.com

核數師

安永會計師事務所

執業會計師

香港中環添美道1號中信大廈22樓

主要往來銀行

恒生銀行有限公司

香港中環德輔道中83號

中信銀行(國際)有限公司

香港中環德輔道中61-65號

中國建設銀行(亞洲)股份有限公司

香港中環干諾道中3號中國建設銀行大廈28樓

富邦銀行(香港)有限公司

香港中環德輔道中38號富邦銀行大廈

大華銀行有限公司

香港中環花園道3號23樓

創興銀行有限公司

香港中環德輔道中24號創興銀行中心地下

盤谷銀行(大眾有限公司)香港分行

香港中環德輔道中28號盤谷銀行大廈

大新銀行有限公司

香港告士打道108號光大中心36樓

股份過戶登記總處

Conyers Corporate Services (Bermuda) Limited

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

香港股份過戶登記分處

香港中央證券登記有限公司

香港灣仔皇后大道東183號
合和中心17樓1712至1716室

註冊辦事處

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

香港主要營業地點

香港九龍紅磡民裕街30號
興業工商大廈地下B座

股份代號

417

網址

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RESULTS

業績

The board of directors (the “Board” or each of the directors, the “Director” and collectively the “Directors”) of Tse Sui Luen Jewellery (International) Limited (the “Company”) announces the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2019 (the “Period”). The interim results for the Period have been reviewed by the Company’s audit committee (the “Audit Committee”).

謝瑞麟珠寶(國際)有限公司(「本公司」)董事會(「董事會」或各董事及全體統稱為「董事」)宣佈本公司及其附屬公司(「本集團」)截至2019年9月30日止六個月(「本期間」)之未經審核綜合中期業績。截至本期間之中期業績已由本公司之審核委員會(「審核委員會」)審閱。



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益賬

For the six months ended 30 September 2019 截至2019年9月30日止六個月		Six months ended 30 September 截至9月30日止六個月		
		Notes 附註	2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Turnover	營業額	5	1,652,154	1,910,035
Cost of sales	銷售成本		(970,182)	(1,166,864)
Gross profit	毛利		681,972	743,171
Other income and gains/(losses), net	其他收入及收益/(虧損)淨額		16,109	(2,649)
Selling and distribution expenses	銷售及分銷費		(576,274)	(589,366)
Administrative expenses	行政費用		(77,241)	(90,516)
PROFIT FROM OPERATIONS	經營盈利		44,566	60,640
Finance costs	財務費用	7	(29,967)	(20,913)
PROFIT BEFORE TAX	除稅前盈利	6	14,599	39,727
Income tax expense	所得稅費用	8	(13,069)	(15,542)
PROFIT FOR THE PERIOD	本期間盈利		1,530	24,185
ATTRIBUTABLE TO:	應佔盈利部份：			
Owners of the Company	本公司擁有人		1,568	24,269
Non-controlling interests	非控股股東權益		(38)	(84)
			1,530	24,185
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股盈利			
Basic and diluted	基本及攤薄	10	0.6 HK cent 港仙	9.8 HK cents 港仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the six months ended 30 September 2019 截至2019年9月30日止六個月		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
PROFIT FOR THE PERIOD	本期間盈利	1,530	24,185
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	日後可能重新分類至損益賬之其他全面虧損項目：		
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	(58,817)	(127,300)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	本期間其他全面虧損，扣除稅項	(58,817)	(127,300)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	本期間全面虧損總額	(57,287)	(103,115)
Attributable to:	應佔全面收益總額：		
Owners of the Company	本公司擁有人	(57,253)	(102,995)
Non-controlling interests	非控股股東權益	(34)	(120)
		(57,287)	(103,115)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 30 September 2019 於 2019 年 9 月 30 日			At 30 September 2019 於 2019 年 9 月 30 日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於 2019 年 3 月 31 日 HK\$'000 港幣千元 (audited) (經審核)
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	4	物業、廠房及設備	193,449	181,843
Right-of-use assets		使用權資產	329,162	-
Intangible assets		無形資產	99	99
Other asset		其他資產	500	500
Prepayments and deposits	13	預付款及按金	53,256	53,165
Deferred tax assets		遞延稅項資產	52,290	49,275
			628,756	284,882
CURRENT ASSETS		流動資產		
Inventories	11	存貨	1,520,223	1,436,259
Trade receivables	12	應收賬款	112,508	148,116
Prepayments, other receivables and other assets	13	預付款、其他應收款及 其他資產	160,720	159,575
Tax receivable		可收回稅項	12,646	17,771
Time deposits		定期存款	179,026	159,302
Cash and cash equivalents		現金及現金等價物	285,544	251,242
			2,270,667	2,172,265
CURRENT LIABILITIES		流動負債		
Trade payables	14	應付賬款	(263,926)	(224,503)
Other payables and accruals	15	其他應付款及應計費用	(330,533)	(316,578)
Interest-bearing bank and other borrowings		計息銀行及其他貸款	(269,027)	(786,984)
Dividend payables		應付股息	(13,919)	-
Finance lease payables		應付融資租賃	(344)	(680)
Lease liabilities		租賃負債	(178,610)	-
Tax payable		應付稅項	(15,747)	(16,550)
			(1,072,106)	(1,345,295)
NET CURRENT ASSETS		流動資產淨值	1,198,561	826,970
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	1,827,317	1,111,852

At 30 September 2019 於2019年9月30日			At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Other payables and accruals	其他應付款及應計費用	15	(4,038)	(5,770)
Interest-bearing bank and other borrowings	計息銀行及其他貸款		(636,962)	-
Employee benefit obligations	僱員福利義務		(2,109)	(2,655)
Lease liabilities	租賃負債		(156,124)	-
Deferred tax liabilities	遞延稅項負債		(16,044)	(17,717)
			(815,277)	(26,142)
NET ASSETS	資產淨值		1,012,040	1,085,710
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益 總額			
Issued capital	已發行股本	16	(62,138)	(62,138)
Reserves	儲備		(949,975)	(1,023,611)
			(1,012,113)	(1,085,749)
Non-controlling interests	非控股股東權益		73	39
TOTAL EQUITY	權益總額		(1,012,040)	(1,085,710)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

		(Unaudited) (未經審核)								
		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests 非控股股東權益	
	Notes 附註	Issued capital 已發行股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Share option reserve 購股權儲備 HK\$'000 港幣千元	Capital and Other reserves 資本及其他儲備 HK\$'000 港幣千元	Retained profits 保留盈利 HK\$'000 港幣千元	Proposed dividend 擬派股息 HK\$'000 港幣千元	Total 合共 HK\$'000 港幣千元	Non-controlling interests 非控股股東權益 HK\$'000 港幣千元	Total equity 權益總額 HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日	61,709	117,966	15,719	242,767	696,654	18,019	1,152,834	(20)	1,152,814
Effect of adoption of new accounting standards	採納新會計準則之影響	-	-	-	-	(3,328)	-	(3,328)	-	(3,328)
At 1 April 2018 (restated)	於2018年4月1日(重列)	61,709	117,966	15,719	242,767	693,326	18,019	1,149,506	(20)	1,149,486
Profit for the period	本期間盈利	-	-	-	-	24,269	-	24,269	(84)	24,185
Other comprehensive loss for the period:	本期間其他全面虧損：									
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	(127,264)	-	-	(127,264)	(36)	(127,300)
Total comprehensive loss for the period	本期間全面虧損總額	-	-	-	(127,264)	24,269	-	(102,995)	(120)	(103,115)
Scrip shares under 2017/18 second interim dividend	2017/18第二次中期股息代息股份	9	280	2,243	-	-	(2,523)	-	-	-
Dividend paid	已派股息	-	-	-	-	-	(15,496)	(15,496)	-	(15,496)
Proposed interim dividend (2018/19)	擬派中期股息(2018/19)	9	-	-	-	(11,902)	11,902	-	-	-
At 30 September 2018	於2018年9月30日	61,989	120,209*	15,719*	115,503*	705,693*	11,902*	1,031,015	(140)	1,030,875

		(Unaudited) (未經審核)								
		Attributable to owners of the Company 本公司擁有人應佔								
	Note 附註	Issued capital 已發行 股本	Share premium 股份溢價	Share option reserve 購股權 儲備	Capital and Other reserves 資本及 其他儲備	Retained profits 保留盈利	Proposed dividend 擬派股息	Total	Non- controlling interests 非控股 股東權益	Total equity 權益總額
		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
At 1 April 2019	於2019年4月1日	62,138	121,162	15,719	145,017	727,794	13,919	1,085,749	(39)	1,085,710
Effect of adoption of new accounting standards	採納新會計準則之影響	-	-	-	-	(2,464)	-	(2,464)	-	(2,464)
At 1 April 2019 (restated) (unaudited)	於2018年4月1日(重列) (未經審核)	62,138	121,162	15,719	145,017	725,330	13,919	1,083,285	(39)	1,083,246
Profit for the period	本期間盈利	-	-	-	-	1,568	-	1,568	(38)	1,530
Other comprehensive loss for the period:	本期間其他全面虧損：									
Exchange differences on translation of foreign operations	換算海外業務之 匯兌差額	-	-	-	(58,821)	-	-	(58,821)	4	(58,817)
Total comprehensive loss for the period	本期間全面虧損總額	-	-	-	(58,821)	1,568	-	(57,253)	(34)	(57,287)
Approved final dividend (2018/19)	已批核末期股息 (2018/19)	-	-	-	-	-	(13,919)	(13,919)	-	(13,919)
At 30 September 2019	於2019年9月30日	62,138	121,162*	15,719*	86,196*	726,898*	-*	1,012,113	(73)	1,012,040

* These reserve accounts comprise the consolidated reserves of HK\$949,975,000 (31 March 2019: HK\$1,023,611,000) in the consolidated statement of financial position.

* 此等儲備賬目組成綜合財務狀況表之綜合儲備港幣949,975,000元(2019年3月31日：港幣1,023,611,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the six months ended 30 September 2019
截至2019年9月30日止六個月

Six months ended 30 September
截至9月30日止六個月

	Notes 附註	2019 2019年 HK\$' 000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$' 000 港幣千元 (unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before tax	除稅前盈利	14,599	39,727
Adjustments for:	調整：		
Finance costs	財務費用	29,967	20,913
Interest income	利息收入	(2,306)	(1,639)
Loss on disposal of items of property, plant and equipment	棄置物業、機器及設備項目虧損	230	1,172
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32,465	26,881
Depreciation of right-of-use assets	使用權資產折舊	94,339	-
Impairment allowance of trade receivable	應收賬款減值	1,943	-
Movements in employee benefit obligations	員工福利義務之變動	(546)	-
Reversal of provision for impairment of inventories	撥備回撥存貨至可變現淨值	(12,421)	(3,350)
Fair value gain on gold loans designated at fair value through profit or loss	指定為按公平價值訂定盈虧之黃金租賃的公平價值淨收益	-	(524)
		158,270	83,180
(Increase)/decrease in inventories	存貨(增加)/減少	(124,420)	77,107
Decrease in trade receivables	應收賬款減少	26,990	16,165
Increase in prepayments, other receivables and other assets	預付款、其他應收款及其他資產增加	(6,894)	(24,643)
Increase/(decrease) in trade payables	應付賬款增加/(減少)	40,645	(69,778)
Increase in other payables and accruals	其他應付款及應計費用增加	35,725	80,537
Cash generated from operations	經營業務產生的現金	130,316	162,568
Hong Kong profits tax paid	已付香港利得稅	(672)	(2,027)
Taxes paid other than Hong Kong	已付香港以外地區稅項	(13,297)	(17,784)
Net cash flows from operating activities	經營業務產生之現金流量淨額	116,347	142,757

For the six months ended 30 September 2019
截至2019年9月30日止六個月

Six months ended 30 September
截至9月30日止六個月

		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Interest received	已收利息	2,306	1,639
Increase in time deposits	定期存款增加	(26,803)	-
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(47,364)	(62,776)
Proceeds from disposal of items of property, plant and equipment	棄置物業、機器及設備項目 所得款項	59	-
Net cash flows used in investing activities	投資活動所用之現金流量淨額	(71,802)	(61,137)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
Proceeds from new trade finance	新增貿易融資所得款項	-	5,000
Repayment of trade finance	償還貿易融資	(55,000)	(14,013)
Proceeds from new bank loans	新增銀行貸款所得款項	757,000	7,000
Repayment of bank loans	償還銀行貸款	(432,995)	(50,532)
Proceeds from gold loans	新增黃金租賃	-	50,924
Repayment of other loans	償還其他貸款	(150,000)	-
Principal portion of finance lease payments	融資租賃付款的本金部分	(335)	(317)
Principal portion of lease payments	租賃付款的本金部分	(98,905)	-
Interest paid	已付利息	(21,468)	(20,880)
Dividend paid	已付股息	-	(15,496)
Interest element of finance lease payments	融資租賃付款的利息部分	(15)	(33)
Net cash flows used in financing activities	融資活動所用之現金流量淨額	(1,718)	(38,347)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加淨額	42,827	43,273
Cash and cash equivalents at beginning of the reporting period	於報告期初之現金及現金 等價物	251,242	268,073
Effect of foreign exchange rate changes, net	外幣匯率變動影響，淨值	(8,525)	(18,008)
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	於報告期末之現金及現金 等價物	285,544	293,338
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結存分析		
Cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況報表所列之 現金及現金等價物	285,544	293,338

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the Group’s financial statements for the year ended 31 March 2019. These condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all HKFRSs, HKASs and Interpretations).

These condensed consolidated financial statements have been prepared under historical cost convention.

These condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the Group’s financial statement for the year ended 31 March 2019, except for the adoption of the following revised HKFRSs which become effective for accounting periods beginning on or after 1 April 2019 as disclosed in note 2 below.

1. 編製基準

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

本中期財務報表包括簡明綜合財務報表及經選定的說明附註。附註包括對自本集團截至2019年3月31日止年度財務報表刊發以來所發生的重要事件及交易以瞭解本集團之財務狀況變動及集團表現。此等簡明綜合財務報表及其附註並不包括按照《香港財務報告準則》(「香港財務報告準則」)規定編製完整財務報表所需之所有資料(包括所有香港財務報告準則、香港會計準則及詮釋)。

此等簡明綜合財務報表乃按歷史成本常規法編製。

除下文附註2所披露於2019年4月1日或以後開始之會計期間生效之經修訂之香港財務報告準則被採納外，此等簡明綜合財務報表已按照本集團截至2019年3月31日止年度之財務報表的同一會計政策編制。

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current period's interim condensed consolidated financial statements:

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements 2015-2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Except for the impacts of the adoption of HKFRS 16 as further explained below, the adoption of the above new and revised HKFRSs has had no significant financial effect on these financial statements.

