



# Oriental Watch Holdings Limited 東方表行集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 398)



時尚匯聚 **東方**  
經驗成就 **眼光**

*Interim Report*  
**2019** 中期報告

## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	Dr. Yeung Ming Biu ( <i>Chairman</i> ) Mr. Yeung Him Kit, Dennis ( <i>Deputy Chairman and Managing Director</i> ) Madam Yeung Man Yee, Shirley ( <i>Executive Director</i> ) Mr. Lam Hing Lun, Alain ( <i>Finance Director</i> ) Mr. Choi Kwok Yum ( <i>Executive Director</i> ) Dr. Sun Ping Hsu, Samson ( <i>Independent Non-executive Director</i> ) Dr. Li Sau Hung, Eddy ( <i>Independent Non-executive Director</i> ) Mr. Choi Man Chau, Michael ( <i>Independent Non-executive Director</i> )
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<b>COMPANY SECRETARY</b>	Mr. Lam Hing Lun, Alain
<b>PRINCIPAL BANKERS</b>	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited The Hong Kong & Shanghai Banking Corporation Limited

<b>AUDITOR</b>	Deloitte Touche Tohmatsu Certified Public Accountants
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<b>HONG KONG BRANCH SHARE REGISTRARS</b>	Tricor Secretaries Limited Level 54 Hopewell centre 183 Queen's Road East Hong Kong
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<b>HONG KONG LEGAL ADVISER</b>	Jennifer Cheung & Co
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<b>BERMUDA LEGAL ADVISER</b>	Conyers, Dill & Pearman
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<b>REGISTERED OFFICE</b>	Clarendon House Church Street Hamilton HM 11 Bermuda
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<b>PRINCIPAL PLACE OF BUSINESS</b>	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong
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## 公司資料

<b>董事會</b>	楊明標博士(主席) 楊衍傑先生 (副主席兼董事總經理) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蔡文洲先生 (獨立非執行董事)
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<b>公司秘書</b>	林慶麟先生
<b>主要往來銀行</b>	恒生銀行有限公司 中國銀行(香港)有限公司 渣打銀行(香港)有限公司 香港上海滙豐銀行 有限公司

<b>核數師</b>	德勤 • 關黃陳方會計師行 執業會計師
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<b>股份過戶 登記處 香港分處</b>	卓佳秘書商務有限公司 香港 皇后大道東183號 合和中心 54樓
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<b>香港法律顧問</b>	張美霞律師行
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<b>百慕達法律 顧問</b>	Conyers, Dill & Pearman
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<b>註冊辦事處</b>	Clarendon House Church Street Hamilton HM 11 Bermuda
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<b>主要營業地點</b>	香港 中環 德輔道中141號 中保集團大廈 312-8室
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The Board of Directors of Oriental Watch Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September, 2019 together with the comparative figures for the corresponding period in 2018 as follows:

東方表行集團有限公司(「本公司」)董事會欣然宣佈，本公司及其附屬公司(「本集團」)截至二零一九年九月三十日止六個月之未審核綜合業績，連同二零一八年同期之比較數字如下：

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2019

## 簡明綜合損益及其他全面收益表

截至二零一九年九月三十日止六個月

		(Unaudited) Six months ended (未審核) 截至九月三十日止六個月	
		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
		Notes 附註	
Revenue	收益	3	1,167,795
Cost of goods sold	銷貨成本		(849,601)
Gross profit	毛利		318,194
Other income, gains and losses	其他收入、收益及虧損		7,510
Distribution and selling expenses	分銷及銷售開支		(122,001)
Administrative expenses	行政開支		(122,223)
Finance costs	融資成本		(7,869)
Share of results of associates	應佔聯營公司之業績		3,410
Share of result of a joint venture	應佔一間合營公司之業績		292
Profit before taxation	除稅前溢利	4	77,313
Income tax expense	所得稅開支	5	(16,883)
Profit for the period	期內溢利		60,430
Other comprehensive (expense) income	其他全面(開支)收益		
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目：</i>		
Change in fair value of equity instruments at fair value through other comprehensive income (“FVTOCI”)	按公平值計入其他全面收益(「按公平值計入其他全面收益」)之股本工具之公平值變動		(675)
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>		
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額		(40,837)
Change in fair value of debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之公平值變動		30
Release on redemption of debt instruments at FVTOCI	贖回按公平值計入其他全面收益之債務工具時撥回		20

**CONDENSED CONSOLIDATED STATEMENT  
OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME** (Continued)

For the six months ended 30 September 2019

**簡明綜合損益及其他全面收益表**  
(續)

截至二零一九年九月三十日止六個月

(Unaudited)  
Six months ended  
(未審核)  
截至九月三十日止六個月

		Notes 附註	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
Other comprehensive expense for the period	期內其他全面開支		(41,462)	(58,835)
Total comprehensive income for the period	期內全面收益總額		<b>18,968</b>	4,900
Profit (loss) for the period attributable to:	應佔期內溢利(虧損)：			
Owners of the Company	本公司擁有人		<b>61,724</b>	64,005
Non-controlling interests	非控股權益		<b>(1,294)</b>	(270)
			<b>60,430</b>	63,735
Total comprehensive income (expense) for the period attributable to:	應佔期內全面收益(開支)總額：			
Owners of the Company	本公司擁有人		<b>20,264</b>	5,219
Non-controlling interests	非控股權益		<b>(1,296)</b>	(319)
			<b>18,968</b>	4,900
Earnings per share	每股盈利	7		
— Basic	— 基本		<b>10.82 HK cents 港仙</b>	11.22 HK cents 港仙
— Diluted	— 攤薄		<b>10.82 HK cents 港仙</b>	11.22 HK cents 港仙



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2019

## 簡明綜合財務狀況表

於二零一九年九月三十日

		Notes 附註	(Unaudited) (未審核) 30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	8	232,771	215,444
Right-of-use assets	使用權資產	8	373,539	—
Deposits for acquisition of property, plant and equipment	收購物業、機器及設 備之按金		4,000	10,636
Interests in associates	佔聯營公司之權益		38,759	37,337
Interest in a joint venture	佔一間合營公司之權益	9	24,747	26,005
Equity instruments at FVTOCI	按公平值計入其他全 面收益之股本工具		3,232	3,907
Debt instruments at FVTOCI	按公平值計入其他全 面收益之債務工具		2,100	5,008
Deferred tax assets	遞延稅項資產		—	24
Property rental deposits	物業租金按金		17,631	31,463
			<b>696,779</b>	<b>329,824</b>
Current assets	流動資產			
Inventories	存貨	10	704,175	823,654
Trade and other receivables	貿易及其他應收賬款	11	149,223	148,576
Financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益 (「按公平值計入 損益」)之金融資產		4,821	14,982
Debt instruments at FVTOCI	按公平值計入其他全 面收益之債務工具		6,062	1,812
Taxation recoverable	可退回稅項		1,713	4,470
Bank balances and cash	銀行結餘及現金		1,117,693	1,084,911
			<b>1,983,687</b>	<b>2,078,405</b>
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	12	143,144	119,026
Contract liabilities	合約負債	12	6,405	7,476
Derivative financial instruments at FVTPL	按公平值計入損益之 衍生金融工具		896	—
Lease liabilities	租賃負債		137,632	—
Taxation payable	應付稅項		15,274	2,758
Bank loans	銀行貸款	13	27,284	63,367
			<b>330,635</b>	<b>192,627</b>
Net current assets	流動資產淨值		<b>1,653,052</b>	<b>1,885,778</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30 September 2019

## 簡明綜合財務狀況表(續)

於二零一九年九月三十日

		(Unaudited) (未審核) 30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	(Audited) (經審核) 31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
Total assets less current liabilities	資產總值減流動負債	<b>2,349,831</b>	2,215,602
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	<b>237,578</b>	—
Deferred tax liabilities	遞延稅項負債	<b>2,311</b>	2,001
		<b>239,889</b>	2,001
Net assets	資產淨值	<b>2,109,942</b>	2,213,601
Capital and reserves	資本及儲備		
Share capital	股本	<b>57,036</b>	57,036
Reserves	儲備	<b>2,053,334</b>	2,155,697
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>2,110,370</b>	2,212,733
Non-controlling interests	非控股權益	<b>(428)</b>	868
Total equity	權益總額	<b>2,109,942</b>	2,213,601

Notes  
附註

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# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2019

# 簡明綜合權益變動表

截至二零一九年九月三十日止六個月

Attributable to owners of the Company  
本公司擁有人應佔

		Share capital	Share premium	Share option reserve	Capital redemption reserve	Capital reserve	Asset revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Sub-total	Non-controlling interests	Total
		股本	股份溢價	購股權儲備	資本贖回儲備	資本儲備	資產重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	小計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2019 (audited)	於二零一九年四月一日 (經審核)	57,036	548,969	79,388	425	840	1,949	5,180	39,162	1,357,157	122,627	2,212,733	868	2,213,601
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	-	-	61,724	-	61,724	(1,294)	60,430
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	(40,835)	-	-	(40,835)	(2)	(40,837)
Change in fair value of equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具之公平值變動	-	-	-	-	-	(675)	-	-	-	-	(675)	-	(675)
Change in fair value of debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之公平值變動	-	-	-	-	-	30	-	-	-	-	30	-	30
Release on redemption of debt instruments at FVTOCI	贖回按公平值計入其他全面收益之債務工具時撥回	-	-	-	-	-	20	-	-	-	-	20	-	20
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	-	(625)	-	(40,835)	61,724	-	20,264	(1,296)	18,968
2019 final dividend paid	已派發二零一九年末期股息	-	-	-	-	-	-	-	-	(45,629)	-	(45,629)	-	(45,629)
2019 special dividend paid	已派發二零一九年特別股息	-	-	-	-	-	-	-	-	(76,998)	-	(76,998)	-	(76,998)
2020 interim dividend proposed	擬派發二零二零年中期股息	-	-	-	-	-	-	-	-	(15,970)	15,970	-	-	-
2020 interim special dividend proposed	擬派發二零二零年中期特別股息	-	-	-	-	-	-	-	-	(49,621)	49,621	-	-	-
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未審核)	57,036	548,969	79,388	425	840	1,324	5,180	(1,673)	1,353,290	65,591	2,110,370	(428)	2,109,942
At 1 April 2018 (audited)	於二零一八年四月一日 (經審核)	57,061	549,396	83,554	425	840	6,932	5,180	79,005	1,398,535	131,241	2,312,169	975	2,313,144
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	-	-	64,005	-	64,005	(270)	63,735
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	(58,157)	-	-	(58,157)	(49)	(58,206)
Change in fair value of equity instruments at FVTOCI	按公平值計入其他全面收益之股本工具之公平值變動	-	-	-	-	-	(629)	-	-	-	-	(629)	-	(629)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	-	(629)	-	(58,157)	64,005	-	5,219	(319)	4,900
2018 final dividend paid	已派發二零一八年末期股息	-	-	-	-	-	-	-	-	(45,649)	-	(45,649)	-	(45,649)
2018 special dividend paid	已派發二零一八年特別股息	-	-	-	-	-	-	-	-	(85,592)	-	(85,592)	-	(85,592)
2019 interim dividend proposed	擬派發二零一九年中期股息	-	-	-	-	-	-	-	-	(15,970)	15,970	-	-	-
2019 interim special dividend proposed	擬派發二零一九年中期特別股息	-	-	-	-	-	-	-	-	(49,621)	49,621	-	-	-
Forfeiture of share options	沒收購股權	-	-	(4,166)	-	-	-	-	-	4,166	-	-	-	-
Disposal of equity instruments at FVTOCI	出售按公平值計入其他全面收益之股本工具	-	-	-	-	-	(4,484)	-	-	4,484	-	-	-	-
At 30 September 2018 (unaudited)	於二零一八年九月三十日 (未審核)	57,061	549,396	79,388	425	840	1,819	5,180	20,848	1,405,599	65,591	2,186,147	656	2,186,803

