



le saunda holdings ltd.
萊爾斯丹控股有限公司

(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 : 0738)



ANNUAL 年報
REPORT

2020



CONTENT

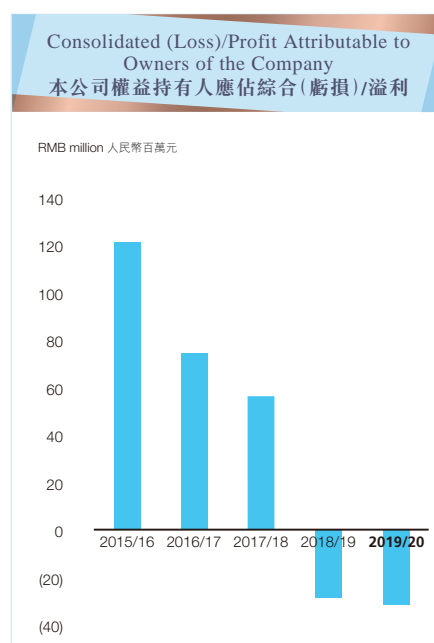
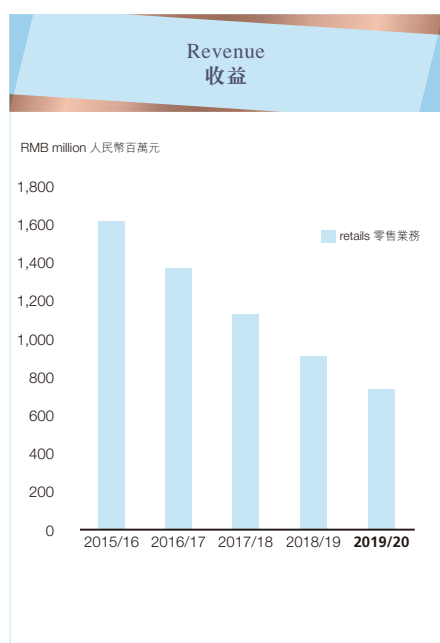
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FINANCIAL HIGHLIGHTS

財務摘要

		Year ended 29 February 2020 截至 二零二零年 二月二十九日 止年度 RMB million 人民幣百萬元	Year ended 28 February 2019 截至 二零一九年 二月二十八日 止年度 RMB million 人民幣百萬元	Change 變動
Profit and Loss Highlights				
利潤表摘要				
Revenue	收益	736.4	908.8	(19.0%)
Consolidated Loss Attributable to Owners of the Company	本公司權益持有人應佔綜合虧損	(30.5)	(28.0)	
Basic Losses per Share (RMB Cents)	每股基本虧損(人民幣分)	(4.32)	(3.97)	
Balance Sheet Highlights				
資產負債表摘要				
Total Equity	總權益	961.7	1,186.2	(18.9%)
Net Cash Balances	現金結餘淨額	508.6	590.6	(13.9%)
Net Assets Value per Share (RMB)	每股資產淨值(人民幣元)	1.36	1.68	(19.0%)
Net Cash per Share (RMB)	每股現金淨額(人民幣元)	0.72	0.84	(14.3%)
Other Key Ratios				
其他主要比率				
Stock Turnover (Days)	存貨周轉天數(日)	369	326	
Quick Ratio (Times)	速動比率(倍)	5.4	5.9	
Gearing Ratio (%)	資產負債比率(%)	—	—	



CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Cheng Wang, Gary (*Chief Executive Officer*)
(resigned with effect from 16 October 2019)
Chui Kwan Ho, Jacky
Liao Jian Yu
Li Wing Yeung, Peter
(appointed with effect from 22 January 2020)

NON-EXECUTIVE DIRECTORS

James Ngai (*Chairman*)
Lee Tze Bun, Marces
(resigned with effect from 16 October 2019)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lam Siu Lun, Simon
Leung Wai Ki, George
Hui Chi Kwan