2.1 會計政策及披露之變動

本集團已於本期間之簡明綜合財務報表首次採納下列新訂及經修訂之香港財務報告準則：

香港財務報告準則第9號修訂本	具有負補償的提前還款特性
香港財務報告準則第16號	租賃
香港會計準則第19號修訂本	計劃修訂、縮減或結算
香港會計準則第28號修訂本	於聯營公司及合營企業之長期權益
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理之不確定性
2015年至2017年週期之年度修改	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號修訂本

除於下文進一步闡釋之採納香港財務報告準則第16號之影響外，採納上述新訂及經修訂香港財務報告準則對本財務報告並無重大財務影響。

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

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 April 2019, and the comparative information as at 31 March 2019 and for the six months ended 30 September 2018 was not restated and continues to be reported under HKAS 17.

2.1 會計政策及披露之變動 (續)

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包括租賃、香港(準則詮釋委員會)－詮釋第15號經營租約－優惠及香港(準則詮釋委員會)－詮釋第27號評估涉及租賃法律形式之交易之內容。該準則載列確認、計量、呈列及披露租賃之原則，並要求承租人就所有租賃單一以資產負債表內的模式入賬。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。出租人將繼續使用與香港會計準則第17號類似的原則將租賃分類為經營租約或融資租約。因此，香港財務報告準則16號並未對本集團作為出租人的租賃產生任何財務影響。

本集團採用經修訂追溯採納法採納香港財務報告準則16號，並於2019年4月1日首次應用。根據此方法，追溯應用準則將對首次採納的累計影響作為對2019年4月1日保留溢利期初結餘之調整，而於2019年3月31日以及截至2018年9月30日止六個月的比較資料並無重列且繼續根據香港會計準則第17號呈報。

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

2.1 會計政策及披露之變動(續)

租賃的新定義

根據香港財務報告準則第16號，倘合約授予權利在一段時期內控制已識別資產的使用以換取代價，則該合約屬租賃或包含租賃。倘客戶有權從使用已識別資產中獲取絕大部分經濟利益及有權主導已識別資產的使用，則表示擁有控制權。本集團選擇應用過渡可行權宜方法以允許該準則僅適用於先前於首次應用日期已根據香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號識別為租賃的合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號未確定為租賃的合約並未予以重新評估。因此，香港財務報告準則第16號項下之租賃定義僅應用於在2019年4月1日或之後訂立或變更之合約。

在訂立或重新評估包含租賃部分之合約時，本集團將合約代價分配至各個租賃及非租賃部分，而有關分配乃根據彼等之獨立價格釐定。本集團已採用可供承租人選用的可行權宜方法，有關方法為不予分開非租賃部分，並將租賃部分及相關非租賃部分(例如物業租賃的物業管理服務)入賬作為單一租賃部分處理。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

簡明綜合財務報表附註 (續)

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of offices, retail shops, warehouses and factory. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and telephones); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 April 2019 were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019 and presented separately in the consolidated statement of financial position as at 30 September 2019.

2.1 會計政策及披露之變動 (續)

作為承租人 — 先前分類為經營租約之租賃

採納香港財務報告準則第16號之影響性質

本集團擁有若干辦公室、零售店、倉庫及廠房的租賃合約。作為承租人，本集團先前根據租賃會否把資產擁有權絕大部分回報及風險轉讓予本集團的評估把租賃分類為融資租約或經營租約。根據香港財務報告準則第16號，本集團應用單一處理方法就所有租賃確認及計量使用權資產及租賃負債，惟就低價值資產租賃（按個別租賃基準選擇）及短期租賃（按相關資產類別選擇）的兩項選擇性豁免除外。本集團已選擇不就(i)低價值資產租賃；及(ii)於開始日期租期為十二個月或以下之租賃，確認為使用權資產及租賃負債。相反，本集團在租期內以直線法確認與該等租賃相關之租賃付款。

過渡之影響

於2019年4月1日的租賃負債乃按剩餘租賃付款之現值，並採用於2019年4月1日的增量借貸利率貼現後予以確認，及於2019年9月30日綜合財務狀況表中獨立呈列。

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

As a lessee — Leases previously classified as operating leases (continued)

Impacts on transition (continued)

The right-of-use assets for leases were recognized based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 April 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the consolidated statement of financial position.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases were onerous by applying HKAS 37 immediately before 1 April 2019 as an alternative to performing an impairment review

2.1 會計政策及披露之變動(續)

作為承租人 — 先前分類為經營租約之租賃(續)

過渡之影響(續)

租賃的使用權資產乃按賬面值確認，猶如該標準一直應用，惟本集團於2019年4月1日應用的增量借貸利率除外。所有該等資產於該日根據香港會計準則第36號評估任何減值。本集團選擇在綜合財務狀況表獨立呈列使用權資產。

於2019年4月1日應用香港財務報告準則第16號時，本集團使用以下選擇性實際權宜方法：

- 對租期於首次應用日期起12個月內終止的租賃應用短期租賃豁免
- 於首次應用日期剔除初始直接成本，以計量使用權資產
- 對具有相似特徵的租賃組合採用單一貼現率
- 根據其緊接2019年4月1日前應用香港會計準則第37號對租賃是否有虧損性之評估，作為進行減值審閱替代方案

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

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

As a lessee — Leases previously classified as operating leases (continued)

Impacts on transition (continued)

The impacts arising from the adoption of HKFRS 16 as at 1 April 2019 are as follows:

2.1 會計政策及披露之變動(續)

作為承租人 — 先前分類為經營租約之租賃(續)

過渡之影響(續)

採納香港財務報告準則第16號對於2019年4月1日綜合財務狀況表的影響如下：

		Increase/(decrease) 增加/(減少) HK\$'000 港幣千元
Assets	資產	
Right-of-use assets	使用權資產	345,629
Property, plant and equipment	物業、廠房及設備	(334)
Prepayment, other receivables and other assets	預付款、其他應收款及其他資產	(4,380)
Total assets	資產總額	340,915
Liabilities	負債	
Lease liabilities	租賃負債	348,442
Other payables and accruals	其他應付款及應計費用	(5,063)
Total liabilities	負債總額	343,379
Equity	權益	
Retained profits	保留盈利	(2,464)
Total equity	權益總額	(2,464)

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

As a lessee — Leases previously classified as operating leases (continued)

Impacts on transition (continued)

The lease liabilities as at 1 April 2019 reconciled to the operating lease commitments as at 31 March 2019 is as follows:

2.1 會計政策及披露之變動(續)

作為承租人 — 先前分類為經營租約之租賃(續)

過渡之影響(續)

於2019年4月1日的租賃負債與於2019年3月31日的經營租約承擔的對賬如下：

		HK\$'000 港幣千元
Operating lease commitments as at 31 March 2019	於2019年3月31日的經營租約承擔	355,603
Weighted average incremental borrowing rate as at 1 April 2019	於2019年4月1日的加權平均增量借貸利率	4.70%
Discounted operating lease commitments as at 1 April 2019	於2019年4月1日的貼現經營租約承擔	350,730
Less: Commitments relating to short-term leases and those with a remaining lease term ending on or before 31 March 2020	減：有關短期租賃及剩餘租賃期於2020年3月31日或之前屆滿的租賃承擔	(2,288)
Lease liabilities as at 1 April 2019	於2019年4月1日的租賃負債	348,442

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

簡明綜合財務報表附註(續)

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 March 2019 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 April 2019:

Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

2.1 會計政策及披露之變動(續)

新會計政策概要

截至2019年3月31日止年度的年度財務報告所披露的租賃會計政策為自2019年4月1日起採納香港財務報告準則第16號後的以下新會計政策所取代：

使用權資產

使用權資產於租賃開始日期確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就租賃負債的任何重新計量作出調整。使用權資產的成本包括已確認租賃負債金額、已發生初始直接成本及於開始日期或之前支付的租賃付款減已收取的任何租賃優惠。除非本集團合理確定於租期屆滿時取得租賃資產的所有權，否則已確認使用權資產於估計使用年期及租期(以較短者為準)內以直線法折舊。

租賃負債

租賃負債於租賃開始日期按於租期內作出的租賃付款現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於某一指數或比率的可變租賃款項及剩餘價值擔保支付下的預期應付金額。租賃付款亦包括本集團合理確定行使購買選擇權的行使價，及倘在租期內反映了本集團正行使終止選擇權時，則須就終止租賃支付的罰款。並非取決於某一指數或比率的可變租賃款項於觸發付款的事件或狀況出現期間內確認為開支。

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Summary of new accounting policies (continued)

Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

2.1 會計政策及披露之變動(續)

新會計政策概要(續)

租賃負債(續)

於計算租賃付款現值時，倘租賃中所隱含的利率不易釐定，本集團則於租賃開始日期使用增量借貸利率計算。於開始日期後，租賃負債金額增加反映利息增加，而減少則為租賃付款所致。此外，倘出現修改、指數或比率變動所產生的未來租賃付款變動、租期變動、實質固定租賃付款變動或購買相關資產的評估更改，租賃負債的賬面值將重新計量。

釐定有續租權合約的租期時所作的重大判斷

本集團將租期釐定為不可撤銷的租賃期限，連同續租權涵蓋的任何期間(倘可合理確定續租權將獲行使)或終止租賃權涵蓋的任何期間(倘可合理確定終止租賃權將不獲行使)。

本集團在評估是否合理確定行使續租權時須作出判斷。本集團考慮所有能形成經濟誘因促使其續租的相關因素。於租賃開始日期後，倘發生重大事件或情況出現重大變動而該等事件或變動在本集團的控制之內且影響其行使續租權的能力，本集團則重新評估租期。

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

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amounts recognized in the consolidated statement of financial position and profit or loss

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities, and the movements during the period:

		Right-of-use assets 使用權資產	
		Buildings 樓宇	Lease liabilities 租賃負債
		HK\$'000 港幣千元	HK\$'000 港幣千元
As at 1 April 2019	於2019年4月1日	345,629	348,442
Additions	添置	80,722	80,237
Depreciation	折舊	(94,339)	-
Interest expenses	利息開支	-	8,484
Payments	付款	-	(98,905)
Exchange realignment	匯兌調整	(2,850)	(3,524)
As at 30 September 2019	於2019年9月30日	329,162	334,734

The Group recognized rental expenses from short-term leases of HK\$18,143,000 for the six months ended 30 September 2019.

2.1 會計政策及披露之變動 (續)

於綜合財務狀況表及損益賬中確認的金額

本集團之使用權資產及租賃負債的賬面值及期內變動載列如下：

截至2019年9月30日止六個月，本集團已確認來自短期租賃的租金開支為港幣18,143,000元。

2.2 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in this interim financial report:

Amendments to HKFRS 3	<i>Definition of a Business</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
HKFRS 17	<i>Insurance Contracts</i> ²
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on its results of operations and financial position.

2.2 已頒布但未生效之香港財務報告準則

本集團尚未於本中期財務報告採用以下已頒布但未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第3號修訂本	業務之定義 ¹
香港財務報告準則第10號及香港會計準則第28號(2011)修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港財務報告準則第17號	保險合約 ²
香港會計準則第1號及香港會計準則第8號修訂本	重大性之定義 ¹

¹ 於2020年1月1日或以後開始之會計期間生效

² 於2021年1月1日或以後開始之會計期間生效

³ 尚未釐定強制生效日期惟可供採納

本集團正在評估初次應用此等新訂及經修訂香港財務報告準則之影響，惟尚未能確定此等新訂及經修訂香港財務報告準則會否對經營業績及財務狀況構成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

簡明綜合財務報表附註(續)

3.1 OPERATING SEGMENT INFORMATION

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

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

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

Wholesale Business includes wholesale sale of jewellery products to customers.

Other Businesses includes businesses other than the above.

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

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

3.1 經營分部資料

就管理而言，本集團乃按業務性質劃分業務單位，並有三個可呈報經營分部如下：

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

零售業務包括經由附有TSL | 謝瑞麟商標之實體店鋪零售銷售予消費者之珠寶產品，當中亦包括提供零售管理服務予其他零售商所收取之服務收入。

批發業務包括批發珠寶產品予客戶。

其他業務包括上述以外之業務。

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

內部銷售及轉讓乃根據銷售予第三者之售價作為通用市價。

3.1 OPERATING SEGMENT INFORMATION (continued)

3.1 經營分部資料(續)

Six months ended 30 September 2019 截至2019年9月30日止六個月		Retail Business 零售業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue	分部營業額				
Sales to external customers	銷售予外來客戶	1,218,880	326,990	81,219	1,627,089
Other revenue	其他收入	25,065	-	-	25,065
		1,243,945	326,990	81,219	1,652,154
Segment results	分部業績	669	60,217	20,666	81,552
<i>Reconciliation:</i>	<i>調節:</i>				
Unallocated expenses	未分配支出				(36,986)
Finance costs	財務費用				(29,967)
Income tax expense	所得稅費用				(13,069)
Profit for the period	本期間盈利				1,530
Six months ended 30 September 2018 截至2018年9月30日止六個月					
		Retail Business 零售業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (unaudited) (未經審核)
Segment revenue	分部營業額				
Sales to external customers	銷售予外來客戶	1,443,427	372,485	70,955	1,886,867
Other revenue	其他收入	23,168	-	-	23,168
		1,466,595	372,485	70,955	1,910,035
Segment results	分部業績	38,658	66,962	13,503	119,123
<i>Reconciliation:</i>	<i>調節:</i>				
Unallocated expenses	未分配支出				(58,483)
Finance costs	財務費用				(20,913)
Income tax expense	所得稅費用				(15,542)
Profit for the period	本期間盈利				24,185

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

3.2 GEOGRAPHICAL INFORMATION

Revenue from external customers

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Hong Kong and Macau	香港及澳門	537,129	712,198
Mainland China	中國內地	1,080,230	1,167,716
Other countries	其他國家	34,795	30,121
		1,652,154	1,910,035

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

4. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2019, the Group acquired items of property, plant and equipment with aggregate cost of HK\$47,364,000 (six months ended 30 September 2018: HK\$62,776,000). Items of property, plant and equipment with net book value of HK\$289,000 were disposed of during the six months ended 30 September 2019 (six months ended 30 September 2018: HK\$1,172,000), resulting a loss on disposal of HK\$230,000 (six months ended 30 September 2018: HK\$1,172,000).