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

For the six months ended 30 September 2019

### Notes:

- (a) The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Company pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.
- (b) Subsequent to 力龍國際貿易股份有限公司 (“Li Loong”) becoming a subsidiary of the Company in May 2013, the Group further subscribed 6,000,000 shares of Li Loong in September 2013, for a cash consideration of New Taiwan Dollar (“NT\$”) 60,000,000 (equivalent to HK\$15,698,000). The Group’s equity interest in Li Loong increased from 90% to 96%. This is accounted for as a deemed acquisition of additional interests in a subsidiary and has been recognised as capital reserve.

## 簡明綜合權益變動表(續)

截至二零一九年九月三十日止六個月

### 附註：

- (a) 本集團之特別儲備包括本公司已發行股本面值與本公司根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。該等所收購附屬公司之特別儲備指根據集團重組，削減該等公司已繳足股本而產生之進賬。
- (b) 於力龍國際貿易股份有限公司(「力龍」)在二零一三年五月成為本公司之附屬公司後，於二零一三年九月，本集團進一步認購6,000,000股力龍股份，現金代價為新台幣(「新台幣」)60,000,000元(相等於15,698,000港元)。本集團於力龍之股權由90%增加至96%。此收購之入賬列作視作收購一間附屬公司之額外權益並已確認為資本儲備。



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2019

## 簡明綜合現金流量表

截至二零一九年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		(未審核)	
		截至九月三十日止六個月	
		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
Net cash from operating activities	經營業務所產生之現金淨額	293,731	177,442
Investing activities	投資活動		
Purchase of property, plant and equipment	購買物業、機器及設備	(26,282)	(7,421)
Purchase of financial asset at FVTPL	購買按公平值計入損益之 金融資產	(12,102)	—
Deposit paid for acquisition of property, plant and equipment	收購物業、機器及設備之 已付按金	(4,000)	(6,588)
Purchase of debts instruments at FVTOCI	購買按公平值計入其他全 面收益之債務工具	(1,555)	—
Proceeds on disposal of financial assets at FVTPL	出售按公平值計入損益之 金融資產之所得款項	20,687	—
Interest received	已收利息	8,209	5,799
Dividends received from associates	已收聯營公司股息	2,002	1,678
Net settlement of derivative financial instruments at FVTPL	按公平值計入損益之衍生 金融工具之結算淨額	1,282	—
Proceeds on redemption of debt instruments at FVTOCI	贖回按公平值計入其他全 面收益之債務工具之所 得款項	243	—
Net cash outflow from acquisition of a subsidiary under asset acquisition	資產收購下收購一間附屬 公司之現金流出淨額	—	(4,155)
Proceeds from disposal of equity instruments at FVTOCI	出售按公平值計入其他全 面收益之股本工具之所 得款項	—	7,878
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之 所得款項	—	12
Net cash used in investing activities	投資活動所耗之現金淨額	(11,516)	(2,797)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

For the six months ended 30 September 2019

## 簡明綜合現金流量表(續)

截至二零一九年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		(未審核)	
		截至九月三十日止六個月	
		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
Financing activities	融資活動		
Dividends paid	已付股息	(122,627)	(131,241)
Repayment of lease liabilities	償還租賃負債	(68,200)	—
Repayment of bank loans	償還銀行貸款	(36,083)	(41,233)
Interest paid	已付利息	(773)	(2,202)
New bank loans raised	新造銀行貸款	—	41,200
Net cash used in financing activities	融資活動所耗之現金淨額	(227,683)	(133,476)
Net increase in cash and cash equivalents	現金及等同現金項目之增加淨額	54,532	41,169
Cash and cash equivalents at beginning of the period	期初之現金及等同現金項目	1,084,911	1,081,891
Effect of foreign exchange rate changes	匯率變動之影響	(21,750)	(28,850)
Cash and cash equivalents at the end of the period, representing bank balances and cash	期終之現金及等同現金項目，由銀行結餘及現金代表	1,117,693	1,094,210

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2019

### 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than changes in accounting policy resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2019 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2019.

#### Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2019 for the preparation of the Group’s condensed consolidated financial statements:

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

Except as described below, the application of new and amendments to HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 簡明綜合財務報表附註

截至二零一九年九月三十日止六個月

### 1. 編撰基準

簡明綜合財務報表乃按香港會計師公會所頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定而編撰。

### 2. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製，惟按公平值計量之若干金融工具除外。

除應用新訂香港財務報告準則及其修訂本產生之會計政策變動外，截至二零一九年九月三十日止六個月之簡明綜合財務報表所用之會計政策及計算方法與編製本集團截至二零一九年三月三十一日止年度之年度財務報表所用者一致。

#### 應用新訂香港財務報告準則及其修訂本

於本中期期間，本集團於編製本集團簡明綜合財務報表時已首次應用下列由香港會計師公會頒佈及於二零一九年四月一日或之後開始之年度期間強制生效的新訂香港財務報告準則及其修訂本：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理之不確定因素
香港會計準則第19號 (修訂本)	計劃修訂、縮減或清償
香港會計準則第28號 (修訂本)	於聯營公司及合營公司之長期權益
香港財務報告準則 (修訂本)	對香港財務報告準則二零一五年至二零一七年週期的年度改進

除下文所述者外，於本期間應用新訂香港財務報告準則及其修訂本並無對本期間及過往期間的本集團財務狀況及表現及／或該等簡明綜合財務報表所載的披露造成重大影響。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 “Leases”, and the related interpretations.

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

###### Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

###### As a lessee

###### Short-term leases

The Group applies the short-term lease recognition exemption to leases of HK\$3,033,000 that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

###### Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動

本集團於本中期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋。

##### 2.1.1 因應用香港財務報告準則第16號所產生的主要會計政策變動

本集團已根據香港財務報告準則第16號的過渡條文應用以下會計政策。

###### 租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

就於初始應用日期或之後訂立或修改之合約而言，本集團根據香港財務報告準則第16號項下定義於開始或修改日期評估合約是否為或包含租賃。該合約將不會重新評估，除非合約的條款及條件其後變動。

###### 作為承租人

###### 短期租賃

本集團對於3,033,000港元的租賃年期為自開始日期起計12個月或以內且不包含購買選擇權之租賃應用短期租賃確認豁免。短期租賃之租賃付款於租賃年內以直線法確認為開支。

###### 使用權資產

除短期租賃外，本集團於租賃開始日期(即相關資產可供使用當日)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.1 因應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

使用權資產(續)

使用權資產之成本包括：

- 初始計量租賃負債之金額；
- 於開始日期或之前支付之任何租賃付款減任何已收租賃獎勵；
- 本集團產生之任何初始直接成本；及
- 本集團將於拆除及移除相關資產、復修相關資產位處之場址或將相關資產復修至租賃條款及條件規定之狀況時產生之估計成本。

本集團合理確定會於租賃年期結束時取得相關租賃資產擁有權之使用權資產於開始日期至可使用年期結束計算折舊，否則使用權資產於估計可使用年期與租賃年期兩者之較短者以直線法計算折舊。

本集團於簡明綜合財務狀況表內將使用權資產呈列為單獨項目。

租賃土地及樓宇

就包括租賃土地及樓宇部分之物業權益之付款而言，當該等付款無法於租賃土地及樓宇部分之間可靠分配時，整項物業會呈列為本集團之物業、機器及設備。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 “Financial Instruments” and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. 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.