AUDIT COMMITTEE

Lam Siu Lun, Simon (*Chairman*)
Leung Wai Ki, George
Hui Chi Kwan

REMUNERATION COMMITTEE

Lam Siu Lun, Simon (*Chairman*)
Leung Wai Ki, George
Hui Chi Kwan
James Ngai

NOMINATION COMMITTEE

Hui Chi Kwan (*Chairman*)
Lam Siu Lun, Simon
Leung Wai Ki, George
James Ngai

COMPANY SECRETARY

Yuen Chee Wing

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
China Construction Bank (Asia) Corporation Limited

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor
22nd Floor, Prince's Building
Central, Hong Kong

執行董事

鄭宏 (*行政總裁*)
(自二零一九年十月十六日起辭任)
徐群好
廖健瑜
李永揚
(自二零二零年一月二十二日起獲委任)

非執行董事

倪雅各 (*主席*)
李子彬
(自二零一九年十月十六日起辭任)

獨立非執行董事

林兆麟
梁偉基
許次鈞

審核委員會

林兆麟 (*主席*)
梁偉基
許次鈞

薪酬委員會

林兆麟 (*主席*)
梁偉基
許次鈞
倪雅各

提名委員會

許次鈞 (*主席*)
林兆麟
梁偉基
倪雅各

公司秘書

袁智榮

主要往來銀行

香港上海滙豐銀行有限公司
中國建設銀行(亞洲)股份有限公司

核數師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體核數師
香港中環
太子大廈二十二樓

CORPORATE INFORMATION

公司資料

LEGAL ADVISER

Wilkinson & Grist
6th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1104–1106, 11th Floor
1063 King's Road
Quarry Bay, Hong Kong

PRINCIPAL SHARE REGISTRAR (IN BERMUDA)

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRAR (IN HONG KONG)

Computershare Hong Kong Investor Services Limited
Units 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

LISTING INFORMATION

Listing: The Stock Exchange of Hong Kong Limited
Stock Code: 0738
Board Size: 2,000 Shares

INVESTOR RELATIONS

Email address: ir@lesaunda.com.hk

WEBSITE ADDRESS

<http://www.lesaunda.com.hk>

法律顧問

高露雲律師行
香港中環
遮打道10號
太子大廈6樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港鰂魚涌
英皇道1063號
11樓1104至1106室

股份登記總處(百慕達)

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

股份登記分處(香港)

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712–1716室

上市資料

上市：香港聯合交易所有限公司
股份代號：0738
每手買賣單位：2,000股

投資者關係

電郵地址：ir@lesaunda.com.hk

網址

<http://www.lesaunda.com.hk>

SHAREHOLDER INFORMATION

股東資料



FINANCIAL CALENDAR 財務行事曆

2019/20 Interim Results Announcement 二零一九／二零年中期業績公佈	30 October 2019 二零一九年十月三十日
2019/20 Annual Results Announcement 二零一九／二零年全年業績公佈	25 May 2020 二零二零年五月二十五日
Closure of Register of Members for Annual General Meeting (both days inclusive) 暫停辦理股份過戶登記手續(以出席股東周年大會) (包括首尾兩日)	8 – 13 July 2020 二零二零年七月八日至十三日
Annual General Meeting 股東周年大會	13 July 2020 二零二零年七月十三日

SHAREHOLDER INFORMATION

股東資料

SHAREHOLDER SERVICES

For enquiries about share transfer and registration, please contact the Company's branch share registrar in Hong Kong:

Computershare Hong Kong Investor Services Limited
Units 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Telephone: (852) 2862 8555
Facsimile: (852) 2865 0990

Holders of the Company's ordinary shares should notify the above registrar promptly of any change of their address.

INVESTOR RELATIONS

For enquiries relating to investor relations, please email to ir@lesaunda.com.hk or write to the Company at:

Le Saunda Holdings Limited
Suites 1104–1106, 11th Floor
1063 King's Road
Quarry Bay, Hong Kong