3.2 地區資料

外來客戶營業額

上述營業額資料乃按客戶所在地區劃分。

4. 物業、廠房及設備

於截至2019年9月30日止六個月內，本集團新購了數項物業、廠房及設備，相當於港幣47,364,000元(截至2018年9月30日止六個月：港幣62,776,000元)。於截至2019年9月30日止六個月內，本集團棄置了數項賬面淨值港幣289,000元的物業、廠房及設備(截至2018年9月30日止六個月：港幣1,172,000元)，產生棄置虧損港幣230,000元(截至2018年9月30日止六個月：港幣1,172,000元)。

5. TURNOVER

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

5. 營業額

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

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
<i>Revenue from contracts with customers</i>	來自客戶合約之收益		
Sales of jewellery products	銷售珠寶首飾	1,627,089	1,886,867
Service income	服務收入	25,065	23,168
		1,652,154	1,910,035

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

5. **TURNOVER** (continued)

Revenue from contracts with customers

Disaggregated revenue information

Six months ended 30 September 2019 截至 2019 年 9 月 30 日止六個月		Retail Business 零售業務 HK\$' 000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$' 000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$' 000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$' 000 港幣千元 (unaudited) (未經審核)
Segments 分部					
Type of goods or services	貨品或服務類型				
Sales of jewellery products	銷售珠寶首飾	1,218,880	326,990	81,219	1,627,089
Service income	服務收入	25,065	-	-	25,065
Total revenue from contracts with customers	來自客戶合約之收益	1,243,945	326,990	81,219	1,652,154
Geographical markets	地區市場				
Hong Kong and Macau	香港及澳門	532,178	-	4,951	537,129
Mainland China	中國內地	677,275	326,990	75,965	1,080,230
Other countries	其他國家	34,492	-	303	34,795
Total revenue from contracts with customers	來自客戶合約之收益	1,243,945	326,990	81,219	1,652,154
Timing of revenue recognition	收益確認時間				
Goods transferred at a point in time	在貨品轉讓時	1,218,880	326,990	81,219	1,627,089
Services transferred over time	服務轉讓之一段時間內	25,065	-	-	25,065
Total revenue from contracts with customers	來自客戶合約之收益	1,243,945	326,990	81,219	1,652,154

5. **營業額** (續)

來自客戶合約之收益

分類收益資料

5. TURNOVER (continued)

Revenue from contracts with customers (continued)

Disaggregated revenue information (continued)

Six months ended 30 September 2018 截至2018年9月30日止六個月		Retail Business 零售業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Wholesale Business 批發業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Other Businesses 其他業務 HK\$'000 港幣千元 (unaudited) (未經審核)	Total 總計 HK\$'000 港幣千元 (unaudited) (未經審核)
Segments 分部					
Type of goods or services	貨品或服務類型				
Sales of jewellery products	銷售珠寶首飾	1,443,427	372,485	70,955	1,886,867
Service income	服務收入	23,168	-	-	23,168
Total revenue from contracts with customers	來自客戶合約之收益	1,466,595	372,485	70,955	1,910,035
Geographical markets		地區市場			
Hong Kong and Macau	香港及澳門	701,390	-	10,808	712,198
Mainland China	中國內地	735,591	372,485	59,640	1,167,716
Other countries	其他國家	29,614	-	507	30,121
Total revenue from contracts with customers	來自客戶合約之收益	1,466,595	372,485	70,955	1,910,035
Timing of revenue recognition		收益確認時間			
Goods transferred at a point in time	在貨品轉讓時	1,443,427	372,485	70,955	1,886,867
Services transferred over time	服務轉讓之一段時間內	23,168	-	-	23,168
Total revenue from contracts with customers	來自客戶合約之收益	1,466,595	372,485	70,955	1,910,035

5. 營業額(續)

來自客戶合約之收益(續)

分類收益資料(續)

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

6. PROFIT BEFORE TAX

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

6. 除稅前盈利

本集團之除稅前盈利已(計入)/扣除：

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$' 000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$' 000 港幣千元 (unaudited) (未經審核)
Cost of goods sold*	銷貨成本*	982,603	1,170,214
Reversal of provision for impairment of inventories*	撥備回撥存貨至可變現淨值*	(12,421)	(3,350)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32,465	26,881
Depreciation of right-of-use assets	使用權資產折舊	94,339	-
Minimum lease payments in respect of operating leases**	有關土地及樓宇之經營租賃之最低租賃付款**	-	107,304
Rental expenses from short-term leases	來自短期租賃的租金開支	18,143	-
Employee benefit expense (including directors' remuneration):	僱員福利開支(包括董事酬金)：		
Wages, salaries and other benefits	工資、薪金及其他福利	312,716	317,133
Pension scheme contributions***	法定供款退休計劃供款***	4,398	3,858
		317,114	320,991
Fair value gain on gold loans designated at fair value through profit or loss****	指定為按公平價值訂定盈虧之黃金租賃的公平價值淨收益****	-	(524)
Loss on disposal of items of property, plant and equipment	棄置物業、廠房及設備項目之虧損	230	1,172
Foreign exchange differences, net	淨匯兌差額	4,075	5,919

6. PROFIT BEFORE TAX (continued)

- * Comprising cost of sales in the interim consolidated statement of profit or loss and includes HK\$54,556,000 (2018: HK\$50,078,000) relating to employee benefit expense, depreciation, and operating lease payments, which are also included in the respective types of expenses disclosed separately above.
- ** Not including commission payments in relation to sales counters in department stores and shopping malls.
- *** At 30 September 2019, there were no forfeited contributions available to the Group to reduce its contributions to pension scheme in future years (30 September 2018: Nil).
- **** This amount was included in “Other income and gains/(losses), net” in the interim consolidated statement of profit or loss. The purpose of the above gold loans entered into by the Group was to manage the Group’s gold price exposure. Such loans did not meet the criteria for hedge accounting.

6. 除稅前盈利(續)

- * 包含在中期綜合損益賬內銷售成本以及銷售成本中包括為數港幣54,556,000元(2018年：港幣50,078,000元)的僱員福利開支、折舊及經營租賃費用，有關金額亦已分別記入以上所列各類相關開支中。
- ** 不包括支付予銷售專櫃相關的百貨公司及商場的佣金。
- *** 於2019年9月30日，本集團並無已失效供款可沖減未來年度的退休計劃供款(2018年9月30日：無)。
- **** 綜合損益賬上「其他收入及收益／(虧損)，淨額」中已包含此等金額。上述黃金租賃旨在管理本集團之黃金價格風險。該等租賃並不符合對沖會計處理之條件。

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CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合財務報表附註(續)

7. FINANCE COSTS

An analysis of finance costs is as follows:

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Interest on bank loans, overdrafts and other loans	銀行貸款，透支及其他貸款的利息	21,209	18,994
Interest on finance leases	融資租賃的利息	15	33
Interest on gold loans	黃金租賃的利息	-	332
Interest on lease liabilities	租賃負債之利息	8,484	-
Other charges	其他支出	259	1,554
		29,967	20,913

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable other than Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

7. 財務費用

財務費用之分析如下：

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Interest on bank loans, overdrafts and other loans	銀行貸款，透支及其他貸款的利息	21,209	18,994
Interest on finance leases	融資租賃的利息	15	33
Interest on gold loans	黃金租賃的利息	-	332
Interest on lease liabilities	租賃負債之利息	8,484	-
Other charges	其他支出	259	1,554
		29,967	20,913

8. 所得稅費用

香港利得稅乃根據本期間源於香港之估計應課稅盈利，按適用稅率16.5% (2018年：16.5%) 計算。本集團於香港以外經營之應課稅盈利則按其所在地的適用稅率計算稅項。

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Current — Hong Kong	本期 — 香港	3,728	1,405
Current — Other than Hong Kong	本期 — 香港以外	14,488	12,718
Deferred	遞延	(5,147)	1,419
		13,069	15,542

9. DIVIDENDS

9. 股息

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
2018/19 interim dividend of HK\$0.048 per ordinary share declared*	已宣佈派發之2018/19中期股息每股普通股港幣0.048元*	-	11,902
2017/18 second interim dividend of HK\$0.073 per ordinary share declared**	已宣佈派發之2017/18第二次中期股息每股普通股港幣0.073元**	-	18,019
2018/19 approved final dividend of HK\$0.056 per ordinary share***	2018/19已批核末期股息每股普通股港幣0.056元***	13,919	-
		13,919	29,921

The Board resolved not to declare the payment of any interim dividend for the six months ended 30 September 2019 (2018: HK\$0.048 per ordinary share).

* The 2018/19 interim dividend declared on 20 November 2018 amounted to HK\$11,902,000, of which HK\$1,102,000 was satisfied in the form of scrip shares. The dividend was paid on 7 January 2019.

** The 2017/18 second interim dividend declared on 26 April 2018 amounted to HK\$18,019,000, of which HK\$2,523,000 was satisfied in the form of scrip shares. The dividend was paid on 11 June 2018.

*** The 2018/19 final dividend approved on 11 September 2019 amounted to HK\$13,919,000, of which HK\$1,007,000 was satisfied in the form of scrip shares. The dividend was paid on 17 October 2019.

董事會議決不宣派截至2019年9月30日止六個月之中期股息(2018年：每股普通股港幣0.048元)。

* 2018年11月20日宣佈派發之2018/19中期股息總額為港幣11,902,000元，其中港幣1,102,000元之股息以代息股份方式完成派付。此股息已於2019年1月7日派付。

** 於2018年4月26日宣佈派發之2017/18第二次中期股息總額為港幣18,019,000元，其中港幣2,523,000元之股息以代息股份方式完成派付。此股息已於2018年6月11日派付。

*** 於2019年9月11日批核之2018/19末期股息總額為港幣13,919,000元，其中港幣1,007,000元之股息以代息股份方式完成派付。此股息已於2019年10月17日派付。

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

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to owners of the Company of HK\$1,568,000 (2018: HK\$24,269,000), and the weighted average number of ordinary shares of 248,551,651 (30 September 2018: 247,516,271) in issue during the Period.

No diluted earnings per shares amounts have been presented for the periods ended 30 September 2019 and 2018 as the impact of the share options outstanding had no diluting effect on the basic earnings per share amounts presented.

11. INVENTORIES

10. 本公司擁有人應佔每股盈利

每股基本盈利金額乃按本期間本公司擁有人應佔盈利港幣1,568,000元(2018年：港幣24,269,000元)及本期間已發行普通股之加權平均股數248,551,651股(2018年9月30日：247,516,271股)計算。

由於本集團發行的購股權對於每股基本盈利沒有攤薄效應，故截至2019年及2018年9月30日止六個月沒有呈現每股攤薄盈利數據。

11. 存貨

		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Raw materials	原材料	83,327	155,599
Work in progress	在製品	78,219	57,393
Finished goods	製成品	1,358,677	1,223,267
		1,520,223	1,436,259

12. TRADE RECEIVABLES

12. 應收賬款

		At 30 September 2019 於 2019 年 9 月 30 日 HK\$' 000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於 2019 年 3 月 31 日 HK\$' 000 港幣千元 (audited) (經審核)
Trade receivables	應收賬款	126,669	160,920
Impairment	減值	(14,161)	(12,804)
		112,508	148,116

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

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

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

12. TRADE RECEIVABLES (continued)

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

		At 30 September 2019	At 31 March 2019
		於 2019 年 9 月 30 日	於 2019 年 3 月 31 日
		HK\$' 000 港幣千元 (unaudited) (未經審核)	HK\$' 000 港幣千元 (audited) (經審核)
Within 1 month	1個月內	106,535	139,414
1 to 2 months	1至2個月內	2,598	2,827
2 to 3 months	2至3個月內	883	1,298
Over 3 months	超過3個月	2,492	4,577
		112,508	148,116

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

12. 應收賬款 (續)

於報告期末，應收賬款根據發票日期計算及扣除虧損撥備後之賬齡分析如下：

本集團於各報告日期使用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似損失情況(例如按地區、產品類型以及客戶類型及評級)之各個客戶分類組別之逾期天數釐定。相關計算反映可能性加權結果、貨幣之時間價值以及於報告日期可獲得有關過往事件之合理及可支持資料、當前狀況以及未來經濟狀況預測。一般而言，逾期超過一年及無須受限於強制執行活動的應收賬款會予以撇銷。

12. TRADE RECEIVABLES (continued)

Set out below is the information about the credit risk exposure as at 30 September 2019 and 31 March 2019 on the Group's trade receivables using a provision matrix:

As at 30 September 2019

		Current 即期	Past due 逾期				Total 合計
			Less than 1 month 少於一個月	1 to 2 months 1至2個月	2 to 3 months 2至3個月	Over 3 months 超過3個月	
Expected credit loss rate	預期信貸虧損率	1.5%	1.2%	1.4%	1.7%	84.9%	11.2%
Gross carrying amount (HK\$'000)	賬面總值(港幣千元)	91,504	18,375	877	1,173	14,740	126,669
Expected credit losses (HK\$'000)	預期信貸虧損(港幣千元)	1,408	213	12	20	12,508	14,161

As at 31 March 2019

		Current 即期	Past due 逾期				Total 合計
			Less than 1 month 少於一個月	1 to 2 months 1至2個月	2 to 3 months 2至3個月	Over 3 months 超過3個月	
Expected credit loss rate	預期信貸虧損率	1.6%	0.3%	1.7%	1.7%	69.0%	8.0%
Gross carrying amount (HK\$'000)	賬面總值(港幣千元)	112,688	27,926	2,753	1,897	15,656	160,920
Expected credit losses (HK\$'000)	預期信貸虧損(港幣千元)	1,835	95	46	32	10,796	12,804

12. 應收賬款(續)

下表載列於2019年9月30日及2019年3月31日本集團使用撥備矩陣計算的應收賬款的信貸風險資料：

於2019年9月30日

於2019年3月31日

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 簡明綜合財務報表附註 (續)

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

13. 預付款、其他應收款及其他資產

		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Prepayments	預付款	30,590	49,226
Deposits	按金	172,141	151,028
Right-of-return assets	退貨權資產	4,211	6,406
Other receivables	其他應收款	7,034	6,080
		213,976	212,740
Long-term prepayments and deposits classified as non-current assets	分類為非流動資產之長期 預付款及按金	(53,256)	(53,165)
		160,720	159,575

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default. The expected credit losses ("ECLs") are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. No loss allowance was provided because management estimated that the ECLs as at 30 September 2019 was minimal.