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;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.1 因應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

可退回租賃按金

已付之可退回租賃按金根據香港財務報告準則第9號「金融工具」入賬，初始按公平值計量。對於初始確認時公平值之調整會被視為額外租賃付款，並計入使用權資產之成本。

租賃負債

於租賃開始日期，本集團按於該日未支付之租賃付款之現值確認及計量租賃負債。計算租賃付款之現值時，倘租賃內含之利率無法輕易地釐定，則本集團會利用於租賃開始日期之遞增借貸利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 取決於指數或比率之可變租賃付款；
- 預期根據剩餘價值擔保支付之金額；
- 合理確定本集團將行使之購買選擇權之行使價；及
- (倘租賃條款反映本集團行使終止選擇權)就終止租賃支付之罰金。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.1 因應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

租賃負債(續)

非根據指數或利率變動之可變動租賃開支並不包括於租賃負債及使用權資產計量之內，並於觸發付款事件或條件發生之期間確認為開支。

開始日期後，租賃負債乃透過利息孳長及租賃付款調整。

每當出現下列情況時，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租賃年期已更改或對行使購買選擇權之評估有變，在此情況下，相關租賃負債乃透過利用於重新評估日期之經修訂貼現率貼現經修訂租賃付款重新計量。
- 因檢討市場租金後市場租金率有變而引致租賃付款變動，在此情況下，相關租賃負債乃透過利用初始貼現率貼現經修訂租賃付款重新計量。

租賃修改

倘出現下列情況，則本集團將租賃修訂入賬列為一項獨立租賃：

- 進行修改時透過加入使用一項或多項相關資產之權利，令租賃範圍增加；及
- 租賃之代價按與範圍增加之單獨價格相符之金額及為反映特定合約之情況而對該單獨價格進行之任何適當調整增加。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 “Income Taxes” requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.1 因應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

租賃修改(續)

對於並無入賬列作一項獨立租賃之租賃修訂，本集團會透過利用於修改生效日期之經修訂貼現率貼現經修訂租賃付款，基於經修改租賃之租賃年期重新計量租賃負債。

稅項

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團會首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團會對使用權資產及租賃負債分開應用香港會計準則第12號「所得稅」之規定。由於應用初始確認豁免，故有關使用權資產及租賃負債之暫時差異不會於初始確認時及租賃年期內確認。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16

###### Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

###### As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- ii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.2 因初始應用香港財務報告準則第16號而產生之過渡及影響概要

###### 租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會) – 詮釋第4號「釐定安排是否包括租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃之合約應用該準則。因此，本集團並無重新評估於初始應用日期前已存在之合約。

對於在二零一九年四月一日或之後訂立或修改之合約，本集團於評估合約是否包含租賃時按照香港財務報告準則第16號所載之規定應用租賃之定義。

###### 作為承租人

本集團已追溯應用香港財務報告準則第16號，並於初始應用日期二零一九年四月一日確認累計影響。於初始應用日期之任何差額乃於期初保留溢利確認，比較資料不予重列。

於過渡期間根據香港財務報告準則第16號應用經修改追溯方法時，本集團已在與各別租賃合約相關之情況下，按逐項租賃基準對先前根據香港會計準則第17號分類為經營租賃之租賃應用下列可行權宜方法：

- i. 選擇不就租賃年期於由初始應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；
- ii. 計量於初始應用日期之使用權資產時扣除初始直接成本；

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

- iii. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties and land leases in the People’s Republic of China (the “PRC”) was determined on a portfolio basis; and
- iv. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group’s leases with extension and termination options.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

As at 1 April 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any prepaid or accrual lease payments by applying HKFRS 16.C8(b)(ii) transition.

The Group recognised lease liabilities of HK\$386,075,000 and right-of-use assets of HK\$389,242,000 at 1 April 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rates applied by the relevant group entities ranging from 2.67% to 4.85%.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.2 因初始應用香港財務報告準則第16號而產生之過渡及影響概要(續)

作為承租人(續)

- iii. 對於類似經濟環境下有關類似相關資產類別且具有類似剩餘年期之租賃組合應用單一貼現率。具體而言，中華人民共和國(「中國」)物業及租賃土地之若干租賃之貼現率乃按組合基準釐定；及
- iv. 基於在初始應用日期之事實及情況，事後釐定本集團附帶續租及終止選擇權之租賃之租賃年期。

於過渡期間，本集團已在應用香港財務報告準則第16號時作出以下調整：

於二零一九年四月一日，本集團透過應用香港財務報告準則第16號C8(b)(ii)之過渡確認額外租賃負債及使用權資產，金額相等於透過任何預付或應計租賃款項調整之相關租賃負債。

本集團於二零一九年四月一日確認租賃負債386,075,000港元及使用權資產389,242,000港元。

就先前分類為經營租賃之租賃確認租賃負債時，本集團已應用於初始應用日期相關集團實體之遞增借貸利率。相關集團實體所應用之加權平均遞增借貸利率介乎2.67%至4.85%。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.2 因初始應用香港財務報告準則第16號而產生之過渡及影響概要(續)

作為承租人(續)

		At 1 April 2019 於 二零一九年四月一日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日已披露之經營租賃承擔	281,658
Less: Recognition exemption — short-term leases	減：確認豁免 — 短期租賃	3,033
		<hr/> 278,625
Lease liabilities discounted at relevant incremental borrowing rates	按相關遞增借貸利率貼現之租賃負債	264,876
Add: Extension options reasonably certain to be exercised	加：合理確定可行使續租選擇權	121,199
		<hr/> 386,075
Lease liabilities as at 1 April 2019	於二零一九年四月一日之租賃負債	386,075
Analysed as	分析為	
Current	流動	135,929
Non-current	非流動	250,146
		<hr/> 386,075

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號時確認有關經營租賃之使用權資產		386,075
Adjustments on rental deposits at 1 April 2019	於二零一九年四月一日對租賃租金之調整	(a)	3,167
			<u>389,242</u>
By class:	按類別：		
Leasehold lands and buildings	租賃土地及樓宇		<u>389,242</u>

Note:

- (a) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, HK\$3,167,000 was adjusted to refundable rental deposits paid and right-of-use assets.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.2 因初始應用香港財務報告準則第16號而產生之過渡及影響概要(續)

作為承租人(續)

使用權資產於二零一九年四月一日之賬面金額如下：

	Note	Right-of-use assets 使用權資產 HK\$'000 千港元
		386,075
	(a)	3,167
		<u>389,242</u>
By class:		
Leasehold lands and buildings		<u>389,242</u>

附註：

- (a) 應用香港財務報告準則第16號前，本集團採用香港會計準則第17號確認已支付之可退回租賃按金的權利及責任。根據香港財務報告準則第16號下租賃款項之定義，該等按金並非與相關資產使用權有關的款項，獲調整至反映於過渡時之折現影響。因此，3,167,000港元調整至已付可退回租賃按金及使用權資產。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

			Carrying amounts previously reported at 31 March 2019	Carrying amounts under HKFRS 16 at 1 April 2019
			先前呈報於二零一九年三月三十一日之賬面金額	根據香港財務報告準則第16號於二零一九年四月一日之賬面金額
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Non-current Assets</b>				
Right-of-use assets		—	389,242	389,242
Property rental deposits	(a)	31,463	(2,692)	28,771
<b>Current Assets</b>				
Trade and other receivable	(a)	171,848	(475)	171,373
<b>Current Liabilities</b>				
Lease liabilities		—	135,929	135,929
<b>Non-current Liabilities</b>				
Lease liabilities		—	250,146	250,146

Note:

(a) For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 September 2019, movements in working capital have been computed based on opening statement of financial position as at 1 April 2019 as disclosed above.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 2. 主要會計政策(續)

#### 2.1 應用香港財務報告準則第16號「租賃」對會計政策之影響及變動(續)

##### 2.1.2 因初始應用香港財務報告準則第16號而產生之過渡及影響概要(續)

作為承租人(續)

於二零一九年四月一日之簡明綜合財務狀況表內確認之金額已作下列調整。並不包括不受變動影響之分項。

附註：

(a) 為根據間接法呈報截至二零一九年九月三十日止六個月之經營業務所產生現金流，已如上文所披露基於二零一九年四月一日之期初財務狀況表計算營運資金變動。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 3. REVENUE AND SEGMENT INFORMATION

The Group's operation is principally sales of watches. The Group's revenue represents consideration received or receivable from sales of watches.

The Group has two operating segments, which are analysed based on geographical markets of the goods sold, being (a) Hong Kong, and (b) Taiwan, Macau and the PRC, which is also the basis of organisation of the Group for managing the business operations. The Group determines its operating segments based on the internal reports reviewed by the chief operating decision maker, being the Managing Director of the Group, that are used to allocate resources and assess performance. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

#### Sales of watches (revenue recognised at a point in time)

For sales of watches, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the store. Payment of the transaction price is due immediately at the point the customer purchases the goods.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Sales-related warranties associated with sales of watches cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" consistent with its previous accounting treatment.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 3. 收益及分部資料

本集團主要從事銷售鐘表業務。本集團之收益指銷售鐘表之已收或應收代價。

本集團有兩個按出售貨品地理市場分析之營運分部，分別為(a)香港，及(b)台灣、澳門及中國，亦為組織本集團以管理業務營運之基準。本集團按已由主要營運決策者(即本集團董事總經理)審閱並賴以作出資源分配及評估表現之內部報告釐定其營運分部。概無首席營運決策者所識別之經營分部已於達致本集團之可呈報分部時彙集計算。

#### 銷售鐘表(收益於某一時間點確認)

就銷售鐘表而言，收益於貨品控制權轉讓時(即客戶於商店購買貨品的時間)確認。客戶購買貨品的時間須即時支付交易價格。

所有銷售合約均為期一年或更短時間。根據香港財務報告準則第15號所准許，並無披露相應未履約合約之交易價格。

有關銷售鐘表之銷售保修不可單獨購買，而有關保修可保證已出售產品符合經協定之規格。因此，保修由本集團根據香港會計準則第37號「撥備、或然負債及或然資產」入賬，與先前之會計處理一致。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

#### Sales of watches (revenue recognised at a point in time) (Continued)

The following is an analysis of the Group's segment revenue and results by operating segments:

### 3. 收益及分部資料(續)

#### 銷售鐘表(收益於某一時間點確認)(續)

以下為本集團按營運分部劃分之分部收益及業績分析：

		Segment revenue- recognised at a point in time 分部收益 — 按時點確認		Segment profit 分部溢利	
		Six months ended 30 September 截至九月三十日止六個月		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	621,484	688,656	71,442	74,354
Taiwan, Macau and the PRC	台灣、澳門及中國	546,311	492,477	9,302	15,481
		<b>1,167,795</b>	1,181,133	<b>80,744</b>	89,835
Unallocated other income	未分配其他收入			6,999	5,799
Unallocated corporate expenses	未分配企業開支			(13,359)	(19,470)
Finance costs	融資成本			(773)	(2,202)
Share of results of associates	應佔聯營公司之業績			3,410	915
Share of result of a joint venture	應佔一間合營公司之業績			292	47
Profit before taxation	除稅前溢利			<b>77,313</b>	74,924



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment profit represents the profit before taxation earned by each segment without allocation of finance costs from bank loans, share of results of associates and a joint venture and unallocated other income and corporate expenses. Unallocated corporate expenses include auditor's remuneration, directors' remuneration, net exchange losses and operating expenses of inactive companies. This is the measure reported to the chief operating decision maker of the Group for the purposes of resources allocation and performance assessment.