Telephone: (852) 3678 3200
Facsimile: (852) 2554 9304

股東服務

任何有關股份過戶及登記之查詢，請聯絡本公司之香港股份登記分處：

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712–1716室

電話：(852) 2862 8555
傳真：(852) 2865 0990

持有本公司普通股之人士，若更改地址，請盡快通知上述登記處。

投資者關係

任何有關投資者關係之查詢，請電郵至 ir@lesaunda.com.hk，或致函與本公司聯絡，地址如下：

萊爾斯丹控股有限公司
香港鰂魚涌
英皇道1063號
11樓1104至1106室

電話：(852) 3678 3200
傳真：(852) 2554 9304

KEY MILESTONES 重要大事紀

JUN 六月 • 2019

le saunda joined the “Job Shadowing Scheme” organized by Career Sparkle of St James Settlement and offered internship opportunities to the youth. Through the scheme, participants visited our retail stores, understood our business nature and operations and practiced at the stores to learn daily operations, including: sales skills, customer service, leather care, merchandise handling, etc.

le saunda 參加了聖雅各福群會青少年生涯規劃服務的「工作影子計劃」，為青少年提供工作實習機會。透過計劃，學員參觀了 le saunda 的零售店舖，了解公司的業務範疇及運作，並於店舖進行實習，親身體驗和學習店舖的日常營運工作，包括：銷售技巧、待客服務、皮革護理、理貨等。



AUG 八月 • 2019



le saunda 2019 Fall Winter Media Preview Day invited major media publishers, senior fashion editors, star stylists and key opinion leaders to attend le saunda and LINEA ROSA 2019 Fall Winter product showcase at the Ritz-Carlton Shanghai, Pudong Hotel and Hotel Éclat Beijing.

le saunda 2019秋冬媒體預覽日邀請了主流媒體出版人、資深時尚編輯、明星造型師、時尚KOL等出席，於上海浦東麗思卡爾頓酒店和藝術酒店北京怡亨酒店品鑒le saunda 和 LINEA ROSA 2019的秋冬新品。

KEY MILESTONES

重要大事紀

SEP 九月 • 2019

le saunda and Italian designer brand Cristiano Burani jointly released the 2020 Spring Summer Capsule Collection in Milan on 22nd September. This was the first time that le saunda appeared in the most representative Milan Fashion Week, one of the global “Big Four” fashion weeks. Designer Cristiano Burani has been the Design Director of Blumarine Jeans and now is the Creative Director of Japan Takisada Group. He also worked for luxury brands Versace and La Perla in the past.



le saunda聯同意大利設計師品牌Cristiano Burani於9月22日在米蘭發佈2020春夏季膠囊系列女鞋，這次是le saunda 首次登上極具代表性的米蘭時裝週，全球「四大時裝週」之一。設計師Cristiano Burani曾任Blumarine Jeans的設計總監，現兼任日本Takisada集團的創意總監，也曾服務於奢侈品牌Versace、La Perla等。

LINEA ROSA organized the 2019 Fall Winter Media Preview Day in Turati, a bustling district in Milan. European fashion media and stylists were invited to visit the LINEA ROSA 2019 Fall Winter product showroom and shared the fashion trend with our PR and marketing team.

LINEA ROSA於米蘭繁華的圖拉提區舉行2019秋冬媒體預覽日，開設新品展廳，現場歐洲媒體與時尚造型師齊聚，與LINEA ROSA品牌公關及市場推廣團隊討論潮流趨勢，交流時尚美學。



DEC十二月•2019

After being awarded by the Guangdong Electronic Commerce Industry Association in 2018, we are honoured to be awarded “2019 Top 100 Guangdong E-commerce Enterprises”. The Top 100 Guangdong E-commerce Enterprises Assessment is conducted annually to recognize sizable e-commerce companies which have outstanding social influence, high growth potential and strong sense of social responsibilities.



繼2018年度獲廣東省電子商務協會頒獎後，本集團榮幸再度上榜獲頒「2019年度廣東省電商企業100強」。廣東省電子商務企業100強每年評選一次，旨在嘉許廣東省內資產規模較大、社會影響力突出、具有良好發展潛力和較強社會責任感的電子商務企業。



le saunda 2020 Spring Summer Media Preview Day invited major media publishers, senior fashion editors, star stylists and key opinion leaders to attend le saunda and LINEA ROSA 2020 Spring Summer product showcase at Hotel Éclat Beijing.

le saunda 2020春夏媒體預覽日邀請了主流媒體出版人、資深時尚編輯、明星造型師、時尚KOL等出席，於藝術酒店北京怡亨酒店品鑒le saunda & LINEA ROSA 2020春夏新品。

KEY MILESTONES

重要大事紀

JAN一月• 2020

The Group was honored to be awarded the “10 Year Plus Caring Company Logo” again this year. Through joining charitable activities, adopting environmental protection initiatives, offering youth internship programs and participating in youth development projects, the Group partnered with different social service organizations to promote corporate social responsibilities and to build a sustainable society.