上述資產既無逾期亦無減值。上述結餘的財務資產包括近期並無違約歷史之應收賬款。預期信貸虧損乃參考本集團的歷史虧損記錄採用虧損率法估計。虧損率將於適當時候作出調整以反映現況及未來經濟情況預測。由於管理層估計2019年9月30日的預期信貸虧損極小，故並無計提虧損撥備。

14. TRADE PAYABLES

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

		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Within 1 month	1個月內	27,577	40,551
1 to 2 months	1至2個月內	39,244	51,239
2 to 3 months	2至3個月內	73,776	36,443
Over 3 months	超過3個月	123,329	96,270
		263,926	224,503

The trade payables are non-interest-bearing.

14. 應付賬款

於報告期末，應付賬款根據發票日期計算之賬齡分析如下：

應付賬款均為免息。

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CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合財務報表附註(續)

15. OTHER PAYABLES AND ACCRUALS

15. 其他應付款及應計費用

		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Other payables	其他應付款	38,748	63,830
Customer deposits	客戶訂金	132,506	82,719
Provision for liabilities	負債撥備	44,018	39,254
Contract liabilities	合約負債	23,407	22,036
Refund liabilities	退款負債	6,705	12,821
Accruals	應計費用	89,187	101,688
		334,571	322,348
Other payables and accruals classified as non-current	分類為非流動負債之其他應付款及應計費用	(4,038)	(5,770)
		330,533	316,578

Other payables and accruals are non-interest-bearing.

其他應付款及應計費用均為免息。

16. SHARE CAPITAL

16. 股本

		At 30 September 2019 於 2019 年 9 月 30 日 HK\$' 000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於 2019 年 3 月 31 日 HK\$' 000 港幣千元 (audited) (經審核)
Authorised: 1,500,000,000 ordinary shares of HK\$0.25 each	法定： 1,500,000,000 股每股面值 港幣 0.25 元之普通股	375,000	375,000
Issued and fully paid: 248,551,651 (31 March 2019: 248,551,651) ordinary shares of HK\$0.25 each	已發行及繳足： 248,551,651 股 (2019 年 3 月 31 日： 248,551,651 股) 每股面值 港幣 0.25 元之普通股	62,138	62,138

A summary of the movement in the Company's share capital is as follows:

本公司股本變動概要如下：

		Number of shares in issue 發行股份數目	Share capital 股本 HK\$' 000 港幣千元
At 1 April 2018	於 2018 年 4 月 1 日	246,836,860	61,709
Scrip issue (note 1)	代息股份 (附註 1)	1,714,791	429
At 31 March 2019, 1 April 2019 and 30 September 2019	於 2019 年 3 月 31 日、2019 年 4 月 1 日及 2019 年 9 月 30 日	248,551,651	62,138

Note 1: The scrip issue included the scrip dividends for 2017/18 second interim dividend and 2018/19 interim dividend, resulting in the issue of 1,714,791 shares for a consideration of HK\$3,625,000, representing an increase in share capital and share premium of HK\$429,000 and HK\$3,196,000, respectively.

附註 1：代息股份包括 2017/18 第二次中期股息以及 2018/19 中期股息，總發行股份數目為 1,714,791 股，總現金代價為港幣 3,625,000 元，分別代表股本增加港幣 429,000 元以及股份溢價增加港幣 3,196,000 元。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

簡明綜合財務報表附註(續)

17. SHARE OPTION SCHEME

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

Bonus Issue was completed on 4 August 2017 and bonus shares were issued under the Bonus Issue on the basis of one bonus share for every six existing shares held. As a result of the Bonus Issue, adjustments were made to the exercise price and the number of shares to be allotted and issued upon full exercise of subscription rights attaching to the outstanding share options with effect from 4 August 2017. For details, please refer to the announcement of the Company dated 4 August 2017.

There was no equity-settled share option expense during the period ended 30 September 2019 (six months ended 30 September 2018: Nil).

In 2016, the Company adopted a new share option scheme "2016 Share Option Scheme" and at the date of this report, no share option has been granted under the 2016 Share Option Scheme since it has been adopted.

17. 購股權計劃

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

於2017年8月4日完成的紅股發行，紅股按每持有六股當時的股份獲發一股紅股的基準發行。有關紅股發行會按行使價和尚未行使購股權所附之認購權後將予配發及發行之股份數目於2017年8月4日所生效的數目而作出調整。有關詳情，請參閱本公司在2017年8月4日之公告。

本集團於截至2019年9月30日止六個月並無任何購股權費用(截至2018年9月30日止六個月：無)。

在2016年，本公司採納新的購股權計劃(「2016年購股權計劃」)及截止2018年止，本公司按2016年之購股權計劃下並無授出任何購股權。

18. PLEDGE OF ASSETS

- (a) The Group entered into banking facility arrangements with a bank pursuant to which the Group's land and buildings in Hong Kong with an aggregate carrying value as at 30 September 2019 of HK\$76,407,000 (31 March 2019: HK\$77,789,000) were mortgaged by way of a first legal charge, as security for, *inter alia*, all obligations and liabilities, actual or contingent, from time to time owing by the Group to that bank (the "Previous Facilities").

On 29 March 2019, the Group entered into a facilities agreement (the "Existing Facilities") with Hang Seng Bank Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Fubon Bank (Hong Kong) Limited, United Overseas Bank Limited, Chong Hing Bank Limited and Bangkok Bank Public Company Limited, Hong Kong Branch acting as mandated lead arrangers and original lenders, pursuant to which certain loan facilities, comprising a term loan and a revolving loan, in the aggregate amount of HK\$820,000,000 has been granted. The Existing Facilities was used to repay the Previous Facilities and the Notes (as mentioned in note 18(b) below) on 26 April 2019. The legal charge of the land and buildings under Previous Facilities was released and mortgaged again under Existing Facilities by way of a first legal charge, as security for, *inter alia*, all obligations and liabilities, actual or contingent, from time to time owing by the Group to those banks.

18. 資產抵押

- (a) 本集團與一間銀行訂立銀行借貸融資安排，據此安排，本集團以第一法定押記的方式將本集團在香港的土地及樓宇於2019年9月30日總賬面值港幣76,407,000元(於2019年3月31日：港幣77,789,000元)作抵押，以作為(其中包括)本集團不時結欠該銀行之所有實際或有負債及債務之抵押品(「舊有信貸」)。

於2019年3月29日，本集團與恒生銀行有限公司、中信銀行(國際)有限公司、中國建設銀行(亞洲)股份有限公司、富邦銀行(香港)有限公司、大華銀行有限公司、創興銀行有限公司及盤谷銀行(大眾有限公司)香港分行作為受託牽頭經辦行及原借貸人，訂立一項信貸協議(「現有信貸」)。據此，借款人獲授予總額為港幣820,000,000元的若干信貸(包括定期貸款及循環貸款)。此現有信貸用作於2019年4月26日清償舊有信貸及下文附註18(b)所提述的票據。舊有信貸下之土地及樓宇法定押記已解除，並以第一法定押記的方式將土地及樓宇再作現有信貸下之抵押，以作為(其中包括)本集團不時結欠該等銀行之所有實際或有負債及債務之抵押品。

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

18. PLEDGE OF ASSETS (continued)

- (b) The Group entered into a subscription agreement with two institutional investors for senior secured notes (the “Notes”) issued by a subsidiary in Hong Kong, pursuant to which certain inventories (i.e. up to an aggregate book value of HK\$200,000,000 of raw materials, work-in-progress and finished goods) of such subsidiary were pledged by way of a first floating charge (the “Floating Charge”), as security for, *inter alia*, all obligations and liabilities, actual or contingent, from time to time owing by the Group to the two institutional investors. The Notes were fully redeemed on 26 April 2019 and the Floating Charge was consequently released.
- (c) As at 30 September 2019, time deposits of the Group denominated in RMB and totaling equivalent to approximately HK\$179,026,000 (31 March 2019: HK\$159,302,000) have been pledged to secure standby letters of credit relating to a cross border treasury arrangement.

18. 資產抵押(續)

- (b) 本集團與兩間機構投資者訂立一項認購協議，以透過一間本集團香港附屬公司向其發行優先有抵押票據(「票據」)，據此安排，本集團以第一浮動押記(「浮動押記」)的方式將其附屬公司若干存貨(總賬面值不多於港幣200,000,000元之原材料、在製品及製成品)作抵押，以作為(其中包括)本集團不時結欠該兩間機構投資者之所有實際或有負債及債務之抵押品。該票據於2019年4月26日被全部贖回，而浮動押記亦於隨後被解除。
- (c) 於2019年9月30日，本集團以人民幣作為單位及相約於港幣179,026,000元(2019年3月31日：港幣159,302,000元)之定期存款已作抵押，以取得銀行發出備用信用狀作跨境財務安排之用。

19. MATERIAL RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the period ended 30 September 2019:

(i) Purchase from related companies	從關連公司購貨
(ii) Sales to a related company	銷售予一間關連公司

Balance due to these related companies amounted to HK\$54,785,000 (31 March 2019: HK\$88,806,000).

These related companies are fellow subsidiaries of Rosy Blue Overseas Holding Limited, a preference shareholder of Partner Logistics Limited (“Partner Logistics”), whose board of directors is controlled by Mr. Tommy Tse, the ultimate controlling party and substantial shareholder of the Company.

19. 關連人士交易

- (a) 除已於本財務報表其他部分詳載之交易外，本集團於截至2019年9月30日止六個月內與其關連人士進行以下重大交易：

Six months ended 30 September 截至9月30日止六個月

2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
196,167	197,169
217,452	206,940

應付以上關連公司款項為港幣54,785,000元（於2019年3月31日：港幣88,806,000元）。

以上關連公司均為Rosy Blue Overseas Holdings Limited（其為Partner Logistics Limited（「Partner Logistics」）的優先股股東）之同系附屬公司。Partner Logistics董事會由謝達峰先生控制，彼為本公司最終控股人士以及是本公司主要股東。

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

19. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

- (iii) (i) Mr. Tse Tat Fung, Tommy (“Mr. Tommy Tse”), the spouse of Ms. Yau On Yee, Annie (“Ms. Annie Yau”), the Executive Director of the Company, has been employed by a subsidiary of the Company as the Deputy Chief Executive Officer of the Group; and (ii) Mr. Tse Sui Luen (“Mr. Tse Senior”), the father of Mr. Tommy Tse and father-in-law of Ms. Annie Yau, has been employed by a subsidiary of the Company as the Founder. During the reporting period, remuneration of HK\$1,209,000 (2018: HK\$1,874,000) and HK\$644,000 (2018: HK\$935,000) were paid to Mr. Tommy Tse and Mr. Tse Senior respectively.
- (iv) No notional charge of equity-settled share option expense (2018: Nil) were accrued for share options granted to Mr. Tommy Tse and Mr. Tse Senior respectively for the period.

The above transactions in respect of items (i), (ii) and (iv) were not continuing connected transactions under Chapter 14A of the Listing Rules. In the opinion of the directors of the Company, the transactions were carried out on normal commercial terms and in the ordinary course of business.

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

19. 關連人士交易 (續)

(a) (續)

- (iii) (i) 謝達峰先生被本公司旗下一間附屬公司聘任為副行政總裁，謝達峰先生為本公司執行董事邱安儀女士之配偶；及 (ii) 謝瑞麟先生被本公司旗下一間附屬公司聘任為創辦人，謝瑞麟先生為謝達峰先生之父親及邱安儀女士之家翁。於報告期內，分別支付謝達峰先生港幣1,209,000元(2018年：港幣1,874,000元)及謝瑞麟先生港幣644,000元(2018年：港幣935,000元)的酬金。
- (iv) 本集團於本期間並無就向謝達峰先生及謝瑞麟先生授出購股權之已計提名義股權結算計算任何購股權費用(2018年：無)。

上述第(i)、(ii)和(iv)項交易根據上市規則第14A章並不構成一項持續關連交易。本公司董事認為，該等交易在日常業務過程中按正常商業條款進行。

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

19. MATERIAL RELATED PARTY TRANSACTIONS (continued)

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

		Six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 港幣千元 (unaudited) (未經審核)	2018 2018年 HK\$'000 港幣千元 (unaudited) (未經審核)
Short term employee benefits	短期僱員福利	4,731	6,365
Post-employment benefits	僱用後福利	27	27
		4,758	6,392

19. 關連人士交易 (續)

- (b) 本集團主要管理人員酬金：

20. COMMITMENTS

At 30 September 2019, the total capital commitments in respect of items of property, plant and equipment were as follows:

		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Contracted, but not provided for	已簽約，但未作撥備	9,228	2,127

20. 承擔

於2019年9月30日，就物業、廠房及設備的資本承擔如下：

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

21. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

21. 金融工具之公平價值及公平價值等級

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

		Carrying amounts 賬面值		Fair values 公平價值	
		At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)	At 30 September 2019 於2019年 9月30日 HK\$'000 港幣千元 (unaudited) (未經審核)	At 31 March 2019 於2019年 3月31日 HK\$'000 港幣千元 (audited) (經審核)
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	905,989	786,984	905,989	786,984
Finance lease payables	應付融資租賃	344	680	344	680
		906,333	787,664	906,333	787,664

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

Fair value hierarchy:

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

Liabilities for which fair values are disclosed:

		As at 30 September 2019 於2019年9月30日			
		Fair value measurement categorised into 公平價值計量分類			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場報價 (級別1)	觀察數據 (級別2)	觀察數據 (級別3)	合計
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		港幣千元	港幣千元	港幣千元	港幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行貸款及其他貸款	-	-	905,989	905,989
Finance lease payables	應付融資租賃	-	-	344	344
		-	-	906,333	906,333

21. 金融工具之公平價值及公平價值等級 (續)

公平價值等級：

下表呈列本集團金融工具之公平價值計量等級：

按公平價值披露之負債：

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

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

Fair value hierarchy: (continued)

Liabilities for which fair values are disclosed: (continued)

21. 金融工具之公平價值及公平價值等級 (續)

公平價值等級：(續)

按公平價值披露之負債：(續)

		As at 31 March 2019 於2019年3月31日			
		Fair value measurement categorised into 公平價值計量分類			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場報價 (級別1)	重大可 觀察數據 (級別2)	重大難以 觀察數據 (級別3)	合計
		HK\$' 000 港幣千元 (audited) (經審核)	HK\$' 000 港幣千元 (audited) (經審核)	HK\$' 000 港幣千元 (audited) (經審核)	HK\$' 000 港幣千元 (audited) (經審核)
Financial liabilities	財務負債				
Interest-bearing bank and other borrowings	計息銀行貸款及 其他貸款	-	-	786,984	786,984
Finance lease payables	應付融資租賃	-	-	680	680
		-	-	787,664	787,664

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

During the sixth months ended 30 September 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (year ended 31 March 2019: Nil).