All segment revenue is generated from external customers for both periods.

The following is an analysis of the Group's assets and liabilities by operating segments:

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 3. 收益及分部資料(續)

分部溢利指在來自銀行貸款之未分配融資成本、應佔聯營公司及一間合營公司之業績及未分配其他收入及企業開支之情況下各分部賺取之除稅前溢利。未分配企業開支包括核數師酬金、董事酬金、匯兌虧損淨額及暫無營業公司之營運開支。此乃向本集團首席營運決策者就資源分配及表現評估作出報告之計量方式。

兩個期間之所有分部收益均來自外部客戶。

以下為本集團按營運分部劃分之資產及負債分析：

		Segment assets 分部資產		Segment liabilities 分部負債	
		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
Hong Kong	香港	1,056,947	838,590	401,405	85,669
Taiwan, Macau and the PRC	台灣、澳門及中國	424,392	454,310	123,354	40,833
Segment total	分部總額	1,481,339	1,292,900	524,759	126,502
Unallocated	未分配	1,199,127	1,115,329	45,765	68,126
Consolidated total	綜合總額	2,680,466	2,408,229	570,524	194,628

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 4. PROFIT BEFORE TAXATION

### 4. 除稅前溢利

		Six months ended 截至九月三十日止六個月	
		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
Profit before taxation has been arrived at after charging (crediting):	除稅前溢利已扣除(計入):		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	11,900	11,502
Depreciation of right-of-use assets	使用權資產之折舊	66,282	—
Directors' remuneration	董事酬金	11,231	11,433
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	6,301	2,384
Net exchange losses	匯兌虧損淨額	738	6,647
Interest income	利息收入	(9,319)	(5,799)
Loss from changes in fair value of financial assets at FVTPL	按公平值計入損益之金融資產之公平值變動虧損	1,648	—
Gain from changes in fair value of derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具之公平值變動收益	(52)	—
Net realised gain on financial assets at FVTPL	按公平值計入損益之金融資產之已變現收益淨額	(72)	—
Net realised gain on derivative financial instruments at FVTPL	按公平值計入損益之衍生金融工具之已變現收益淨額	(334)	—
Allowance for slow-moving watches	滯銷手錶撥備	46,248	10,005
Short-term lease payments	短期租賃款項	4,029	—
Minimum operating lease rentals in respect of rented premises	有關租賃物業之最低經營租賃租金	—	78,055

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 5. INCOME TAX EXPENSE

The charge comprises:	支出包括：
Hong Kong Profits Tax	香港利得稅
— Current period	— 當期
Taxation in other jurisdictions	其他司法權區之稅項
Deferred taxation	遞延稅項

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%, after setting off of tax losses brought forward, if any.

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for both periods.

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods, after setting off of tax losses brought forward, if any.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 5. 所得稅開支

Six months ended	
截至九月三十日止六個月	
30 September 2019	30 September 2018
二零一九年九月三十日	二零一八年九月三十日
HK\$'000	HK\$'000
千港元	千港元
11,656	10,271
4,474	709
16,130	10,980
753	209
16,883	11,189

於二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，該條例草案引入利得稅兩級制。該條例草案於二零一八年三月二十八日簽署成為法律，並於翌日於憲報上刊登。根據利得稅兩級制，合資格集團實體將就首2,000,000港元溢利按8.25%之稅率繳納稅項，並將按16.5%之稅率繳納2,000,000港元以上溢利之稅項。不合利得稅兩級制資格之集團實體之溢利將於抵銷結轉的稅項虧損後(如有)繼續按固定稅率16.5%計算。

兩個期間內就首2,000,000港元估計應課稅溢利按8.25%之稅率繳納香港利得稅，並將按16.5%之稅率繳納2,000,000港元以上估計應課稅溢利之香港利得稅。

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

根據《中國企業所得稅法》及《企業所得稅法實施條例》，於抵銷結轉的稅項虧損後(如有)，於兩個期間中國附屬公司之稅率為25%。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 6. DIVIDEND

During the current interim period, a final dividend of 8.0 HK cents per share, totalling HK\$45,629,000, in respect of the year ended 31 March 2019 (2018: 8.0 HK cent per share, totalling HK\$45,649,000) and a special dividend of 13.5 HK cents per share, totalling HK\$76,998,000, in respect of the year ended 31 March 2019 (2018: 15.0 HK cents per share, totalling HK\$85,592,000) were approved at the annual general meeting held on 21 August 2019.

On 20 November 2019, the directors resolved to declare an interim dividend of 2.8 HK cents per share, totalling HK\$15,970,000 in respect of the six months ended 30 September 2019 (2018: 2.8 HK cents per share, totalling HK\$15,970,000) and a special dividend of 8.7 HK cents per share, totalling HK\$49,621,000, in respect of the six months ended 30 September 2019 (2018: 8.7 HK cents per share, totalling HK\$49,621,000), to be paid in cash to those shareholders whose names appear on the Company's register of members on 13 December 2019.

### 7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

#### Earnings

Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to owners of the Company)

#### 盈利

計算每股基本及攤薄盈利之盈利  
(本公司擁有人應佔期內溢利)

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 6. 股息

於本中期期間，已於二零一九年八月二十一日舉行之股東週年大會上批准派發截至二零一九年三月三十一日止年度之末期股息每股8.0港仙，合共45,629,000港元(二零一八年：每股8.0港仙，合共45,649,000港元)及截至二零一九年三月三十一日止年度之特別股息每股13.5港仙，合共76,998,000港元(二零一八年：每股15.0港仙，合共85,592,000港元)。

於二零一九年十一月二十日，董事議決宣派截至二零一九年九月三十日止六個月之中期股息每股2.8港仙，合共15,970,000港元(二零一八年：每股2.8港仙，合共15,970,000港元)以及截至二零一九年九月三十日止六個月之特別股息每股8.7港仙，合共49,621,000港元(二零一八年：每股8.7港仙，合共49,621,000港元)。中期股息將以現金派付予於二零一九年十二月十三日名列本公司股東名冊之股東。

### 7. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

Six months ended 截至九月三十日止六個月	
30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	30 September 2018 二零一八年 九月三十日 HK\$'000 千港元
<b>61,724</b>	64,005

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 7. EARNINGS PER SHARE (Continued)

#### Number of shares

Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share

#### 股份數目

計算每股基本及攤薄盈利之普通股加權平均數

The diluted earnings per share for both periods has not included the effect from the Company's share options because the exercise prices of the share options are higher than the average market price of the shares of the Company.

### 8. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2019, the Group incurred expenditure of HK\$36,813,000 (six months ended 30 September 2018: HK\$7,383,000) to acquire property, plant and equipment for its operation. During the period, the Group disposed of certain property, plant and equipment with carrying amount of HK\$6,301,000 (six months ended 30 September 2018: HK\$2,396,000) resulting a loss on disposal of HK\$6,301,000 (six months ended 30 September 2018: HK\$2,384,000).

The Group has pledged certain land and buildings with an aggregate carrying value of HK\$85,557,000 (31 March 2019: HK\$86,714,000) to a bank to secure the bank loan facilities granted to the Group.

During the period ended 30 September 2019, the Group entered into new lease agreements for the use of shops and office premises ranging from 1 to 8 years. The Group is required to make fixed payments. On lease commencement, the Group recognised HK\$51,891,000 of right-of-use assets and HK\$51,545,000 of lease liabilities.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 7. 每股盈利(續)

#### Number of shares 股份數目

30 September 2019 二零一九年 九月三十日	30 September 2018 二零一八年 九月三十日
<b>570,358,224</b>	570,610,224

兩個期間內每股攤薄盈利並無包括本公司購股權之影響，原因是購股權之行使價高於本公司股份之平均市價。

### 8. 物業、機器及設備以及使用權資產之變動

截至二零一九年九月三十日止六個月，本集團產生支出36,813,000港元(截至二零一八年九月三十日止六個月：7,383,000港元)以收購物業、機器及設備作其營運用途。於期內，本集團出售賬面值為6,301,000港元之若干物業、機器及設備(截至二零一八年九月三十日止六個月：2,396,000港元)，產生出售虧損6,301,000港元(截至二零一八年九月三十日止六個月：2,384,000港元)。

本集團已向銀行抵押總賬面值為85,557,000港元(二零一九年三月三十一日：86,714,000港元)之若干土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。

截至二零一九年九月三十日止期間，本集團就分店及辦公室物業用途訂立為期一至八年之新訂租賃協議。本集團須支付固定付款。於租賃開始時，本集團確認51,891,000港元之使用權資產及51,545,000港元之租賃負債。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 9. INTEREST IN A JOINT VENTURE

Cost of investment in an unlisted joint venture	於一間非上市合營公司之投資成本
Exchange adjustment	匯兌調整
Share of post-acquisition profits	應佔收購後之溢利

### 9. 佔一間合營公司之權益

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
21,793	21,793
(2,498)	(948)
5,452	5,160
<b>24,747</b>	<b>26,005</b>

### 10. INVENTORIES

Watches	手錶
Accessories and parts	配件及部件

### 10. 存貨

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
685,098	803,095
19,077	20,559
<b>704,175</b>	<b>823,654</b>

### 11. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款
Less: Allowance for impairment loss	減：減值虧損撥備

### 11. 貿易及其他應收賬款

Property rental deposits	物業租金按金
Value-added tax recoverable	可收回增值稅
Advances to other suppliers	向其他供應商墊款
Earnest money paid	已付誠意金
Other receivables and prepayment	其他應收賬款及預付款項

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
87,212	89,885
(4,304)	(3,839)
<b>82,908</b>	<b>86,046</b>
28,526	22,997
7,297	2,452
10,105	16,797
16,216	16,467
4,171	3,817
<b>149,223</b>	<b>148,576</b>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 11. TRADE AND OTHER RECEIVABLES (Continued)

The Group maintains a general credit policy of not more than 30 days for its wholesale customers. Sales made to retail customers are mainly made on a cash basis. The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 30 days	0 至 30 日
31 to 60 days	31 至 60 日
61 to 90 days	61 至 90 日
Over 90 days	90 日以上

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 11. 貿易及其他應收賬款(續)