集團榮幸繼續獲授予「10年Plus商界展關懷」標誌。集團希望透過參加公益慈善活動、環保行動、提供青年實習計劃及參與培育青年項目等，與社會服務機構合作，共同實踐企業社會責任，建立一個可持續發展的社會。



FEB二月• 2020



During the year, the Group passed the assessment of the Quality Tourism Services (QTS) scheme implemented by the Hong Kong Tourism Board and became a QTS-accredited merchant. QTS-accredited merchants were assessed against three criteria, namely price transparency, clear product information and superb customer service, showing that their products and service are reliable and trustworthy to the customers.

本年度集團通過了由香港旅遊發展局推行的「優質旅遊服務」認證計劃的評審，獲認證為認可零售商戶。此計劃認證的商戶，其產品和服務需通過「明碼實價、資料清晰及優質服務」三大標準的評審，值得消費者信賴。

FEB 二月 • 2020

le saunda is committed to creating a pleasant working environment, fostering employees' sense of belonging and team spirit and maintaining the corporate culture of working with heart. This year, le saunda participated in the "Happiness-at-Work Promotion Scheme 2020" and the Group was awarded as a "Happy Company" again. We hope our staff love their jobs, able to develop themselves and gain happiness and job satisfaction at le saunda.

le saunda 致力為員工締造愉快的工作環境，培養員工的歸屬感和團隊精神，傳承用心做事的企業文化。本年度 le saunda 參與「開心工作間」推廣計劃2020，集團榮幸再次獲嘉許為「開心企業」，為此感到鼓舞。期望 le saunda 每位員工都喜歡自己的工作，發揮所長，於工作找到快樂和滿足感！



le saunda and Italian designer brand Cristiano Burani jointly released the 2020 Fall Winter Capsule Collection in Milan in February 2020. le saunda participated again in the most representative Milan Fashion Week, one of the global "Big Four" fashion weeks, after its first appearance in September 2019.

2020年2月，le saunda 聯同意大利設計師品牌Cristiano Burani在米蘭發佈2020秋季膠囊系列女鞋，繼2019年9月後再次登上極具代表性的米蘭時裝週，全球「四大時裝週」之一。





CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the board of directors (the “Board”), I am pleased to present the annual report on the results of Le Saunda Holdings Limited (“Le Saunda” or the “Company”) and its subsidiaries (collectively the “Group”) for the financial year ended 29 February 2020 (the “year under review”).

The year under review has been a challenging financial year. Under the influences of factors such as the Sino-US trade dispute and economic slowdown in Mainland China, both consumer and investment sentiments in Hong Kong and China have weakened during the first half of this financial year. Months of social activities in Hong Kong since June 2019 has dealt another heavy blow to the retail and tourism related sectors, resulting in negative economic growth booked consecutively in Hong Kong for the third and fourth quarters of 2019 and recording the first annual drop since 2009. Prior to the Chinese New Year, the outbreak of the novel coronavirus (COVID-19) rapidly spread around the globe and caused pandemic crisis worldwide. Many countries have ultimately taken lockdown measures to halt the spread of the virus. Inevitably, the pandemic has brought the retail sector in Hong Kong and China an extremely cold winter, especially sales in physical stores were severely hit by the drastic drop in customer traffic.