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

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

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

21. 金融工具之公平價值及公平價值等級 (續)

截至2019年9月30日止六個月內並無按公平價值計量之財務負債於級別1及級別2之間調動，及轉入或轉出級別3(截至2019年3月31日止年度：無)。

管理層已評定現金及現金等價物、定期存款、應收賬款、應付賬款、包含在預付款、其他應收款及其他資產之財務資產、包含在其他應付款及應計費用之財務負債、計息銀行及其他貸款和租賃負債的流動部份之公平價值與其賬面值相若，主要由於該等工具將於短期內到期。

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

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

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

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

The fair values of the non-current portion of interest-bearing bank and other borrowings and lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the non-current portion of finance lease payables, interest-bearing bank and other borrowings and lease liabilities as at 30 September 2019 was assessed to be insignificant.

22. APPROVAL OF INTERIM FINANCIAL REPORT

This interim financial report was approved by the board of directors on 19 November 2019.

21. 金融工具之公平價值及公平價值等級 (續)

計息銀行及其他貸款和租賃負債的非流動負債部份之公平價值乃採用現有相似條款、信貸風險及剩餘到期的工具來折算其預計未來現金流量。本集團於2019年9月30日就計息銀行及其他貸款及應付融資租賃的非流動部份面對之不履約風險被評估為非重大。黃金租賃之公平價值乃根據開放市場之價格釐定。

22. 本中期財務報告之批核

董事會於2019年11月19日，通過及批核本中期財務報告。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層之討論及分析

OVERALL FINANCIAL RESULTS

During the Period, the Group's turnover decreased by 13.5% from HK\$1,910 million (for the six-month period ended 30 September 2018) to HK\$1,652 million. The profit attributable to owners of the Company decreased by 93.5% from HK\$24.3 million (for the six-month period ended 30 September 2018) to HK\$1.6 million. Earnings per share attributable to owners of the Company were 0.6 HK cent (for the six-month period ended 30 September 2018: 9.8 HK cents).

2019 has been a challenging year for all businesses but more particularly for Hong Kong retailers beset by negative factors both global and local. The global economy has been unfavorably impacted by the prolonged trade dispute between China and the United States, adversely affecting the general consumption sentiment. The depreciation of Renminbi has brought down the spending of Mainland visitors and thus the Group's sales performance in Hong Kong, and has also shrank our earnings from Mainland China businesses in Hong Kong dollar terms. While the United States and China have resumed trade talks, the economic outlook remains gloomy and shrouded in uncertainties as a trade consensus continues to appear beyond reach.

Domestically, Hong Kong has been gripped by large-scale social unrest since late June. The weak local consumer sentiment as a result of citywide protests has made it challenging for retailers to operate. The situation was exacerbated by the significant drop in visitor arrivals, particularly tourists from Mainland China. The hardship the local retail industry is facing is likely to persist or even worsen in the remainder of this financial year. Amid the difficult business environment, the Group will manage the risks with effective cost saving measures in a prudent manner, and stay alert and respond to any future market changes as and when they occur.

整體財務業績

於本期間內，本集團之營業額由港幣1,910百萬元（截至2018年9月30日止六個月期間）減少13.5%至港幣1,652百萬元。本公司擁有人應佔盈利由港幣24.3百萬元（截至2018年9月30日止六個月期間）減少93.5%至港幣1.6百萬元。本公司擁有人應佔每股盈利為0.6港仙（截至2018年9月30日止六個月期間：9.8港仙）。

2019年對所有企業而言是充滿挑戰的一年，尤其是受到全球及本地負面因素的困擾的香港零售商。持續的中美貿易戰對整體消費意欲產生了不利影響，令全球經濟受到打擊。人民幣貶值使中國內地遊客的消費減少，從而影響了本集團於香港的銷售表現，並降低了以港元計算的中國內地業務收入。雖然中美恢復了貿易談判，但雙方達到共識的日子遙遙無期，經濟前景仍然黯淡不明。

至於香港，正受6月下旬開始的大規模社會動盪所困擾。遍佈多區的示威活動導致本地消費意欲疲弱，為零售商帶來挑戰。訪港旅客（特別是來自中國內地的遊客）人數大幅下降使情況更為惡劣。在本財政年度的餘下日子內，本地零售業現正面臨的困境很可能會持續甚至惡化。處於艱難的營商環境，本集團將通過有效降低成本的措施謹慎地管理風險，並對任何未來的市場變化保持警覺及即時就發生的變化作出應對。

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED) 管理層之討論及分析(續)

REVIEW AND OUTLOOK

Retailing Business

Hong Kong and Macau

The outbreak of citywide protests and social unrest in Hong Kong in June has, when combined with the downward economic pressure being felt from the protracted US-China trade tensions and Renminbi depreciation, all conspired to devastate our retail business in Hong Kong. Tourist numbers dropped immediately and local consumers became more cautious with their retail spending, particularly for luxury goods, resulting in the plunge of our sales performance in Hong Kong. Albeit the macroeconomic environment is unfavourable, the performance of our retail business in Macau remained stable during the Period. A decrease in turnover of 23.9% and a same store sales growth of minus 26.4% were recorded for these regions.

The Group has always been striving to improve its rental cost effectiveness. To overcome the current difficulties in Hong Kong, we will continue to optimize our store network while keeping watch on the market conditions, and to implement more cost saving initiatives including requesting landlords to provide rental reduction or relief for our retail stores and reducing operating expenses, all of which we expect to further enhance the cost effectiveness of the Group both now and into the future.

回顧及前景

零售業務

香港及澳門

香港自6月起爆發多區示威活動和社會動盪，加上長期中美貿易緊張局勢和人民幣貶值帶來的下行經濟壓力，均對我們的香港零售業務造成了破壞性影響。遊客人數迅速下降，本地消費者對零售支出(尤其是奢侈品)變得更加謹慎，重挫我們在香港的銷售表現。儘管宏觀經濟環境不景，我們的澳門零售業務於本期間內保持穩定的表現。此等地區營業額下跌23.9%，並錄得同店銷售負增長26.4%。

本集團一直致力提高租賃成本效益。面對香港現時的困境，我們將繼續優化我們的店舖網絡，同時密切留意市場狀況，並實施更多節省成本的措施，包括要求我們的零售店業主減租或豁免租金和降低營業費用，預期這些措施將進一步提高本集團現在與未來的成本效益。

REVIEW AND OUTLOOK (continued)

Retailing Business (continued)

Hong Kong and Macau (continued)

Based on our business strategies defined and store opening committed at the beginning of the financial year, we opened 3 new stores in Hong Kong during the Period, which are located at Mirador Mansion in Tsim Sha Tsui, Citygate Outlets in Tung Chung and V Walk in Nam Cheong. Under the current complicated and volatile circumstances in Hong Kong, we will take a prudent approach on our retail business development in the region for the rest of the financial year. Nevertheless, we have grasped an opportunity to open 1 new store at a prime location in Macau, which we believe will strengthen our sales network and market penetration there.

Despite the sluggish domestic economy and business downturn, we will keep adhering to the Group's brand positioning of Trendsetting Craftsmanship with high quality products and customer service. New designs of young and stylish jewellery items of the KUHASHI collection from Japan were launched this summer, which appealed to the younger generations with uniqueness. We will continue to adjust our product portfolio and business strategies in order to improve our sales performance.

Mainland China

Our retail business in Mainland China via self-operated stores accounted for 39.5% of the Group's turnover during the Period and continues to be one of the key drivers of the Group's future development. The decrease of 8.5% in turnover and the same store sales growth of minus 7.5% for this sector recorded during the Period were mainly attributed to the protracted US-China trade war with tit-for-tat tariffs, which has led to the depreciation pressure on Renminbi and the slowdown of Chinese economy. We will continue to dedicate efforts to improving the performance of our retail business in Mainland China.

回顧及前景(續)

零售業務(續)

香港及澳門(續)

基於我們於本財政年度開始時所訂立的業務策略及承諾的新店開張，我們於本期間內在香港開設了3間新店，分別位於尖沙咀美麗都大廈、東涌東薈城名店倉和南昌V Walk。在香港現時複雜多變的情況下，我們將於本財政年度的餘下日子對此地區的零售業務發展採取謹慎的態度。然而，我們把握了機會在澳門的黃金地段開設了1間新店，相信這將加強我們於澳門的銷售網絡和市場滲透率。

儘管本地經濟低迷且生意不景氣，我們將繼續透過高品質的產品和客戶服務堅持本集團「非凡工藝、潮流演繹」的品牌定位。來自日本的KUHASHI系列全新設計的年輕時尚珠寶產品於今夏推出，以獨特性吸引年輕一代。我們將不斷調整我們的產品組合和業務戰略，以提升銷售表現。

中國內地

我們在中國內地的自營店零售業務佔本集團本期間內營業額的39.5%，繼續成為推動本集團未來發展的主要驅動力之一。由於中美貿易戰和兩國針鋒相對的關稅措施持續不斷，引致人民幣貶值壓力和中國經濟放緩，這部分業務於本期間內的營業額下跌8.5%，並錄得同店銷售負增長7.5%。我們將繼續致力改善我們在中國內地的零售業務表現。

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

管理層之討論及分析(續)

REVIEW AND OUTLOOK (continued)

Retailing Business (continued)

Mainland China (continued)

During the Period, 7 new self-operated stores and 41 new franchised stores were opened, resulting in a net increase of our total number of stores in Mainland China to 448. Going forward, we will take a cautious approach and optimize our retail network in Mainland China with the volatile market conditions being taken into consideration.

Capitalizing on the prevalence of e-commerce and the increasing spending power and demand for jewellery in the youth market, the performance of our existing official website for mobile users in Mainland China since its successful launch last year was in line with our expectation. We will continuously refine our online strategy in order to further boost the online-to-offline and offline-to-online business opportunities for the Group.

Malaysia

Following the grand opening of our new retail store at the Mid Valley Southkey Megamall in April 2019, our retail business in Malaysia has recorded an increase in sales of 16.5% during the Period. The number of our retail stores in Malaysia has reached 6 in total by the end of the Period. Looking ahead, the Group will remain prudent while striving to maintain brand presence in regions beyond Greater China.

Wholesale Business

The turnover of our wholesale business has been steadily increasing since the adoption of our franchising model. During the Period, 41 new franchised stores were opened, bringing the total number of franchised stores to 246 as at the end of the Period. We will continue to carefully look for appropriate business partners who share our values and to facilitate the steady growth of our wholesale business.

回顧及前景(續)

零售業務(續)

中國內地(續)

7間新自營店和41間新加盟店於本期間內開業，使我們在中國內地的店舖總數淨增至448間。展望未來，考慮到市場狀況波動，我們將採取審慎態度優化我們在中國內地的零售網絡。

憑藉電子商貿普及化及年輕市場日益增加的消費能力和對珠寶的需求，我們為中國內地流動電話用戶而設的現有官方網站自去年成功推出後，表現一直符合預期。我們會繼續完善我們的網上策略，以進一步擴展本集團線上到線下和線下到線上的商機。

馬來西亞

繼我們於2019年4月在Mid Valley Southkey Megamall的新零售店舖開業後，我們在馬來西亞零售業務的銷售額於本期間內錄得16.5%的增長，而截至本期間末我們在馬來西亞的零售店舖數目已達到6間。展望未來，本集團將繼續保持謹慎，努力在大中華區以外的地區維持品牌知名度。

批發業務

自採用特許經營模式以來，我們的批發業務營業額一直穩步上升。本期間內，本集團開設了41間新加盟店，令截至本期間末的加盟店總數達到246間。我們將繼續謹慎地尋找與我們擁有相同理念、合適的業務合作夥伴，以促進批發業務的穩定增長。

REVIEW AND OUTLOOK (continued)

Other Businesses

Online shopping has become embedded in daily life in the new era of retail. Riding on this global trend, our e-business has maintained healthy growth in recent years. The Group recorded a 27.7% period-on-period increase in the turnover of e-business. We believe that this sector will grow to be a significant source of revenue for the Group going forward. Encouraged by the great response received from the Group's official website for Mainland China, we are working on developing an official website for Hong Kong and establishing our online presence on e-business platforms in order to further facilitate the online-to-offline and offline-to-online retail practice.

FINANCIAL STRUCTURE

Capital expenditure, comprising mainly store renovation and expansion, furniture & fixtures and machinery, incurred during the Period amounted to approximately HK\$47.4 million (for the six-month period ended 30 September 2018: HK\$63 million), and was mainly financed by borrowings and funds generated from internal resources.

As at 30 September 2019, the Group's total interest-bearing liabilities increased from HK\$784 million as at 30 September 2018 to approximately HK\$906 million, which included current interest-bearing bank and other borrowings of HK\$269 million and finance lease payables of HK\$0.3 million and also non-current interest-bearing bank and other borrowings of HK\$637 million. Net borrowings (total interest-bearing liabilities less cash and cash equivalents and time deposits) decreased from HK\$443 million (as at 30 September 2018) to HK\$442 million.

Internally generated funding and borrowings have mainly been applied during the Period to finance the enhancement of the Group's inventory, the opening of new stores and capital expenditure incurred.