本集團對其批發客戶實行不超過30日之一般信貸政策。零售銷售主要以現金進行。以下為貿易應收賬款於呈報期末按發票日期之賬齡分析：

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
81,716	75,335
197	9,843
330	868
665	—
<b>82,908</b>	<b>86,046</b>

### 12. TRADE AND OTHER PAYABLES

Trade payables	貿易應付賬款
Payroll and welfare payables	應付工資及福利
Commission payables	應付佣金
Renovation work payables	應付翻新工程賬款
Value-added tax and other taxes payables	應付增值稅及其他稅項
Advertising fee payables	應付廣告費
Property rental fee payables	應付物業租金
Other payables	其他應付賬款
Accrued expenses	應計費用

### 12. 貿易及其他應付賬款

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
52,734	50,907
24,081	20,559
32,104	25,996
3,363	3,468
14,092	5,970
1,580	1,007
2,987	1,408
7,125	6,521
5,078	3,190
<b>143,144</b>	<b>119,026</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 12. TRADE AND OTHER PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 60 days	0至60日
61 to 90 days	61至90日
Over 90 days	90日以上

#### Contract liabilities

Contract liabilities on sales of watches 銷售手錶之合約負債

Contract liabilities represent receipts in advance for sales of watches, giving rise to contract liabilities until revenue is recognised.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 12. 貿易及其他應付賬款(續)

以下為貿易應付賬款於呈報期末按發票日期呈列之賬齡分析：

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
51,640	43,498
296	1,227
798	6,182
<b>52,734</b>	<b>50,907</b>

#### 合約負債

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
6,405	7,476

合約負債指銷售鐘表之預收款項，其產生合約負債直至確認收益為止。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 13. BANK LOANS

During the six months ended 30 September 2019, the Group had no new bank loan raised (six months ended 30 September 2018: HK\$41,200,000) and made the repayments of bank loan amounting to HK\$36,083,000 (six months ended 30 September 2018: HK\$41,233,000).

### 13. 銀行貸款

於截至二零一九年九月三十日止六個月，本集團並無新增銀行貸款(截至二零一八年九月三十日止六個月：41,200,000港元)，及已償還銀行貸款36,083,000港元(截至二零一八年九月三十日止六個月：41,233,000港元)。

### 14. SHARE CAPITAL

### 14. 股本

		Number of shares 股份數目	Amount 價值 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1 April 2018, 30 September 2018, 1 April 2019 and 30 September 2019	於二零一八年四月一日、 二零一八年九月三十日、 二零一九年四月一日及 二零一九年九月三十日	1,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2018 and 30 September 2018	於二零一八年四月一日及 二零一八年九月三十日	570,610,224	57,061
Share repurchased and cancelled	股份購回及註銷	(252,000)	(25)
At 1 April 2019 and 30 September 2019	於二零一九年四月一日及 二零一九年九月三十日	570,358,224	57,036

Note: During the year ended 31 March 2019, the Company repurchased a total of 252,000 issued ordinary shares on 25 October 2018 at prices ranging from HK\$1.78 per share to HK\$1.80 per share in the market for a consideration of HK\$452,000. The ordinary shares were cancelled upon repurchase.

附註：於截至二零一九年三月三十一日止年度內，本公司於二零一八年十月二十五日按介乎每股1.78港元至每股1.80港元之價格於市場上以代價452,000港元購回總數為252,000股已發行普通股。該等普通股於購回後已註銷。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 15. ACQUISITION OF A SUBSIDIARY UNDER ASSET ACQUISITION

On 18 September 2018, the Group acquired entire equity interest in Fully Field Development Limited ("Fully Field") at a consideration of HK\$4,186,000. Fully Field holds 3 signage spaces in Hong Kong. The directors of the Company are of the opinion that acquisition of Fully Field does not constitute business combinations as defined in HKFRS 3, therefore, the acquisition have been accounted for as asset acquisition. Details of acquisition are summarised follows:

#### Assets and liabilities recognised at the date of acquisition

Net assets of Fully Field acquired:

Property, plant and equipment  
Bank balances  
Other payables

Net assets

Cash consideration paid  
Bank balances acquired

Net cash outflow from acquisition of a subsidiary under asset acquisition

### 15. 資產收購下收購一間附屬公司

於二零一八年九月十八日，本集團收購滿輝發展有限公司(「滿輝」)全部股權，代價為4,186,000港元。滿輝於香港持有三個標牌。本公司董事認為收購滿輝並不構成香港財務報告準則第3號所界定之業務合併，因此，該收購事項計入為資產收購。該收購事項詳情概述如下：

#### 於收購日期已確認之資產及負債

Total  
總計  
HK\$'000  
千港元

已收購之滿輝資產淨值：

物業、機器及設備  
銀行結餘  
其他應付賬款

資產淨值

已付現金代價  
已收購銀行結餘

資產收購下收購一間附屬公司之現金流出淨額

4,200  
31  
(45)

4,186

4,186  
(31)

4,155

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 16. SHARE-BASED PAYMENT TRANSACTION

The Company has share options schemes for eligible directors, employees, consultants, customers, suppliers or advisors of the Company or a company in which the Company holds an interest or a subsidiary of such company.

#### (i) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3 November 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3 November 2003.

Details of specific categories of options are as follows:

Date of grant 授出日期	Number of share options granted 已授出購股權數目	Exercisable period 可行使期間	Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
6 April 2011 二零一一年四月六日	32,300,000 (note a) (附註a)	6 April 2011 to 5 April 2021 二零一一年四月六日至 二零二一年四月五日	HK\$4.13 港元	HK\$3.44 港元 (note a) (附註a)
29 August 2011 二零一一年八月二十九日	23,000,000	29 August 2011 to 28 August 2021 二零一一年八月二十九日至 二零二一年八月二十八日	HK\$4.80 港元	N/A 不適用

Note a: The number of shares under the outstanding options and the exercise price have been adjusted upon the bonus issue of shares in July 2011 on the basis of one new ordinary share for every five ordinary shares held.

### 16. 以股份為基礎之付款交易

本公司為本公司之合資格董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有權益之公司或該公司之附屬公司設有購股權計劃。

#### (i) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司採納一項購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起開始十年期間內有效。

特定購股權類別之詳情如下：

Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
HK\$4.13 港元	HK\$3.44 港元 (note a) (附註a)
HK\$4.80 港元	N/A 不適用

附註a：未行使購股權項下之股份數目及行使價已按於二零一一年七月每持有五股普通股獲派一股新普通股之基準於派送紅股後作出調整。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 16. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (i) 2003 Share Option Scheme (Continued)

The following tables disclose movements of the Company's share options held by directors, employees and consultants during the six months ended 30 September 2019 and 30 September 2018:

#### Share options granted on 6 April 2011

Categories of participants	參與者類別	Number of share options outstanding at 1 April 2018 於二零一八年四月一日 未行使之購股權數目	Forfeited during the period 期內已沒收	Number of share options outstanding at 30 September 2018, 31 March 2019 and 30 September 2019
				於二零一八年九月三十日、二零一九年三月三十一日及二零一九年九月三十日 未行使之購股權數目
Directors of the Company	本公司董事	11,520,000	—	11,520,000
Other employees	其他僱員	14,400,000	—	14,400,000
Consultants (note b)	顧問(附註b)	5,640,000	(3,000,000)	2,640,000
Total	總計	31,560,000	(3,000,000)	28,560,000

#### Share options granted on 29 August 2011

Categories of participants	參與者類別	Number of share options outstanding at 1 April 2018, 30 September 2018, 31 March 2019 and 30 September 2019
Other employees	其他僱員	18,000,000
Consultants (note b)	顧問(附註b)	5,000,000
		23,000,000

Note b: The share options were granted to consultants for services rendered in exploring investment opportunities for the Group.

附註b: 購股權乃授予顧問，作為其為本集團發掘投資機會所提供服務之回報。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 16. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (i) 2003 Share Option Scheme (Continued)

The 2003 Share Option Scheme expired on 2 November 2013. The options could be exercised by the participants at any time during the option exercisable period and notwithstanding that the 2003 Share Option Scheme had expired.

No option was exercised under the 2003 Share Option Scheme during the six months ended 30 September 2019 and 30 September 2018. During the six months ended 30 September 2018, 3,000,000 options (six months ended 30 September 2019: nil) under the 2003 Share Option Scheme were forfeited.

#### (ii) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2013, a new share option scheme was adopted with effect on 3 November 2013 (the "2013 Share Option Scheme") after the expiry of the 2003 Share Option Scheme. The 2013 Share Option Scheme will remain in force until 2 November 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during each of the six months ended 30 September 2019 and 30 September 2018 since its effective date on 3 November 2013 and there was no outstanding share option as at 30 September 2019.

During the six months ended 30 September 2019 and 30 September 2018, no share-based payment expense was recognised in relation to share options granted by the Company.

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 16. 以股份為基礎之付款交易(續)

#### (i) 二零零三年購股權計劃(續)

二零零三年購股權計劃於二零一三年十一月二日屆滿。儘管二零零三年購股權計劃已經屆滿，參與者仍可於購股權行使期間隨時行使購股權。

截至二零一九年九月三十日及二零一八年九月三十日止六個月內，概無購股權根據二零零三年購股權計劃獲行使。截至二零一八年九月三十日止六個月內，3,000,000份購股權(截至二零一九年九月三十日止六個月：無)根據二零零三年購股權計劃已沒收。

#### (ii) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)已獲採納。二零一三年購股權計劃將一直有效，直至二零二三年十一月二日為止。

自其生效日期二零一三年十一月三日起，分別截至二零一九年九月三十日及二零一八年九月三十日止六個月內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一九年九月三十日亦無未行使購股權。

截至二零一九年九月三十日及二零一八年九月三十日止六個月內，概無就本公司授出之購股權確認以股份為基礎之付款開支。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

#### Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 17. 金融工具之公平值計量

#### 按經常性基準以公平值計量之本集團金融資產及金融負債之公平值

本集團若干金融資產及金融負債於呈報期末按公平值計量。下表載列有關如何釐定該等金融資產及金融負債之公平值(尤其是所使用之估值技術及輸入數據), 以及公平值計量按照公平值計量之輸入數據之可觀察程度進行分類之公平值架構層級(1至3級)之資料。