致各股東：

本人謹代表董事會（「董事會」）欣然提呈萊爾斯丹控股有限公司（「萊爾斯丹」或「本公司」）及其附屬公司（「本集團」）截至二零二零年二月二十九日止的財政年度（「回顧年度」）之業績報告。

回顧年度是充滿挑戰的一年。上半年度，受中美貿易摩擦、內地經濟放緩等影響，中港市場的消費及投資意欲均有所減弱。香港自二零一九年六月份起持續多個月的社會活動更嚴重打擊零售及旅遊相關行業，結果二零一九年第三及第四季香港均錄得經濟負增長，是自二零零九年以來首次錄得年度跌幅。到了農曆新年前，新型冠狀病毒疫情爆發，迅速蔓延全球各地，釀成全球疫症大流行危機，各國相繼採取封城措施，以應對病毒迅速擴散風險。無可避免，這次疫情令中港零售業步入超級寒冬，尤其打擊實體店銷售，市面人流銳減。

CHAIRMAN'S STATEMENT 主席報告書

Despite the unfavorable economic conditions and adversity posed to the retailers, we believe that Le Saunda, as a long-standing brand with over 43 years of history, will tide over the difficulties as long as we adhere to our core brand values. The outbreak of COVID-19 has given us a glimpse into the chance of further developing our e-commerce business. Beyond all doubt the younger generation are accustomed to online shopping. Moreover, the outbreak has also turned people, who used to dislike or distrust online buying, into fans of online shopping due to the online purchase of infection preventive items and other household supplies during the lockdown period.

During the outbreak, people chose to stay at home and to avoid outdoor activities and gatherings as possible as they could. This no doubt made their social life lack of lustre as social distancing prolonged with their unsatisfied shopping desires accumulated in the meantime. In light of that, the Group has taken active steps to develop our e-commerce business which may even become one of our major business units in the coming two to three years. The immediate goal is to enable loyal customers of our brands to have access to the latest product information and to purchase their favourite shoes and accessories even at home. In the meantime, online shopping also broadens the marketing channel to reach new customer groups and will provide an additional choice to consumers.

The medium-to-long-term goal of e-commerce is to expand into untapped new markets, such as the lower tier cities in the Mainland China. The population of these regions and cities reaches approximately 1 billion. As China continues to promote urbanization in these areas, the consumption power of local residents has increased significantly. Due to a lower cost of living in these lower tier cities, the consumer confidence index there is higher than that of the first and second tier cities too. On the other hand, the number of choices and quality of the supplies available in the market cannot match the customers' needs of these cities and towns, leaving the spending potential there for further exploration. E-commerce is exactly the gateway for retailers to develop such tremendous consumer potential.

縱使經濟狀況不理想，對零售商而言困難重重，作為一個屹立超過43年的品牌，我們相信只要堅守品牌理念，定能安然渡過每個難關。新型冠狀病毒肺炎的爆發，讓我們看到電商業務更廣闊的發展空間。年輕一代習慣於網上購物是無庸置疑的。除此以外，這次疫情令以往不喜歡或不信任網購的一群，為了採購防疫用品及家庭用品都紛紛變成網購支持者。

此外，因為疫情關係，大眾都選擇盡量留在家中，減少外出及聚會，當時間愈長也難免令人感覺生活乏味，同時亦積聚了一些尚待滿足的購物需求。有見及此，集團會積極發展電商業務，甚至於未來兩三年成為我們的重要業務之一。短線目標是為了讓品牌忠實支持者足不出戶都能了解新產品資訊及盡情購買心愛的鞋履配飾，同時接觸新客户群擴闊營銷渠道，期望網上購物為消費者提供多一個選擇。

中長線目標為透過電商開發尚未觸及的新市場，例如國內較低線城市。這些地區和城市的人口約十億，而隨著國家持續推動城市化，當地居民的消費力都提高了不小；又因生活成本較一、二線城市低，他們的消費信心指數高於一、二線城市。然而，市場供給的選擇和質量尚未滿足這些城鎮的需求，其消費潛力有待開發，零售商正好以電商作為開發此龐大消費力的通道。

Another strategic change will be focusing more on the product development and design of our various brands. After the outbreak, the Group ceased all production at Shunde factory, the only production base of the Group, in May 2020. We will resort to outsourcing of our production to substitute all in-house production, so as to shift our resources onto the product development and design. By stepping up the efforts in cooperation with Italian designers, we strive to deliver products with premium designs and higher value in terms of price. With shoe-making experience of more than four decades, as well as the understanding in respect of the customers from the Hong Kong and China markets, the Group has full confidence in our products. In the long run, shifting from sales of self-made products to outsourcing in full would provide the Group more flexibility and room for improvement in terms of cost control and inventory management.