回顧及前景(續)

其他業務

新零售時代下，網上購物已融入日常生活。在此全球趨勢的帶動下，我們的電子商貿業務於近年一直穩健發展。本集團電子商貿業務錄得比去年同期增加27.7%的營業額。我們相信這部分業務將成為本集團未來的重要收入來源。受本集團的中國內地官方網站獲得熱烈回響所鼓舞，我們正籌備香港官方網站的開發，並透過電子商貿平台建立品牌的網上知名度，以進一步推動線上到線下和線下到線上的零售業務。

財務結構

於本期間內，資本開支合共約港幣47.4百萬元(截至2018年9月30日止六個月期間：港幣63百萬元)，主要用於店舖翻新及擴充、傢具、裝置及機器。該等資本開支大部份透過借貸及內部資源取得的資金撥資。

截至2019年9月30日，本集團之計息負債由2018年9月30日之港幣784百萬元增加至約港幣906百萬元，其中包括港幣269百萬元的流動計息銀行及其他貸款、港幣0.3百萬元的應付融資租賃以及港幣637百萬元的非流動計息銀行及其他貸款。淨借貸(總計息負債減現金及現金等價物以及定期存款)由港幣443百萬元(截至2018年9月30日)減至港幣442百萬元。

本期間內透過內部資源及借貸取得的資金，大部份用於提升本集團庫存質素、新店開設及資本開支等方面。

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

管理層之討論及分析(續)

FINANCIAL STRUCTURE (continued)

The net gearing ratio (the ratio of total interest-bearing liabilities (less cash and cash equivalents and time deposits) to total equity) maintained at a healthy level of 44% during the Period (for the six-month period ended 30 September 2018: 43%). All borrowings of the Group are denominated in Hong Kong dollars or Renminbi. Interest on bank borrowings is calculated on either the inter-bank interest rate or the prime rate or the benchmark interest rate.

As at 30 September 2019, the Group had time deposits, cash and bank balances, and undrawn borrowing facilities of approximately HK\$465 million and HK\$299 million respectively which, in the opinion of the Directors, should be sufficient to meet the Group's present working capital requirements.

In 2016, certain subsidiaries of the Company as borrowers together with the Company as guarantor entered into a five-year syndicated loan facilities agreement with four leading international financial institutions, pursuant to which term loan facilities in the aggregate amount of HK\$573 million (the "Facilities"), inclusive of an exercised greenshoe option upside of HK\$23 million, was granted to the borrowers for a term of 5 years from the date of the first utilisation of the Facilities. On 26 April 2019, all outstanding amount arising from the Facilities was fully repaid.

In 2016, the Company as guarantor and its indirectly wholly-owned subsidiary as issuer entered into a subscription agreement with two institutional investors for the senior secured notes in an aggregate principal amount of up to HK\$200 million maturing on the second anniversary of the issue date of the Notes. The Notes had been extended for a further term of one year in 2018. On 26 April 2019, all outstanding amount due from the Notes was repaid and the Notes was fully redeemed.

財務結構(續)

本期間內淨負債比率(即計息負債總額(減現金及現金等價物以及定期存款)與權益總額之比率)維持於44%的健康水平(截至2018年9月30日止六個月期間:43%)。本集團全部借貸均以港幣或人民幣為單位。銀行借貸之利息按銀行同業拆息或最優惠利率或基準利率計算。

截至2019年9月30日,本集團之定期存款、現金及銀行結餘以及未動用銀行信貸分別約為港幣465百萬元及港幣299百萬元,董事認為足以應付本集團目前營運資金需求。

於2016年,本公司若干附屬公司作為借款人及本公司作為擔保人與四間主要國際銀行訂立一項五年期銀團貸款信貸協議。據此,借款人獲授予總額為港幣573百萬元的定期貸款(「該信貸」),其中包括獲行使的港幣23百萬元超額貸款,自首次提用該信貸之日起,為期五年。於2019年4月26日,所有由該信貸產生的未償還金額已全額提前清償。

於2016年,本公司作為擔保人及其一間間接全資附屬公司作為發行人與兩間機構投資者訂立一項有關本金總額最高為港幣200百萬元並於票據發行日期起計第二個週年日到期之優先有抵押票據之認購協議。該票據於2018年進一步延長了一年。於2019年4月26日,所有由該票據產生的應付及未償還的款項已全數清償,該票據亦已全部贖回。

FINANCIAL STRUCTURE (continued)

On 29 March 2019, certain subsidiaries of the Company as borrowers together with the Company and its subsidiary as guarantors entered into a facilities agreement with seven leading international financial institutions, pursuant to which term loan and revolving loan facilities in the aggregate amount of HK\$820 million (the “New Facilities”) was granted to the borrowers for a term of 3.5 years from the date of the first utilisation of the New Facilities.

The Board is of the opinion that entering into the facilities and subscription agreements provides a stabilized basis of general working capital to the Group.

EXCHANGE RATES

During the Period, the transactions of the Group were mainly denominated in Hong Kong dollars, Renminbi and United States dollars. Renminbi is not a freely convertible currency and any significant exchange rate fluctuation of Renminbi may have financial impacts on the Group. The Board believes that such foreign exchange exposure is manageable by using natural hedges that arise from holding assets and liabilities denominated in the same foreign currencies, and that the Group’s exposure to foreign exchange fluctuation remains minimal. We will continue to closely monitor the Group’s foreign exchange position.

CHARGE ON GROUP ASSETS AND CONTINGENT LIABILITIES

Charge on the Group’s assets during the Period is disclosed in note 18 to the interim condensed consolidated financial statements whereas the Group did not have any material contingent liabilities which have not been provided for in the financial statements as at 30 September 2019 (as at 30 September 2018: Nil).

財務結構(續)

於2019年3月29日，本公司若干附屬公司作為借款人連同本公司及其附屬公司作為擔保人與七間主要國際銀行訂立一項信貸協議。據此，借款人獲授予總額為港幣820百萬元的定期貸款及循環貸款(「該新信貸」)，自首次提用該新信貸之日起，為期3.5年。

董事會認為該等信貸及認購協議之簽訂為本集團提供穩定流動資金。

匯率

本集團於本期間內主要以港元、人民幣及美元為交易單位。人民幣並非可自由兌換的貨幣，而任何重大的人民幣匯率波動可能對本集團造成財務影響。董事會認為此等外匯風險易於管理，可透過持有以相同外幣計價的資產和負債產生自然對沖，因此匯率波動對本集團的影響維持輕微。我們將繼續密切監控本集團的外匯狀況。

集團資產抵押及或有負債

於本期間內，本集團資產抵押於中期簡明綜合財務報表附註18中披露。截至2019年9月30日，本集團並無任何重大或有負債未於財務報表中撥備(截至2018年9月30日：無)。

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

管理層之討論及分析(續)

HUMAN RESOURCES

As at 30 September 2019, the total number of employees of the Group was approximately 3,260 (as at 30 September 2018: 3,170). The change was mainly due to the Group's business strategy with due regard to the market conditions. There were no major changes in human resources policies.

The Company offers competitive remuneration packages including salary, allowances, and discretionary bonus. Employees are rewarded on a performance basis with reference to market rates. To provide incentive or rewards to the employees, the Company has adopted a share option scheme, particulars of which are set out in the section headed "Share Option Scheme" of this interim report. Other employee benefits include medical cover and subsidies for job-related continuing education. Retail frontline staff are provided with formal on-the-job training by internal senior staff and external professional trainers. There are discussion forum and in-house seminars for experience sharing.

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

人力資源

截至2019年9月30日，本集團共聘用約3,260名僱員（截至2018年9月30日：3,170名）。該變動主要因應本集團經適當考慮市況後的業務策略而訂。人力資源政策並無重大變動。

本公司向員工提供具有競爭力的薪酬待遇，其中包括薪金、津貼及酌情花紅。僱員待遇按工作表現及參考市場水平釐定。為激勵或獎勵僱員，本公司已採納一項購股權計劃，有關詳情載於本中期報告「購股權計劃」一節。其他僱員福利包括醫療保險及工作相關持續進修津貼。內部高級職員及外聘專業導師會向前線零售員工提供正統在職培訓。公司內部亦舉辦經驗分享會議及研討會。

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

INTERIM DIVIDEND

中期股息

The Board resolved not to pay an interim dividend in respect of the six months ended 30 September 2019 (for the six-month period ended 30 September 2018: 4.8 HK cents per ordinary share).

董事會議決不派發截至2019年9月30日止六個月之中期股息(截至2018年9月30日止六個月期間：每股普通股港幣4.8仙)。

OTHER INFORMATION

其他資料

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

As at 30 September 2019, the interests and short positions of the Directors and chief executive and/or their respective associates of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉

截至2019年9月30日，董事及本公司最高行政人員及／或彼等各自之任何聯繫人士擁有須根據證券及期貨條例(「證券及期貨條例」)第XV部第7及8分部知會本公司及聯交所的本公司或其任何相聯法團(按證券及期貨條例第XV部之定義)股份、相關股份及債權證的權益及淡倉(包括根據證券及期貨條例有關條文已接受或被視為已接受的權益及淡倉)，或須根據證券及期貨條例第352條登記於由本公司存置之登記冊，或須根據上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所的本公司或其任何相聯法團(按證券及期貨條例第XV部之定義)股份、相關股份及債權證的權益及淡倉如下：

OTHER
INFORMATION (CONTINUED)
 其他資料(續)

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

董事及最高行政人員於本公司之股份、相
 關股份及債權證的權益及淡倉(續)

- (i) Interests and long positions in ordinary shares of the Company (i) 於本公司的普通股之權益及好倉

Name of Director 董事姓名	Ordinary shares of HK\$0.25 each 每股面值港幣0.25元的普通股					Approximate percentage of total issued share capital* 佔已發行 股本總數 概約百分比*
	Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益	Derivative interest (share options) 衍生工具權益 (購股權)	Other interest 其他權益	
Yau On Yee, Annie 邱安儀	126,128	180,375,328 (Note 附註1)	-	1,411,666 (Note 附註2)	-	73.75%
		5,043 (Note 附註1)		1,411,666 (Note 附註2)		
* The percentage was calculated based on 248,551,651 ordinary shares of the Company in issue as at 30 September 2019.				* 百分比是按截至2019年9月30日本公司已發行248,551,651股普通股計算。		

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

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

Notes:

- 180,375,328 ordinary shares of the Company are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy, the spouse of Ms. Yau On Yee, Annie, an executive Director. By virtue of the SFO, Ms. Yau On Yee, Annie is deemed to be interested in all the shares of the Company held by Partner Logistics Limited.
5,043 ordinary shares of the Company are held by Mr. Tse Tat Fung, Tommy. By virtue of the SFO, Ms. Yau On Yee, Annie is deemed to be interested in all the shares of the Company held by Mr. Tse Tat Fung, Tommy.
- Duplication occurred in respect of the same blocks of share options as separately set out under section (ii) "Interests and long positions in underlying shares of the Company".
- Upon receipt of scrip shares on 17 October 2019 as to the final dividend for the year ended 31 March 2019, Ms. Yau On Yee, Annie's personal interest in the number of ordinary shares increased to 130,553, family interest in the number of ordinary shares increased to 180,696,994, in which 180,691,775 ordinary shares were held by Partner Logistics Limited and 5,219 ordinary shares were held by Mr. Tse Tat Fung, Tommy.

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉 (續)

(i) 於本公司的普通股之權益及好倉 (續)

附註：

- 本公司180,375,328股普通股乃由Partner Logistics Limited持有，該公司由謝達峰先生（為執行董事邱安儀女士之配偶）全資實益擁有之Blink Technology Limited擁有及控制。根據證券及期貨條例，邱安儀女士被視為持有由Partner Logistics Limited於本公司持有之所有股份之權益。
本公司5,043股普通股乃由謝達峰先生持有。根據證券及期貨條例，邱安儀女士被視為持有由謝達峰先生於本公司持有之所有股份之權益。
- 購股權一項重列於(ii)「於本公司相關股份的權益及好倉」一節。
- 於2019年10月17日以代息股份收取截至2019年3月31日止年度之末期股息後，邱安儀女士持有之個人權益增加至130,553股普通股，而家族權益增加至180,696,994股普通股，其中180,691,775股普通股由Partner Logistics Limited持有及5,219股普通股由謝達峰先生持有。

OTHER
INFORMATION (CONTINUED)
其他資料(續)

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

董事及最高行政人員於本公司之股份、相
關股份及債權證的權益及淡倉(續)

(ii) Interests and long positions in underlying shares of the Company

(ii) 於本公司相關股份的權益及好倉

Details of the Director who had interests in options to subscribe for ordinary shares of the Company during the Period were set out as follows:

董事於本期間持有可認購本公司普通股股份的購股權權益的詳情如下：

Name of Director	Date of Grant (dd/mm/yyyy)	Number of share options 購股權的數目					Outstanding as at 30 September 2019	Adjusted exercise price per share (Note 1) 經調整之 每股行使 價格(附註1)	Exercise period (dd/mm/yyyy)
		Outstanding as at 1 April 2019	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period			
董事姓名	授出日期 (日/月/年)	於2019年 4月1日結餘	本期間內授出	本期間內行使	本期間內註銷	本期間內失效	截至2019年 9月30日結餘		行使期 (日/月/年)
Yau On Yee, Annie 邱安儀	01/03/2013	1,411,666	-	-	-	-	1,411,666	HK\$3.54 港幣3.54元	15%: 01/09/2014 – 29/02/2020 15%: 01/03/2015 – 29/02/2020 30%: 01/03/2016 – 29/02/2020 40%: 01/03/2017 – 29/02/2020

Notes:

- On 19 July 2017, an ordinary resolution was duly passed by the shareholders at the annual general meeting of the Company to approve the issuance of bonus shares on the basis of one bonus share for every six existing ordinary shares ("Bonus Issue"). As a result of the Bonus Issue, adjustments were made to the exercise price and the number of shares to be allotted and issued upon full exercise of subscription rights attaching to the outstanding share options with effect from 4 August 2017. For details of the adjustments, please refer to the announcement of the Company dated 4 August 2017.
- The vesting period of the share options is from the date of grant until the commencement of exercise period.