- 第1級公平值計量指相同資產或負債在活躍市場之報價(未經調整)所產生者;
- 第2級公平值計量指包括在第1級內可直接(即按價格)或間接(即由價格產生)觀察所得之資產或負債輸入數據(報價除外)所產生者; 及
- 第3級公平值計量指包括並非根據觀察所得市場數據之資產或負債輸入數據(非觀察所得輸入值)之估值技術所產生者。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

### 17. 金融工具之公平值計量(續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

Financial assets 金融資產	Fair value as at 公平值於		Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技巧及主要輸入數據
	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元		
(i) Equity instruments at FVTOCI — equity securities listed in Hong Kong (i) 按公平值計入其他全面收益之股本工具 — 於香港上市之股本證券	37	41	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(ii) Equity instruments at FVTOCI — unlisted investments, managed fund portfolio (ii) 按公平值計入其他全面收益之股本工具 — 非上市投資、管理基金投資組合	3,195	3,866	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note) 作為經紀之金融機構提供之市場報價(附註)
(iii) Debt instruments at FVTOCI — listed debt securities in overseas (iii) 按公平值計入其他全面收益之債務工具 — 於海外上市之債務證券	5,022	3,683	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(iv) Debt instruments at FVTOCI — listed debt securities in Hong Kong (iv) 按公平值計入其他全面收益之債務工具 — 於香港上市之債務證券	1,570	1,568	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(v) Debt instruments at FVTOCI — unlisted debt securities (v) 按公平值計入其他全面收益之債務工具 — 非上市債務證券	1,570	1,569	Level 2 第2級	Quoted market prices provided by brokers which are financial institutions (note) 作為經紀之金融機構提供之市場報價(附註)
(vi) Financial assets at FVTPL — listed investments, equity securities listed in Hong Kong and overseas (vi) 按公平值計入損益之金融資產 — 上市投資、於香港及海外上市之股本證券	4,479	14,982	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

**Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)**

### 17. 金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及金融負債之公平值(續)

	Fair value as at 公平值於		Fair value hierarchy 公平值架構	Valuation technique(s) and key input(s) 估值技巧及主要輸入數據
	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元		
<b>Financial liabilities</b> <b>金融負債</b>				
(i) Derivate financial instruments at FVTPL – Short position in equity securities listed in Hong Kong (i) 按公平值計入損益之衍生金融工具 – 於香港上市之股本證券淡倉	54	–	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價
(ii) Derivative financial instruments at FVTPL – Short position in equity securities listed in overseas (i) 按公平值計入損益之衍生金融工具 – 於海外上市之股本證券淡倉	500	–	Level 1 第1級	Quoted bid prices in an active market 活躍市場所報之買入價

*Note:* Quoted market prices provided by brokers which are financial institutions represent the fair values of the respective funds, based on the observable quoted prices of the underlying investments in active market.

*附註:* 作為經紀之金融機構提供之市場報價指基於相關投資於活躍市場之可觀察報價釐定之各基金公平值。

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values.

本公司董事認為，簡明綜合財務報表中以攤銷成本入賬之金融資產及金融負債賬面值與其公平值相若。

### 18. RELATED PARTY TRANSACTIONS

The compensation of key management personnel which represents the directors of the Company is disclosed in note 4.

### 18. 有關連人士交易

主要管理人員(即本公司董事)待遇之明細在附註4披露。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the six months ended 30 September 2019

### 19. CONTINGENT LIABILITIES

As at 30 September 2019, the Group issued financial guarantees to banks in respect of banking facilities granted to associates. The aggregate amount that may be required to be paid if the guarantees are called upon in entirety amounting to NT\$150,000,000 (equivalent to HK\$38,624,000; 31 March 2019: NT\$150,000,000 and equivalent to HK\$38,624,000), which was fully utilised by these associates at 30 September 2019. The fair value of the financial guarantee contracts at the grant date is not significant and in the opinion of the directors, the default risk of associates at 31 March 2019 and 30 September 2019 is considered as low.

### 20. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements

就簡明綜合財務報表內已訂約但未撥備之收購物業、機器及設備相關資本開支

## 簡明綜合財務報表附註(續)

截至二零一九年九月三十日止六個月

### 19. 或然負債

於二零一九年九月三十日，本集團就聯營公司獲授之銀行融資向銀行發出財務擔保。於二零一九年九月三十日，於被要求全數代還擔保時可能須予支付之總額新台幣150,000,000元(相等於38,624,000港元；二零一九年三月三十一日：新台幣150,000,000元，並相等於38,624,000港元)已獲該等聯營公司全數動用。財務擔保合約於授出當日之公平值並不重大，且董事認為，聯營公司於二零一九年三月三十一日及二零一九年九月三十日之拖欠風險甚微。

### 20. 資本承擔

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元
7,949	8,780

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

## 董事擁有之證券權益及淡倉

As at 30 September 2019, the interests of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零一九年九月三十日，本公司之董事於本公司之股份及相關股份中擁有之權益，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

Name of director	董事姓名	Number of shares held 所持股份數目			Total number of shares 股份總數	Percentage of issued share capital of the Company 佔本公司已發行 股本百分比
		Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益		
Dr. Yeung Ming Biu	楊明標博士	19,669,583	7,920,000	128,164,561 (note (a)) (附註(a))	155,754,144	27.31%
Mr. Yeung Him Kit, Dennis	楊衍傑先生	5,524,000	—	(note (b)) (附註(b))	5,524,000	0.97%
Madam Yeung Man Yee, Shirley	楊敏儀女士	2,640,000	221,161	(note (c)) (附註(c))	2,861,161	0.50%
Mr. Lam Hing Lun, Alain	林慶麟先生	3,600,000	—	—	3,600,000	0.63%
Mr. Choi Kwok Yum	蔡國欽先生	3,600,000	—	—	3,600,000	0.63%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (d)) (附註(d))	3,200,000	0.56%



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

### Notes:

- (a) Dr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 45% and 22.5% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited and Dr. Yeung Ming Biu are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 127,776,000 shares in the Company.

Dr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 388,561 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis is the beneficial owner of 10% and 7% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively. Real Champ Limited is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited.
- (c) Madam Yeung Man Yee, Shirley is the beneficial owner of 7.5% of the issued share capital of Realtower Holdings Limited.
- (d) Dr. Sun Ping Hsu, Samson and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company.

Save as disclosed above, and other than certain nominee shares in subsidiaries held by a director in trust for the Company, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

## 董事擁有之證券權益及淡倉(續)

### 附註：

- (a) 楊明標博士及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 45% 及 22.5%。Realtower Holdings Limited 及楊明標博士各自實益擁有 Furama Investments Limited 已發行股本 55% 及 10%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。Datsun Holdings Limited 實益擁有 127,776,000 股本公司股份。

楊明標博士實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 388,561 股本公司股份。

- (b) 楊衍傑先生分別實益擁有 Realtower Holdings Limited 及 Real Champ Limited 已發行股本 10% 及 7%。Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。
- (c) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本 7.5%。
- (d) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 3,200,000 股本公司股份。

除上文所披露者及一名董事以信託形式代本公司持有附屬公司之若干代理人股份外，根據證券及期貨條例第 352 條規定保管之登記冊所記錄，本公司之董事概無於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

## SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

## 購股權計劃及董事購買股份或債券之權利

### (a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3 November 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3 November 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

### (a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團之任何董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。根據聯交所證券上市規則（「上市規則」），除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

## SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

## 購股權計劃及董事購買股份或債券之權利(續)

### (a) 2003 Share Option Scheme (Continued)

The 2003 Share Option Scheme expired on 2 November 2013. The options could be exercised by the participants at any time during the option period and notwithstanding that the 2003 Share Option Scheme had expired.

The following table discloses movements of the options granted under the 2003 Share Option Scheme to directors, certain employees and consultants during the year:

Name of category of participant	Date of grant of options	Original exercise price per share	Adjusted exercise price per share	Exercisable period	Number of shares under options at 1.4.2019 and 30.9.2019	Forfeited during the year ended 30.9.2019	Number of shares under options at 30.9.2019
參與者類別名稱	購股權授出日期	原有每股行使價 HK\$ 港元 (note a) (附註a)	經調整每股行使價 HK\$ 港元 (note a) (附註a)	可行使期間	於 二零一九年四月一日至 二零一九年九月三十日 購股權涉及之股份數目	於截至 二零一九年九月三十日 止年度沒收	於 二零一九年九月三十日 購股權涉及之股份數目
<b>Directors 董事</b>							
Dr. Yeung Ming Biu 楊明標博士	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Mr. Yeung Him Kit, Dennis 楊衍傑先生	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Madam Yeung Man Yee, Shirley 楊敏儀女士	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	1,440,000	–	1,440,000
Mr. Lam Hing Lun, Alain 林慶麟先生	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	3,600,000	–	3,600,000
Mr. Choi Kwok Yum 蔡國欽先生	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	3,600,000	–	3,600,000
					11,520,000	–	11,520,000
<b>Other employees 其他僱員</b>							
Type A (note b) A類(附註b)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	14,400,000	–	14,400,000
Type B (note c) B類(附註c)	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021	18,000,000	–	18,000,000
<b>Consultants 顧問</b>							
Type A (note b) A類(附註b)	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021	2,640,000	–	2,640,000
Type B (note c) B類(附註c)	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021	5,000,000	–	5,000,000
Total 總計					54,560,000	(3,000,000)	51,560,000

### (a) 二零零三年購股權計劃(續)

二零零三年購股權計劃於二零一三年十一月二日屆滿。購股權可由參與者於購股權期間任何時間予以行使，而不論二零零三年購股權計劃已屆滿。

下表披露董事、若干僱員及顧問於年內根據二零零三年購股權計劃獲授購股權之變動：

## SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

## 購股權計劃及董事購買股份或債券之權利(續)

### (a) 2003 Share Option Scheme *(Continued)*

Notes:

- (a) An ordinary resolution was passed by the shareholders at the annual general meeting of the Company held on 28 July 2011 approving a bonus issue of shares to shareholders of the Company on the basis of one new ordinary share for every five ordinary shares held. The number of shares under the outstanding options and the exercise price per share of the outstanding options were adjusted accordingly pursuant to the terms of the 2003 Share Option Scheme.
- (b) Type A represented share options were granted on 6 April 2011.
- (c) Type B represented share options were granted on 29 August 2011.

### (b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13 August 2013, a new share option scheme was adopted with effect on 3 November 2013 (the "2013 Share Option Scheme") after the expiry of the 2003 Share Option Scheme.