The Group will also continue to reduce cost and to enhance operational efficiency. Given the unfavorable economic and market conditions, the sales performance of physical stores has fell short of our expectation while related rental costs saw no substantial reductions. We will pay close attention to this situation and plan to reduce the number of stores in certain regions in the coming year. To further save up operating costs, no new stores will be opened in the near future. Instead, we will focus on improving the service of our premium stores and launch new service when the epidemic is over in a view to enhancing the shopping experience of our customers. Furthermore the Group will make good use of digital tools in data collection and analysis of (i) its sales in different channels, (ii) its supply chain and (iii) the VIPs' personal and buying details, so as to attain the level of management by information technology. Coupled with our professional team, we are confident of enhancing our operational efficiency further.

On behalf of the Board, I would like to express my sincere gratitude to all shareholders and customers for their longstanding support, and to all of our staff for their dedicated contributions. I will continue to work with my colleagues on the Board in seizing opportunities and making innovative moves in the fast-changing retail market, with the aim of delivering long-lasting and satisfactory returns to shareholders.

James Ngai
Chairman

Hong Kong, 25 May 2020

另一策略改變將會是更專注於我們幾個自家品牌的產品開發及設計。疫情爆發後，集團自二零二零年五月已停止唯一生產基地順德工廠所有生產活動，將以向外採購全面代替自家生產，讓我們的團隊能夠集中資源於產品開發及設計，通過加強與意大利設計師的合作，創造出質優款佳、性價比更高的產品。集團憑藉四十多年的造鞋經驗，以及對中港市場顧客的認識，對於我們品牌的產品一直非常有信心，由自產自銷改為全部外採，長遠而言，對集團成本控制及存貨管理可提高靈活度及增加改善空間。

集團亦會持續減省成本及提升營運效率。由於經濟及市場不景氣，實體店銷售未如理想，而租金卻沒有大幅下調，我們會密切注意市況，預期來年會再減少某些區域的店舖，短期內亦不會開設新店，以減省營運成本。我們將集中提升優質店舖的服務，並於疫情過後推出新服務，提升顧客的購物體驗。另外，集團會善用資訊科技工具，由多渠道銷售、供應鏈、會員資訊及購買數據的採集和分析等方面，都達至數據化的管理水平，再配合我們專業的團隊，定能再提升營運效益。

本人謹代表董事會，衷心感謝所有股東及客戶的長期支持，亦感謝全體員工的貢獻。本人將與董事會其他成員攜手並肩，在瞬息萬變的零售市場，抓住機遇，勇於創新，為股東創造持久而滿意之回報。

主席
倪雅各

香港，二零二零年五月二十五日



MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Operating Results

The Group is engaged in the design, development, manufacturing and retailing of ladies' and men's footwear, handbags and fashionable accessories in Mainland China, Hong Kong and Macau under a vertically-integrated business model. The major proprietary brands of the Group include le saunda, le saunda MEN, LINEA ROSA, PITTI DONNA and CNE, which aim to appeal to diversified target customer groups with their distinctive product lines.

For the year under review, total revenue of the Group decreased by 19.0% to RMB736,400,000 (2018/19: RMB908,800,000). The consolidated gross profits decreased by 19.9% year-on-year to RMB456,500,000 (2018/19: RMB570,200,000), and the overall gross profit margin slightly decreased by 0.7 percentage point to 62.0% compared to the previous year. For the expense items, as compared to last year, the selling and distribution expenses dropped by 23.3% to RMB335,200,000 (2018/19: RMB436,700,000) while the general and administrative expenses decreased by 4.8% to RMB153,200,000 (2018/19: RMB161,000,000). Consequently, the consolidated loss attributable to owners of the Company amounted to RMB30,500,000 (2018/19: loss of RMB28,000,000).