附註：

- 於2017年7月19日，股東於本公司之股東週年大會上正式通過一項普通決議案，以批准進行按每六股現有普通股股份發行一股紅股之基準發行紅股（「紅股發行」）。由於紅股發行，尚未行使購股權之行使價格及該等購股權所附認購權獲全面行使時將予配發及發行之股份數目已被調整，自2017年8月4日起生效。有關調整詳情，請參閱本公司於2017年8月4日之公告。
- 購股權之歸屬期為授出日期起直至行使期開始為止。

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

Save as disclosed above and in the section headed "Share Option Scheme", as at 30 September 2019, none of the Directors, chief executive and their respective associates of the Company had any other interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which required notification to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Director or chief executive of the Company is taken or deemed to have taken under such provisions of the SFO); or which were required pursuant to section 352 of the SFO to be entered in the register maintained by the Company; or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

As at 30 September 2019, the interests, all being long positions, of any substantial shareholders or other persons (not being Directors or chief executive of the Company) in the shares and/or underlying shares of the Company which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉 (續)

除上文及「購股權計劃」一節所披露者外，截至2019年9月30日止，概無董事、本公司的最高行政人員及彼等之聯繫人士於本公司或其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部之規定須知會本公司及聯交所之權益及淡倉（包括任何董事或本公司的最高行政人員於證券及期貨條例的規定下已接受或被視為已接受的權益及淡倉），或須根據證券及期貨條例第352條登記於由本公司存置之登記冊，或須根據標準守則知會本公司及聯交所之權益及淡倉。

主要股東及其他人士於本公司股份及相關股份的權益與淡倉

截至2019年9月30日，任何主要股東或其他人士（並非董事或本公司的最高行政人員）在本公司股份及／或相關股份中擁有已根據證券及期貨條例第XV部第2及3分部的規定向本公司作出披露，及已根據證券及期貨條例第336條須記入本公司備存的登記冊內的權益（均為好倉）如下：

OTHER
INFORMATION (CONTINUED)
 其他資料(續)

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

主要股東及其他人士於本公司股份及相關股份的權益與淡倉(續)

		Ordinary shares of HK\$0.25 each 每股面值港幣0.25元的普通股		
Name	Capacity	Number of share options	Number of ordinary shares	Approximate percentage of total issued share capital*
名稱	身份	購股權數目	普通股股份數目	佔已發行股本總數概約百分比*
(i) Partner Logistics Limited (Note 附註1)	Beneficial owner 實益擁有人	-	180,375,328	72.57%
(ii) Blink Technology Limited (Note 附註1)	Interest of controlled corporation 受控制公司權益	-	180,375,328	72.57%
(iii) Tse Tat Fung, Tommy (Note 附註1) 謝達峰	Interest of controlled corporation 受控制公司權益	-	180,375,328	73.75%
	Interest of spouse 配偶擁有權益	1,411,666	126,128	
	Beneficial owner 實益擁有人	1,411,666	5,043	
(iv) Rosy Blue Overseas Holdings Limited (Note 附註2)	Interest of controlled corporation 受控制公司權益	-	180,375,328	72.57%
(v) Rosy Blue Jewellery (HK) Limited (Note 附註2)	Interest of controlled corporation 受控制公司權益	-	180,375,328	72.57%
(vi) Prime Investments S.A. (Note 附註2)	Interest of controlled corporation 受控制公司權益	-	180,375,328	72.57%
(vii) Rosy Blue Investments S.à.R.L. (Note 附註2)	Interest of controlled corporation 受控制公司權益	-	180,375,328	72.57%
(viii) Elmas Hong Kong Limited (Note 附註2)	Trustee 信託人	-	180,375,328	72.57%
(ix) Viraj Rusell Mehta (Note 附註2)	Settlor of discretionary trust 酌情信託之財產授予人	-	180,375,328	72.57%

* The percentage was calculated based on 248,551,651 ordinary shares of the Company in issue as at 30 September 2019.

* 百分比是按截至2019年9月30日本公司已發行248,551,651股普通股計算。

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

Notes:

- 180,375,328 ordinary shares of the Company are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Blink Technology Limited is wholly and beneficially owned by Mr. Tse Tat Fung, Tommy, the spouse of Ms. Yau On Yee, Annie, an executive Director. By virtue of the SFO, Blink Technology Limited, Ms. Yau On Yee, Annie (her deemed interest is disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company") and Mr. Tse Tat Fung, Tommy are deemed to be interested in all the shares of the Company held by Partner Logistics Limited.

126,128 ordinary shares of the Company are held by Ms. Yau On Yee, Annie. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in all the shares of the Company held by Ms. Yau On Yee, Annie.

1,411,666 share options of the Company are held by Ms. Yau On Yee, Annie. By virtue of the SFO, Mr. Tse Tat Fung, Tommy is deemed to be interested in all the share options of the Company held by Ms. Yau On Yee, Annie.

Another 1,411,666 share options and 5,043 ordinary shares of the Company are held by Mr. Tse Tat Fung, Tommy.

主要股東及其他人士於本公司股份及相關股份的權益與淡倉(續)

附註：

- 本公司180,375,328股普通股乃由Partner Logistics Limited持有，該公司由謝達峰先生（為執行董事邱安儀女士之配偶）全資實益擁有之Blink Technology Limited擁有及控制。根據證券及期貨條例，Blink Technology Limited、邱安儀女士（彼被視為持有股份之權益之詳情載於「董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉」一節）及謝達峰先生被視為持有由Partner Logistics Limited於本公司持有之所有股份之權益。

本公司126,128股普通股乃由邱安儀女士持有。根據證券及期貨條例，謝達峰先生被視為持有由邱安儀女士於本公司持有之所有股份之權益。

本公司1,411,666股份之購股權乃由邱安儀女士持有。根據證券及期貨條例，謝達峰先生被視為持有由邱安儀女士於本公司持有之所有購股權之權益。

本公司另外1,411,666股份之購股權及5,043股普通股由謝達峰先生持有。

OTHER INFORMATION (CONTINUED)

其他資料(續)

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

Notes: (continued)

- These ordinary shares of the Company, relating to the same block of shares mentioned in note 1 above, are held by Partner Logistics Limited, a company which is owned and controlled by Blink Technology Limited. Rosy Blue Overseas Holdings Limited is the preference shareholder of Partner Logistics Limited. Rosy Blue Overseas Holdings Limited is wholly owned by Rosy Blue Jewellery (HK) Limited, which in turn is wholly owned by Prime Investments S.A.. Prime Investments S.A. is wholly owned by Rosy Blue Investments S.à.R.L., which in turn is wholly owned by Elmas Hong Kong Limited. Mr. Viraj Rusell Mehta is the settlor of a discretionary trust (the "Trust"), which in turns holds the interest in Rosy Blue Investments S.à.R.L. through Elmas Hong Kong Limited, as trustee of the Trust. By virtue of the SFO, each of Rosy Blue Overseas Holdings Limited, Rosy Blue Jewellery (HK) Limited, Prime Investments S.A., Rosy Blue Investments S.à.R.L., Elmas Hong Kong Limited and Mr. Viraj Rusell Mehta, is deemed to be interested in all the shares of the Company held by Partner Logistics Limited.
- Upon receipt of scrip shares on 17 October 2019 as to the final dividend for the year ended 31 March 2019, the number of ordinary shares in which each of Partner Logistics Limited, Blink Technology Limited, Rosy Blue Overseas Holdings Limited, Rosy Blue Jewellery (HK) Limited, Prime Investments S.A., Rosy Blue Investments S.à.R.L., Elmas Hong Kong Limited and Mr. Viraj Rusell Mehta is interested in was increased to 180,691,775.

主要股東及其他人士於本公司股份及相關股份的權益與淡倉(續)

附註：(續)

- 此等本公司普通股為上述附註1所提及的由 Partner Logistics Limited 持有之相同股份，該公司由 Blink Technology Limited 擁有及控制。Rosy Blue Overseas Holdings Limited 為 Partner Logistics Limited 的優先股股東，Prime Investments S.A. 透過其全資擁有的 Rosy Blue Jewellery (HK) Limited 全資擁有 Rosy Blue Overseas Holdings Limited。而 Elmas Hong Kong Limited 則透過其全資擁有的 Rosy Blue Investments S.à.R.L. 全資擁有 Prime Investments S.A.。Viraj Rusell Mehta 先生乃一項酌情信託(「信託」)之財產授予人，透過 Elmas Hong Kong Limited (信託之信託人) 全資擁有 Rosy Blue Investments S.à.R.L.。根據證券及期貨條例，Rosy Blue Overseas Holdings Limited、Rosy Blue Jewellery (HK) Limited、Prime Investments S.A.、Rosy Blue Investments S.à.R.L.、Elmas Hong Kong Limited 及 Viraj Rusell Mehta 先生均被視為持有由 Partner Logistics Limited 於本公司持有之所有股份之權益。
- 於2019年10月17日以代息股份收取截至2019年3月31日止年度之末期股息後，Partner Logistics Limited、Blink Technology Limited、Rosy Blue Overseas Holdings Limited、Rosy Blue Jewellery (HK) Limited、Prime Investments S.A.、Rosy Blue Investments S.à.R.L.、Elmas Hong Kong Limited 及 Viraj Rusell Mehta 先生持有之權益分別增加至 180,691,775 股普通股。

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

Notes: (continued)

4. Upon receipt of scrip shares on 17 October 2019 as to the final dividend for the year ended 31 March 2019, Mr. Tse Tat Fung, Tommy's personal interest in the number of ordinary shares increased to 5,219, spouse interest in the number of ordinary shares increased to 130,553 and interest in the number of ordinary shares via Partner Logistics Limited and Blink Technology Limited increased to 180,691,775.

Save as disclosed above and in the section headed "Share Option Scheme", as at 30 September 2019, the Company had not been notified of any persons who had interests or short positions in the shares and/or underlying shares of the Company, which were required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

主要股東及其他人士於本公司股份及相關股份的權益與淡倉 (續)

附註：(續)

4. 於2019年10月17日以代息股份收取截至2019年3月31日止年度之末期股息後，謝達峰先生持有之個人權益增加至5,219股普通股，透過其配偶擁有之權益增加至130,553股普通股，而透過Partner Logistics Limited及Blink Technology Limited擁有之權益增加至180,691,775股普通股。

除上文及「購股權計劃」一節所披露者外，截至2019年9月30日止，本公司並無獲任何人士通知，具擁有須根據證券及期貨條例第336條備存於本公司的登記冊內的本公司股份及／或相關股份之權益或淡倉。

OTHER INFORMATION (CONTINUED) 其他資料(續)

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

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

- Ms. Ng Yi Kum, Estella, an executive Director, has been appointed as an independent non-executive director of CT Vision (International) Holdings Limited (formerly known as Win Win Way Construction Holdings Ltd.) (stock code: 994), the shares of which are listed on the Stock Exchange, with effect from 16 July 2019. She has also been appointed as an independent non-executive director of CMGE Technology Group Limited (stock code: 302) with effect from 20 September 2019, a company the shares of which are listed on the Stock Exchange since 31 October 2019. Besides, she has ceased to be an independent non-executive director of China Power Clean Energy Development Company Limited (stock code: 735), the shares of which were listed on the Stock Exchange until they were delisted on 20 August 2019, with effect from 26 October 2019.
- The emoluments of each of Mr. Huang Erwin Steve, a non-executive Director, and the independent non-executive Directors, namely Mr. Chui Chi Yun, Robert, Mr. Chan Yue Kwong, Michael and Mr. Chow Chee Wai, Christopher, increased from HK\$180,000 to HK\$216,000 per annum with effect from 1 April 2019.

根據上市規則第13.51B(1)條的董事資料 變動

根據上市規則第13.51B(1)條，董事之資料變動如下：

- 執行董事伍綺琴女士，自2019年7月16日起，獲委任為中天宏信(國際)控股有限公司(前稱為恆誠建築控股有限公司)(股份代號：994)之獨立非執行董事，該公司之股份於聯交所上市。彼亦於2019年9月20日獲委任為中手游科技集團有限公司(股份代號：302)之獨立非執行董事，該公司之股份自2019年10月31日起於聯交所上市。此外，彼自2019年10月26日起不再出任中國電力清潔能源發展有限公司(股份代號：735)之獨立非執行董事，該公司之股份曾於聯交所上市直至2019年8月20日被除牌。
- 非執行董事黃岳永先生及各獨立非執行董事(即崔志仁先生、陳裕光先生及周治偉先生)的酬金分別由每年港幣180,000元增加至港幣216,000元，自2019年4月1日起生效。

SHARE OPTION SCHEME

The share option scheme adopted by the Company on 26 November 2003 (the “2003 Share Option Scheme”) was expired on 25 November 2013, and the Company adopted a new share option scheme at its annual general meeting held on 21 July 2016 (the “2016 Share Option Scheme”). Unless otherwise cancelled or amended, the 2016 Share Option Scheme will remain in force for 10 years from the said adoption date. As at the date of this report, no share option has been granted under the 2016 Share Option Scheme since it has been adopted.

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

購股權計劃

本公司於2003年11月26日採納之購股權計劃（「2003年購股權計劃」）已於2013年11月25日屆滿，而本公司於2016年7月21日召開之股東週年大會上採納了一項新購股權計劃（「2016年購股權計劃」）。除另有註銷或修訂者外，2016年購股權計劃將從該採納日起計10年內保持有效。自採納2016年購股權計劃至本報告日期為止，概無根據2016年購股權計劃授出購股權。

2003年購股權計劃屆滿後，將不會據此進一步授出購股權，惟2003年購股權計劃之條文於所有其他方面均仍然具約束力，而其屆滿前所授出之購股權仍然維持有效及可據此予以行使。

OTHER
INFORMATION (CONTINUED)
其他資料(續)

SHARE OPTION SCHEME (continued)

The movements in the share options under the 2003 Share Option Scheme during the Period were set out as follows:

購股權計劃(續)

於本期間內，根據2003年購股權計劃而授出的購股權變動情況載列於下表：

Name or category of participant	Date of grant (dd/mm/yyyy)	Number of share options 購股權數目					Outstanding as at 30 September 2019 截至2019年9月30日結餘	Adjusted exercise price per share (Note 1) 經調整之每股行使價格(附註1)	Exercise period (dd/mm/yyyy) 行使期(日/月/年)
		Outstanding as at 1 April 2019 於2019年4月1日結餘	Granted during the Period 本期間內授出	Exercised during the Period 本期間內行使	Cancelled during the Period 本期間內註銷	Lapsed during the Period 本期間內失效			
Substantial shareholder									
主要股東									
Tse Tat Fung, Tommy 謝達峰	01/03/2013	1,411,666	-	-	-	-	1,411,666	HK\$3.54 港幣 3.54 元	15%: 01/09/2014-29/02/2020 15%: 01/03/2015-29/02/2020 30%: 01/03/2016-29/02/2020 40%: 01/03/2017-29/02/2020
Sub-total 小計		1,411,666	-	-	-	-	1,411,666		
Associate of Director/ substantial shareholder									
董事/主要股東的聯繫人									
Tse Sui Luen 謝瑞麟 (Note 附註2)	01/03/2013	933,333	-	-	-	-	933,333	HK\$3.54 港幣 3.54 元	15%: 01/09/2014-29/02/2020 15%: 01/03/2015-29/02/2020 30%: 01/03/2016-29/02/2020 40%: 01/03/2017-29/02/2020
Sub-total 小計		933,333	-	-	-	-	933,333		
Employees									
僱員									
In aggregate 合計 (Note 附註3)	01/03/2013	2,345,001	-	-	-	-	2,345,001	HK\$3.54 港幣 3.54 元	15%: 01/09/2014-29/02/2020 15%: 01/03/2015-29/02/2020 30%: 01/03/2016-29/02/2020 40%: 01/03/2017-29/02/2020
Sub-total 小計		2,345,001	-	-	-	-	2,345,001		
Service providers									
服務供應商									
In aggregate 合計	01/03/2013	933,333	-	-	-	-	933,333	HK\$3.54 港幣 3.54 元	15%: 01/09/2014-29/02/2020 15%: 01/03/2015-29/02/2020 30%: 01/03/2016-29/02/2020 40%: 01/03/2017-29/02/2020
Sub-total 小計		933,333	-	-	-	-	933,333		
Total 總數		5,623,333	-	-	-	-	5,623,333		

SHARE OPTION SCHEME (continued)

Notes:

1. As a result of the Bonus Issue, adjustments were made to the exercise price and the number of shares to be allotted and issued upon full exercise of subscription rights attaching to the outstanding share options with effect from 4 August 2017. For details, please refer to the announcement of the Company dated 4 August 2017.
2. Mr. Tse Sui Luen is the father of Mr. Tse Tat Fung, Tommy, a substantial shareholder of the Company, and the father-in-law of Ms. Yau On Yee, Annie, an executive Director. Pursuant to Chapter 14A of the Listing Rules, Mr. Tse Sui Luen is an associate of Mr. Tse Tat Fung, Tommy and Ms. Yau On Yee, Annie respectively.
3. This aggregate number includes the number of share options granted to Ms. Yau On Yee, Annie, an executive Director.
4. The vesting period of the share options is from the date of grant until the commencement of exercise period.