### (a) 二零零三年購股權計劃(續)

附註：

- (a) 股東在本公司於二零一一年七月二十八日舉行之股東週年大會上通過普通決議案，批准派送紅股予本公司股東，基準為每持有五股普通股可獲派一股新普通股。未行使購股權之股份數目及未行使購股權之每股行使價已根據二零零三年購股權計劃之條款作出相應調整。
- (b) A類指於二零一一年四月六日授出之購股權。
- (c) B類指於二零一一年八月二十九日授出之購股權。

### (b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

## SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

### (b) 2013 Share Option Scheme (Continued)

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

## 購股權計劃及董事購買股份或債券之權利(續)

### (b) 二零一三年購股權計劃(續)

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司於其中持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份數目合共為57,061,022股。根據上市規則，除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及



**SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES** *(Continued)*

**(b) 2013 Share Option Scheme** *(Continued)*

- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2 November 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during the year since its effective date on 3 November 2013 and there was no outstanding share option as at 30 September 2019.

**購股權計劃及董事購買股份或債券之權利** *(續)*

**(b) 二零一三年購股權計劃** *(續)*

- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起至本年度內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一九年九月三十日亦無未行使購股權。



## SUBSTANTIAL SHAREHOLDERS

As at 30 September 2019, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company:

## 主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零一九年九月三十日，以下人士(並非為本公司之董事或最高行政人員)於本公司股本中擁有權益。

Name of shareholder 股東名稱	Number of shares held 所持股份數目	Percentage of issued share capital of the Company 佔本公司已發行股本百分比
Datsun Holdings Limited	127,776,000	22.40%
Furama Investments Limited (Note 1) (附註1)	127,776,000	22.40%
Realtower Holdings Limited (Note 1) (附註1)	127,776,000	22.40%
FMR LLC	57,035,800	9.99%
Pandanus Associates Inc.	47,784,000	8.38%
Pandanus Partners L.P. (Notes 2 and 3) (附註2及3)	47,784,000	8.38%
483A Bay Street Holdings LP (Note 3) (附註3)	46,002,000	8.07%
483A Bay Street Holdings Management LLC	46,002,000	8.07%
Fidelity Canada Investors LLC (Note 3) (附註3)	46,002,000	8.07%
FIL Limited (Note 3) (附註3)	46,002,000	8.07%
Ntasian Discovery Master Fund	29,164,000	5.11%
TIG Advisors LLC	16,134,000	5.05%

(Note 4) (附註4)

## SUBSTANTIAL SHAREHOLDERS (Continued)

### Notes:

1. Realtower Holdings Limited holds 55% of the issued share capital of Furama Investments Limited, which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 127,776,000 shares in the Company held by Datsun Holdings Limited.
2. Pandanus Partners L.P. was 100% owned by Pandanus Associates Inc.
3. These companies were related. FIL Limited was 37.51% controlled by Pandanus Partners L.P.
4. This percentage is according to the latest notice filed under the SFO on 15 January 2008 on the basis of 319,253,000 shares then in issue.

Save as disclosed above, at 30 September 2019, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

## 主要股東(續)

### 附註：

1. Realtower Holdings Limited 持有 Furama Investments Limited 已發行股本 55%，Furama Investments Limited 則持有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均被視為擁有 Datsun Holdings Limited 所持之 127,776,000 股本公司股份權益。
2. Pandanus Partners L.P. 由 Pandanus Associates Inc. 擁有 100% 之權益。
3. 該等公司互相為關連人士。FIL Limited 由 Pandanus Partners L.P. 控制 37.51% 之權益。
4. 該百分比乃根據二零零八年一月十五日根據證券及期貨條例存檔之最新通知按 319,253,000 股當時已發行股份釐定。

按本公司根據證券及期貨條例第 336 條規定存置之登記冊所示，除上文所披露者外，於二零一九年九月三十日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Group Results

On behalf of the Board of Directors (the “Board”) of Oriental Watch Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”), I hereby present the unaudited consolidated results of the Group for the six months ended 30 September 2019 (the “Period”).

During the Period, the Hong Kong retail market experienced adjustments as uncertainties have clouded the macro-economic environment. Tourist arrivals and retail sales have both seen corrections for a shorter period, impacting the retail and tourism industry as a whole. As such, the Group’s turnover for the Period decreased by 1.1% to HK\$1,167.8 million (2018: HK\$1,181.1 million). However, gross profit remained strong and increased by 10.4% to HK\$318.2 million (2018: HK\$288.2 million) while gross profit margin increased to 27.3%, attributing to the Group’s positioning at high-end luxurious market where our long-term clients maintain strong purchasing power, as well as its sincere effort in cost control on rent and inventory. As a result, the Group’s net profit attributable to owners of the Company recorded a year on year (“yoy”) decreased by 3.6% to HK\$61.7 million (2018: HK\$64.0 million) representing an acceptable results in this financial period even during challenging time.

### 集團業績

本人謹代表東方表行集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之董事會提呈本集團截至二零一九年九月三十日止六個月(「本期間」)之未經審核綜合業績。

於本期間內，由於宏觀經濟環境被多項不明朗因素籠罩，香港零售市場經歷多次調整。訪港旅客及零售業銷貨額同時出現短期變動，對整體零售及旅遊業產生影響。因此，本集團於本期間之營業額減少1.1%至1,167,800,000港元(二零一八年：1,181,100,000港元)。然而，毛利保持強勁，增加10.4%至318,200,000港元(二零一八年：288,200,000港元)，而毛利率則增加至27.3%，原因為本集團於本集團之長期客戶保持強勁購買力之高端奢侈品市場具有一定地位，且本集團致力控制租金及存貨成本所致。因此，本公司擁有人應佔本集團純利按年減少3.6%至61,700,000港元(二零一八年：64,000,000港元)。儘管處於艱難時期，本財政期間所錄得之業績仍屬可予接受水平。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Business Review and Prospects

As at 30 September 2019, the Group operates 61 retail and wholesale points (including associate retail stores) in the Greater China region. Breakdown by geographic region is as follows:

		<b>As at 30 September 2019</b>
		於二零一九年 九月三十日
Hong Kong	香港	11
Macau	澳門	1
China	中國	46
Taiwan	台灣	3
Total	總計	<u>61</u>

The Hong Kong operation of the Group held up well during the Period against a backdrop of uncertain economic and social conditions. Over the years, the Group has established a strong high end customer base, which enabled the Group to achieve similar level of profitability.

China's gross domestic product ("GDP") has sustained a stable growth of around 6.1% yoy for the second and third quarters of 2019, which showed signs of gradual stabilization. The Chinese government has maintained keen eyes on promoting domestic consumption, the efforts have gradually begun to bear fruit. The Group's same-store-sales growth in China has achieved 11% during the Period. And sales in the Chinese market has remained an essential business for the Group over the years, the Group has established a solid foothold across tier-one Chinese cities such as Shanghai, Beijing and Guangdong province, as well as other cities such as Taiyuan, Nanjing, Changsha and Chengdu. As shown by statistics, China represents one of the major markets where strong and continuous growth has been recorded. In August and September 2019 alone, China registered CHF146.0 million (approximately HK\$1.16 billion) and CHF162.0 million (approximately HK\$1.29 billion) of export value, as stated by the Federation of the Swiss Watch Industry FH, representing a double-digit growth of 13.7% and 26.0%, respectively. The Group will continue to strengthen its foothold and seek greater presence going forward.

## 管理層討論及分析(續)

### 業務回顧及前景

於二零一九年九月三十日，本集團於大中華地區經營61個零售及批發點(包括聯營零售店)，按地區分析如下：

儘管經濟及社會狀況不明朗，本集團之香港業務於本期間仍取得良好表現。多年來，本集團建立強大之高端客戶基礎，讓本集團達致相近盈利水平。

中國國內生產總值於二零一九年第二及第三季度維持按年穩定增長約6.1%，呈逐漸穩定之跡象。中國政府繼續專注促進國內消費，有關工作已漸漸開始奏效。本集團之中國同店銷售增長於本期間已達到11%。中國市場之銷售多年來一直為本集團之關鍵業務，本集團已於中國一線城市(如上海、北京及廣東省)以及其他城市(如太原、南京、長沙及成都)奠定穩固基礎。誠如數據所示，中國為主要市場之一，持續錄得強勁增長。誠如瑞士鐘表工業聯合會FH所述，單於二零一九年八月及九月，中國已分別錄得出口價值146,000,000瑞士法郎(約1,160,000,000港元)及162,000,000瑞士法郎(約1,290,000,000港元)，分別以雙位數增長13.7%及26.0%。本集團將繼續鞏固其立足點，於未來致力擴大佈局。

## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Business Review and Prospects (Continued)

The Group executes stringent cost control over the years, our priority has been to control and maintain a reasonable rental cost since 2014. Due to the unrelenting efforts in negotiating better rental over the past year, we have managed to keep it at a relatively lower level and the benefits have continued to reflect over the Period. The Group's aggregate rental payments (excluding related property management fees) decreased by 2.6% to HK\$76 million. In addition, regular internal assessments on the performance of all retail stores and closedown of high-rent yet non-performing stores are also the Group's strategy for better resource allocation. The Group will continue to closely monitor the store performance as well as the rental contracts from time to time in order to maximize the profitability by improving our efficiency and cost structure.

During the Period, the Group has employed policies on inventory management to ensure stable cash flow and healthy financial position. Policies included monitoring the inventory level and purchasing stocks only when existing inventory depletes to a pre-agreed level. With the hard work and determination from all staff, the Group's inventory level has successfully been maintained at a reasonable level. As at 30 September 2019, the Group's overall inventory level amounted to HK\$704.2 million, decreasing by 14.5% from approximately HK\$823.7 million as at 31 March 2019. In parallel, the Group has also continued to step up its efforts in adjusting and optimising its brand portfolio, in order to stabilise the Group's overall sales performance and keep abreast of market trend. Oriental Watch will continue to maintain a lower inventory level for a better cash position and a sustainable business development in the future.