財務回顧

經營業績

本集團以縱向一體化的業務模式經營，在中國大陸、香港及澳門從事設計、開發、生產以及銷售男女裝鞋履、手袋及配飾等產品。旗下主要自營品牌包括le saunda、le saunda MEN、LINEA ROSA、PITTI DONNA及CNE，以不同定位的產品，覆蓋廣闊的目標客戶群。

於回顧年度，集團總體收益錄得同比下跌19.0%至人民幣736,400,000元(二零一八/一九：人民幣908,800,000元)。綜合毛利同比減少19.9%至人民幣456,500,000元(二零一八/一九：人民幣570,200,000元)，整體毛利率較去年同期微跌0.7個百分點至62.0%。就費用而言，與去年同期比較，銷售及分銷開支減少23.3%至人民幣335,200,000元(二零一八/一九年：人民幣436,700,000元)，一般及行政開支亦較去年減省4.8%至人民幣153,200,000元(二零一八/一九年：人民幣161,000,000元)。最終本公司權益持有人應佔綜合虧損為人民幣30,500,000元(二零一八/一九：虧損人民幣28,000,000元)。



MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (CONTINUED)

Operating Results (Continued)

財務回顧(續)

經營業績(續)

RMB (million)	人民幣(百萬元)	2019/20 二零一九/二零	2018/19 二零一八/一九	Change 變動
Revenue	收益	736.4	908.8	(19.0%)
Gross profit	毛利	456.5	570.2	(19.9%)
Gross profit margin	毛利率	62.0%	62.7%	(0.7 percentage point) (0.7個百分點)
Consolidated loss attributable to owners	權益持有人應佔綜合虧損	(30.5)	(28.0)	
Final dividend (HK cents)	末期股息(港仙)	-	-	
Final special dividend (HK cents)	末期特別股息(港仙)	-	35.0	
Annual dividend pay-out ratio	全年派息率	N/A 不適用	N/A 不適用	

Profitability Analysis

During the financial year 2019/20, under the impact of the Sino-US trade conflicts, consumer sentiment in mainland China was dampened, and coupled with the outbreak of novel coronavirus ("COVID-19") during the fourth quarter, the Group's total sales and same-store sales both recorded negative year-on-year growth. Due to the drop in sales and the increased provision for slow moving inventory, the Group recorded a gross profit of RMB456,500,000 (2018/19: RMB570,200,000), representing a year-on-year decline of 19.9% and the gross profit margin decreased to 62.0%, representing a decrease of 0.7 percentage point as compared to last year.

In response to the drop in sales, the Group took extra efforts in controlling the selling and distribution expenses to cut it by 23.3% year-on-year to RMB335,200,000 (2018/19: RMB436,700,000). The ratio of selling and distribution expenses to total revenue thus improved by 2.6 percentage points to 45.5% (2018/19: 48.1%).

盈利狀況分析

二零一九/二零財政年度，受中美貿易摩擦影響，內地消費意慾減弱，加上新型冠狀病毒疫情於第四季度爆發，集團銷售同比及同店俱錄得負增長。由於銷售下跌及存貨撥備增加，全年毛利額同比下跌19.9%至人民幣456,500,000元(二零一八/一九年：人民幣570,200,000元)，毛利率較去年降低0.7個百分點至62.0%。

為應對銷售下跌，集團積極控制銷售及分銷開支，使其減少23.3%至人民幣335,200,000元(二零一八/一九年：人民幣436,700,000元)，銷售及分銷開支佔總收益的佔比改善2.6個百分點至45.5%(二零一八/一九年：48.1%)。

FINANCIAL REVIEW (CONTINUED)

Profitability Analysis (continued)

General and administrative expenses were cut by 4.8% to RMB153,200,000 (2018/19: RMB161,000,000) as compared to last year. During the year, the Group continued to adopt suitable measures to control the relevant cost items, though most of them are fixed in nature. On the other hand, the impairment loss on assets also increased for the year under review. As a result, this cost item as a percentage of total revenue still increased by 3.1 percentage points to 20.8% (2018/19: 17.7%).

Other income decreased by 50.2% year-on-year to RMB7,600,000 (2018/19: RMB15,200,000). This item was mainly represented by the incentives from local government.

Other losses and gains recorded a net loss of RMB1,600,000 (2018/19: net loss of RMB7,200,000). The year-on-year improvement was mainly due to fair value losses on investment properties of RMB6,900,000 was booked in last year.