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

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

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

購股權計劃(續)

附註：

1. 由於紅股發行，尚未行使購股權之行使價格及該等購股權所附認購權獲全面行使時將予配發及發行之股份數目已被調整，自2017年8月4日起生效。有關調整詳情，請參閱本公司於2017年8月4日之公告。
2. 謝瑞麟先生為本公司主要股東謝達峰先生之父親及執行董事邱安儀女士之家翁。根據上市規則第14A章，謝瑞麟先生分別為謝達峰先生及邱安儀女士之聯繫人。
3. 此總數已包含授予執行董事邱安儀女士之購股權數目。
4. 購股權之歸屬期為授出日期起直至行使期開始為止。

於本期間內授予董事購股權的詳細資料及相關變動載列於本中期報告「董事及最高行政人員於本公司之股份、相關股份及債權證的權益及淡倉」一節內。

購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於本期間概無購買、出售或贖回本公司的任何上市證券。

OTHER INFORMATION (CONTINUED)

其他資料(續)

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS

- A. Acting as guarantor for the facilities agreement with O-Bank Co., Ltd. (formerly known as Industrial Bank of Taiwan Co., Ltd.)

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

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

控股股東須履行的特定責任

- A. 作為與王道商業銀行股份有限公司(前稱為台灣工業銀行股份有限公司)所訂立信貸協議之擔保人

於2016年，本公司作為擔保人及其若干附屬公司作為借款人(「借款人」)與王道商業銀行股份有限公司(前稱為台灣工業銀行股份有限公司)作為受託牽頭經辦行、信貸代理人、原借貸人以及質押代理人，訂立一項信貸協議(「信貸協議」)。據此，借款人獲授予總額為港幣573,000,000元的定期貸款，其中包括獲得使港幣23,000,000元超額貸款，自首次提用該信貸之日起，為期五年。

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

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

- A. Acting as guarantor for the facilities agreement with O-Bank Co., Ltd. (formerly known as Industrial Bank of Taiwan Co., Ltd.) (continued)

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

On 26 April 2019, all outstanding amount arising from the Facilities was fully prepaid.

- B. Acting as guarantor for the subscription agreement with two institutional investors

In 2016, the Company as guarantor and TSL Manufacturing and Distribution Limited as issuer (the “Issuer”), an indirectly wholly-owned subsidiary of the Company, entered into a subscription agreement (the “Subscription Agreement”) with two institutional investors (collectively “Subscribers”) pursuant to which the Issuer has agreed to issue, and the Subscribers have agreed to subscribe from the Issuer, senior secured notes in an aggregate principal amount of up to HK\$200 million maturing on the second anniversary of the issue date of the Notes. On 5 December 2018, the Notes have been extended for a further term of one year by the Issuer with the consent of the Note holders.

控股股東須履行的特定責任(續)

- A. 作為與王道商業銀行股份有限公司(前稱為台灣工業銀行股份有限公司)所訂立信貸協議之擔保人(續)

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

於2019年4月26日，所有由該信貸產生的未償還金額已全額提前清償。

- B. 作為與兩間機構投資者所訂立認購協議之擔保人

於2016年，本公司作為擔保人及其間接全資附屬公司，謝瑞麟製造及分銷有限公司作為發行人(「發行人」)與兩間機構投資者(統稱「認購者」)訂立一項認購協議(「認購協議」)。據此，發行人同意發行，而認購者同意向發行人認購本金總額最高為港幣200,000,000元並於票據發行日期起計第二個週年日到期之優先有抵押票據。於2018年12月5日，票據已由發行人經票據持有人同意後進一步延長一年。

OTHER INFORMATION (CONTINUED) 其他資料(續)

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

B. Acting as guarantor for the subscription agreement with two institutional investors (continued)

Pursuant to the Subscription Agreement, among other things, it will be an event of default if Ms. Yau On Yee, Annie: (i) ceases to be the chairman of the Board; or (ii) together with her close relatives (being her parents, spouse or children), cease to beneficially own, directly or indirectly, the largest percentage or proportion of the entire issued share capital of the Company (excluding any part thereof that carries no voting rights) or to control the Company (where “control” is defined as meaning the power or right (whether by way of ownership of shares, proxy, contract, agency or otherwise or directly or indirectly) to: (a) cast or control the casting of more than 50% of the votes that might be cast at a general meeting of the Company; (b) appoint or remove all or a majority of the directors or remove any director of the Company; and/or (c) direct or cause the direction of the operations, management and financial or other policies of the Company).

Upon the occurrence of such an event of default, each Note holder shall have the right to require the Issuer to either redeem all or a part of such Notes held by such Note holder or in addition to and without prejudice to any of the Issuer’s other payment obligations, pay default interest to such Note holder in the amount pursuant to the terms and conditions of the Notes.

On 26 April 2019, all outstanding amount due from the Notes was repaid and the Notes was fully redeemed.

控股股東須履行的特定責任(續)

B. 作為與兩間機構投資者所訂立認購協議之擔保人(續)

根據認購協議，倘出現相關情況，將產生違約事件，其中包括邱安儀女士：(i) 不再擔任董事會主席一職；或(ii) 與其直系家屬(即其父母、配偶或子女)共同不再直接或間接實益擁有本公司全部已發行股本(不包括沒有表決權的任何部分)的最大百分比或比例，或控制本公司(其中「控制」的定義是指具權力或權利(無論是通過股份，代理人，合同，代理或其他方式直接或間接擁有)，以(a) 投出或控制投出在本公司股東大會上超過50%之投票權；(b) 委任或罷免本公司全部或大部分董事，或罷免本公司任何董事；及/或(c) 主導或促成本公司之經營、管理及財務或其他政策)。

倘發生違約事件，各票據持有人有權要求發行人贖回該票據持有人持有的全部或部分票據，或在不損害發行人任何其他付款責任的情況下，按照票據的條款及條件支付該票據持有人的違約利息。

於2019年4月26日，所有由票據產生的應付及未償還的款項已全數清償，票據亦已全部贖回。

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

- C. Acting as guarantor for the facilities agreement with Hang Seng Bank Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Fubon Bank (Hong Kong) Limited, United Overseas Bank Limited, Chong Hing Bank Limited and Bangkok Bank Public Company Limited, Hong Kong Branch

On 29 March 2019, the Company and a subsidiary of the Company as guarantors and certain subsidiaries of the Company as borrowers (the “New Borrowers”) entered into a facilities agreement (the “New Facilities Agreement”) with Hang Seng Bank Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Fubon Bank (Hong Kong) Limited, United Overseas Bank Limited, Chong Hing Bank Limited and Bangkok Bank Public Company Limited, Hong Kong Branch acting as mandated lead arrangers and original lenders, pursuant to which certain loan facilities, comprising a term loan and a revolving loan, in the aggregate amount of HK\$820,000,000, has been granted to the New Borrowers for a term of 3.5 years from the date of the first utilisation of the New Facilities.

控股股東須履行的特定責任(續)

- C. 作為與恒生銀行有限公司、中信銀行(國際)有限公司、中國建設銀行(亞洲)股份有限公司、富邦銀行(香港)有限公司、大華銀行有限公司、創興銀行有限公司及盤谷銀行(大眾有限公司)香港分行所訂立信貸協議之擔保人

於2019年3月29日，本公司及其附屬公司作為擔保人，以及其若干附屬公司作為借款人(「新借款人」)，與恒生銀行有限公司、中信銀行(國際)有限公司、中國建設銀行(亞洲)股份有限公司、富邦銀行(香港)有限公司、大華銀行有限公司、創興銀行有限公司及盤谷銀行(大眾有限公司)香港分行作為受託牽頭經辦行及原借貸人，訂立一項信貸協議(「新信貸協議」)。據此，新借款人獲授予總額為港幣820,000,000元的若干信貸(包括定期貸款及循環貸款)，自首次提用該新信貸之日起，為期3.5年。

OTHER INFORMATION (CONTINUED)

其他資料(續)

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

- C. Acting as guarantor for the facilities agreement with Hang Seng Bank Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Fubon Bank (Hong Kong) Limited, United Overseas Bank Limited, Chong Hing Bank Limited and Bangkok Bank Public Company Limited, Hong Kong Branch (continued)

Pursuant to the New Facilities Agreement, among other things, it will be an event of default if Ms. You On Yee, Annie, the spouse of Mr. Tse Tat Fung, Tommy (being the controlling shareholder of the Company) ceases to be the chairman of the Board; or Ms. You On Yee, Annie and her immediate family members taken as a whole cease to (i) be, directly or indirectly, the single largest shareholder of the Company; or (ii) have control of the Company (where "control" is defined as meaning the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) appoint or remove all, or the majority of, directors on the board of directors or such other persons who may be charged with or entitled to exercise central management and control of that corporate person; or (b) directly or indirectly to otherwise direct or cause the direction of management and policies of that corporate person) (which, for the avoidance of doubt, includes the right to determine the composition of a majority of the Board); or Ms. You On Yee, Annie and her immediate family members taken as a whole cease to remain as the direct or indirect, legal and beneficial owner of at least 36% of the issued share capital of the Company which is free from any Security (as defined in the New Facilities Agreement).

控股股東須履行的特定責任(續)

- C. 作為與恒生銀行有限公司、中信銀行(國際)有限公司、中國建設銀行(亞洲)股份有限公司、富邦銀行(香港)有限公司、大華銀行有限公司、創興銀行有限公司及盤谷銀行(大眾有限公司)香港分行所訂立信貸協議之擔保人(續)

根據新信貸協議，倘出現相關情況，將產生違約事件，其中包括：若邱安儀女士(本公司的控股股東謝達峰先生之配偶)不再擔任董事會主席一職；或邱安儀女士及其直系家屬成員整體而言不再(i)直接或間接為本公司的單一最大股東；或(ii)擁有本公司的控制權(控制權的定義是指(通過擁有股份、委任、合約、代理或其他方式)於以下情況的權力：(a)委任或罷免董事會的全部或大部分董事或其他可能被委派或有權行使該法團人士的中央管理及控制權的人；或(b)直接或間接指示或影響該法團人士的管理及政策方針)(為免誤會，控制權包括決定董事會大部分成員的權利)；或邱安儀女士及其直系家屬成員整體而言不再在沒有任何擔保(定義見新信貸協議)下為本公司已發行股本至少36%權益的直接或間接法定及實益擁有人。

SPECIFIC PERFORMANCE BY THE CONTROLLING SHAREHOLDERS (continued)

- C. Acting as guarantor for the facilities agreement with Hang Seng Bank Limited, China CITIC Bank International Limited, China Construction Bank (Asia) Corporation Limited, Fubon Bank (Hong Kong) Limited, United Overseas Bank Limited, Chong Hing Bank Limited and Bangkok Bank Public Company Limited, Hong Kong Branch (continued)

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

控股股東須履行的特定責任(續)

- C. 作為與恒生銀行有限公司、中信銀行(國際)有限公司、中國建設銀行(亞洲)股份有限公司、富邦銀行(香港)有限公司、大華銀行有限公司、創興銀行有限公司及盤谷銀行(大眾有限公司)香港分行所訂立信貸協議之擔保人(續)

倘該等違約事件持續發生，並獲大部分借貸人(定義見新信貸協議)的指示，新信貸協議下的代理人可取消貸款承諾(定義見新信貸協議)或其部份，及/或宣佈該新信貸下未償還的貸款的全部或部份金額，連同應計利息，以及按信貸文件(定義見新信貸協議)的所有其他應計或未償還款項即時到期及須予償還，及/或宣佈該新信貸下未償還的貸款的全部或部份金額在要求下須予償還，及/或按信貸文件(定義見新信貸協議)行使或指示質押代理人行使任何或所有其權利、補償方案、權力或酌情權。

OTHER INFORMATION (CONTINUED) 其他資料(續)

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code of the Listing Rules

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

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

AUDIT COMMITTEE

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

企業管治

遵守上市規則之企業管治守則

本公司致力制定良好企業管治常規及程序。於本期間內，除偏離以下所披露守則條文A.2.1外，本公司一直應用上市規則附錄十四所載《企業管治守則》(「企業管治守則」)之原則及遵守全部守則條文。

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

審核委員會

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

By Order of the Board

Yau On Yee, Annie

Chairman

Hong Kong, 19 November 2019

董事進行證券交易之標準守則

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

承董事會命

邱安儀

主席

香港，2019年11月19日

TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED

(Incorporated in Bermuda with limited liability)

謝瑞麟珠寶(國際)有限公司

(於百慕達註冊成立之有限公司)

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