## 管理層討論及分析(續)

### 業務回顧及前景(續)

本集團多年一直實施嚴格成本控制，控制及維持合理租金成本自二零一四年來一直為本集團之首要任務。由於過去一年致力磋商以取得更優惠租金，我們一直維持租金處於相對較低水平，利好影響於本期間充分反映。本集團之總租金支出(不包括相關物業管理費)減少2.6%至76,000,000港元。此外，定期對所有零售店業績進行內部評估，並關閉租金高昂惟表現欠佳之店舖，亦為本集團更有效調配資源之策略。本集團將繼續不時密切監察店舖表現及租約，以透過提升效率及改善成本架構從而最大限度地提高盈利能力。

於本期間內，本集團已採取存貨管理政策，以確保穩定現金流量及穩健財務狀況。政策包括監察存貨水平，並僅在現有庫存消耗到預先商定之水平時才進行庫存採購。經過全體員工的努力及決心，本集團之庫存水平已經成功地維持於合理水平。於二零一九年九月三十日，本集團之總體庫存水平達到704,200,000港元，較二零一九年三月三十一日之約823,700,000港元減少14.5%。同時，本集團亦繼續致力調整及提升其品牌形象，以鞏固本集團之整體銷售業績及緊貼市場趨勢。東方表行將繼續維持較低存貨水平，以達至較佳的現金狀況及未來可持續業務發展。



## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Business Review and Prospects (Continued)

Hong Kong is a leading tourist hub for visitors across the globe. The government policies are favourable to promoting tourism and attracting an influx of holidaymakers. In addition, with connectivity infrastructures already in place, such as the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Hong Kong-Zhuhai-Macau Bridge, travel time between Hong Kong and many other Chinese cities are now shortened. It is in the belief of the Group that Hong Kong tourism should regain its footing in the near future, and the Group remains cautiously optimistic for the longer-term retail market, especially for the high-end sectors. Oriental Watch will continue to deploy appropriate strategies to elevate the productivity of existing stores, strengthen cost management and optimize its inventory profile, as well as enrich its product portfolio to capture opportunities within this particular consumer threshold.

On behalf of the Group, we would like to thank our customers, suppliers, staff and shareholders for their contribution, loyalty and unfailing support.

### Liquidity and financial resources

At 30 September 2019, the Group's total equity reached HK\$2,109 million, compared with HK\$2,214 million as at 31 March 2019. The Group had net current assets of HK\$ 1,653 million, including bank and cash balances of HK\$1,118 million as at 30 September 2019 compared with balances of HK\$1,866 million and HK\$1,085 million respectively as at 31st March 2019. At 30 September 2019 bank loans of HK\$27 million (31st March 2019: HK\$63 million). At 30 September 2019, the gearing ratio (defined as total bank borrowing on total equity) was 0.01 (31st March, 2019: 0.03).

Management considers that financial position of the Group is healthy with adequate funds and unused banking facilities.

## 管理層討論及分析(續)

### 業務回顧及前景(續)

對全球旅客而言，香港乃領先旅遊樞紐。政府政策有助推廣旅遊業及吸引度假人士來港。此外，由於連接基礎建設已準備就緒(如：廣深港高速鐵路及港珠澳大橋)，香港與多個中國其他城市間之行車時間現已縮短。本集團相信香港旅遊業於不久將來可重執其穩固地位，且本集團對較長期零售市場保持審慎樂觀態度，尤其是高端市場。東方表行將持續運用適當策略，提高現有店舖之生產力、加強成本管理及優化其存貨組合，並豐富其產品組合以把握此特定消費層之機會。

我們謹代表本集團感謝我們之客戶、供應商、員工及股東多年來的貢獻、忠誠及支持。

### 流動資金及財務資源

於二零一九年九月三十日，本集團之權益總額達2,109,000,000港元，而於二零一九年三月三十一日則為2,214,000,000港元。於二零一九年九月三十日，本集團之流動資產淨值為1,653,000,000港元，包括1,118,000,000港元之銀行及現金結餘，而於二零一九年三月三十一日之結餘則分別為1,866,000,000港元及1,085,000,000港元。於二零一九年九月三十日，銀行貸款為27,000,000港元(二零一九年三月三十一日：63,000,000港元)。於二零一九年九月三十日，負債資產比率(定義為銀行借貸總額除以權益總額)為0.01倍(二零一九年三月三十一日：0.03倍)。

管理層認為本集團之財務狀況穩健，並具備充裕資金及未動用銀行信貸。



## MANAGEMENT DISCUSSION AND ANALYSIS

(Continued)

### Foreign exchange exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

## STAFF AND EMPLOYMENT

As at 30 September 2019, our Group employed approximately 560 employees in Hong Kong, Macau, Mainland China and Taiwan, of which approximately 64% were located in Mainland China.

Our employees' compensation packages include basic salary, commission, annual bonus, medical insurance and other common benefits. They are structured by reference to the nature of their posts, experiences and performance, and are reviewed annually based on the Group's objective performance appraisal system.

The Group has allocated significant resources to provide training programmes to employees to improve their services to customers. The management team has used results of a "Mystery Shoppers Programme" conducted by an independent consultancy firm to tailor-made training programmes for specific shop and at individual level.

The Group has also developed a series of training programmes for senior executives with diverse topics ranging from leadership, personal development and effectiveness, task and team management. These programmes enable our senior executives to improve their management skills and help to bring in innovative ideas to the Group.

## 管理層討論及分析(續)

### 外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

### 僱員及聘用

於二零一九年九月三十日，於香港、澳門、中國及台灣共僱有約560名僱員，其中約64%為中國內地員工。

本集團參考僱員之職位性質、經驗及表現決定所提供之薪酬待遇，當中包括底薪、佣金、年終獎金、醫療保險及其他福利，並每年根據本集團之績效評估報告系統重新調整。

本集團投放大量資源以提供僱員培訓課程，藉以提升為客戶提供之服務。管理團隊利用獨立顧問公司所進行之「神秘顧客計劃」結果，設計針對個別店舖或員工之培訓課程。

本集團亦已為高級行政人員發展一系列培訓計劃，其主題多元化，包括領導能力、個人發展及效率、工作及團隊管理。該等計劃讓本集團之高級行政人員改善其管理能力，並有助為本集團帶來創新意念。

## STAFF AND EMPLOYMENT (Continued)

The Company has adopted a share option scheme relating to the grant of options to eligible persons including directors and employees of the Group to subscribe for shares of the Company. The share option scheme enables the Group to offer valuable incentive to attract and retain quality personnel and other persons to work to increase the value of the shares of the Company.

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

During the six months ended 30 September 2019, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

## CORPORATE GOVERNANCE

The Company is committed to the establishment of good governance practices and procedures. The Company has met the code provisions set out in the Corporate Governance Code ("CG Code") in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), throughout the six months ended 30 September 2019, except the deviations as explained belows:

1. Under Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the Independent Non-executive Directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company at least once every three years.

## 僱員及聘用(續)

本公司已採納一項有關向合資格人士(包括本集團董事及僱員)授出購股權以認購本公司股份之購股權計劃。有關購股權計劃讓本集團提供有價值之誘因以吸引及保留高質素人員及其他人士，提高本公司股份之價值。

## 買賣或贖回本公司上市證券

截至二零一九年九月三十日止六個月內，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

## 企業管治

本公司致力制定良好之管治常規及程序。截至二零一九年九月三十日止六個月內，本公司一直符合香港聯合交易所有限公司證券上市規則附錄14所載企業管治守則列載之守則條文，惟下文所說明偏離者除外：

1. 根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，獨立非執行董事並無按指定年期委任，但須至少每三年一次在本公司之股東週年大會上輪值退任。

## CORPORATE GOVERNANCE (Continued)

- Code Provisions A5.1 to A5.4 provide for the establishment of a nomination committee. The Board has not established a nomination committee as it considers that all Directors should be involved in performing the duties set out in such Code Provisions.
- Code provision E.1.5 relates to disclosure of dividend policy. The Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group's operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Enquiry has been made with all directors and all directors have confirmed that they had complied with the required standard set out in the Model Code during the six months ended 30 September, 2019.

## AUDIT COMMITTEE

The Audit Committee, together with the management of the Company, have reviewed the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of unaudited consolidated financial statements for the six months ended 30 September 2019.

## 企業管治(續)

- 守則條文A5.1至A5.4規定成立提名委員會。董事會並無成立提名委員會，原因為其認為所有董事皆應參與履行該等守則條文所載之職務。
- 守則條文E.1.5與股息政策披露有關。本公司並無股息政策，而董事會將於考慮多項因素，包括現行市況、本集團經營業績、業務計劃及前景、財務狀況及營運資金需求，以及董事會認為相關之其他因素後，方決定宣派／建議派付任何未來股息。

## 董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載之標準守則，作為其董事進行證券交易之操守守則。本公司已向各董事作出查詢，並獲各董事確認，彼等於截至二零一九年九月三十日止六個月內一直遵守標準守則所載之規定標準。

## 審核委員會

審核委員會(連同本公司管理層)已審閱本集團所採用之會計原則及慣例，並已討論有關內部監控及財務報告事宜，包括審閱截至二零一九年九月三十日止六個月之未審核綜合財務報表。

## **PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT**

The interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and the Company at [www.orientalwatch.com](http://www.orientalwatch.com). The 2019 interim report containing all information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

## **MEMBERS OF THE BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises Dr. Yeung Ming Bui, Mr. Yeung Him Kit, Dennis, Madam Yeung Man Yee, Shirley, Mr. Lam Hing Lun, Alain and Mr. Choi Kwok Yum as executive directors and Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael as independent non-executive directors.

By order of the Board  
**Yeung Ming Bui**  
*Chairman*

Hong Kong, 20 November 2019

## **登載中期業績及寄發中期報告**

中期業績公佈登載於香港聯合交易所有限公司網站([www.hkex.com.hk](http://www.hkex.com.hk))及本公司網站([www.orientalwatch.com](http://www.orientalwatch.com))。載有上市規則規定之一切資料之二零一九年中期報告將於適當時候寄發予本公司股東並登載於上述網站。

## **董事會成員**

於本公佈日期，董事會成員包括執行董事楊明標博士、楊衍傑先生、楊敏儀女士、林慶麟先生及蔡國欽先生，以及獨立非執行董事孫秉樞博士、李秀恒博士及蔡文洲先生。

承董事會命  
主席  
楊明標

香港，二零一九年十一月二十日



東方表行

Oriental Watch Company

Since 1961