財務回顧(續)

盈利狀況分析(續)

一般及行政開支較去年減省4.8%至人民幣153,200,000元(二零一八/一九年:人民幣161,000,000元)。年內集團繼續採取適當措施調控相關開支(但多為固定費用),加上資產減值虧損增加,致該開支對總收益的佔比仍上升3.1個百分點至20.8%(二零一八/一九年:17.7%)。

其他收入較去年同比下跌50.2%至人民幣7,600,000元(二零一八/一九年:人民幣15,200,000元),該項收入主要來自地方政府補貼。

其他虧損及收益錄得淨額虧損人民幣1,600,000元(二零一八/一九年:淨額虧損人民幣7,200,000元),同比有改善主要因去年入賬投資物業公平值虧損人民幣6,900,000元。



MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (CONTINUED)

Profitability Analysis (continued)

Consolidated loss attributable to owners of the Company was RMB30,500,000 (2018/19: loss of RMB28,000,000). Basic losses per share was RMB4.32 cents (2018/19: losses of RMB3.97 cents). After reviewing the Group's existing liquidity position and its future financial needs, the Board did not recommend to declare a final dividend (2018/19: no final dividend per ordinary share and final special dividend of HK35.0 cents per ordinary share).

Income Tax Expense

During the year under review, income tax expenses amounted to approximately RMB9,000,000 (2018/19: RMB13,900,000), representing a decrease of 34.9% year-on-year. All business entities of the Group in China are subject to an income tax rate of 25%, while the profit tax rate for corporations in Hong Kong remains at 16.5%. Pursuant to the Enterprise Income Tax Law of China, a withholding income tax of 5% to 10% shall be levied on the dividends remitted by a Chinese subsidiary to its foreign parent company starting from 1 January 2008.

Inventory Management

As at 29 February 2020, the Group's inventory balance was RMB273,100,000, representing a decrease of 16.1% as compared to last year.

A breakdown of inventory balance was as follows:

RMB (million)	人民幣(百萬元)	As at	As at	Changes in value	Changes in %
		29 February 2020	28 February 2019		
		於二零二零年 二月二十九日	於二零一九年 二月二十八日	變動金額	變動百分比
Raw materials and work-in-progress	原材料及半製成品	10.3	22.8	(12.5)	(54.8%)
Finished goods	製成品	262.8	302.6	(39.8)	(13.2%)
Total	合計	273.1	325.4	(52.3)	(16.1%)

財務回顧(續)

盈利狀況分析(續)

本公司權益持有人應佔綜合虧損為人民幣30,500,000元(二零一八/一九年:虧損人民幣28,000,000元)。每股基本虧損為人民幣4.32分(二零一八/一九年:虧損人民幣3.97分)。考慮集團目前流動資金狀況及其未來資金需求,董事會不建議宣派末期股息(二零一八/一九年:無末期股息及末期特別股息每股普通股35.0港仙)。

所得稅開支

於回顧年度,所得稅開支約為人民幣9,000,000元(二零一八/一九年:人民幣13,900,000元),同比減少34.9%。集團所有於中國經營的業務按照25%的稅率繳納所得稅,香港業務的所得稅稅率維持在16.5%的水平。根據中國企業所得稅法,由二零零八年一月一日起,中國附屬公司向境外母公司支付股息時須繳交5至10%的預扣所得稅。

存貨管理

於二零二零年二月二十九日,集團的存貨結餘為人民幣273,100,000元,較去年減少16.1%。

存貨結餘明細如下:

FINANCIAL REVIEW (CONTINUED)

Inventory Management (continued)

Following the change in operation scale, the inventory of raw materials and work-in-progress decreased by 54.8% year-on-year. On the other hand, the inventory of finished goods decreased by 13.2% year-on-year and the items of current season and next season (both have stock age less than 1 year) accounted for 63.6% of this ending inventory (28 February 2019: 78.0%). This reflected the Group had timely reduced the ordering of new products to mitigate inventory pressure in response to market changes. Since the decline in sales outweighed the change in inventory, the inventory turnover days of finished goods increased by 43 days to 369 days (28 February 2019: 326 days).

Liquidity and Financial Resources

The Group's financial position remained very strong and healthy. As at 29 February 2020, the Group's cash and bank balances amounted to RMB508,600,000 (28 February 2019: RMB590,600,000), representing a decrease of 13.9% year-on-year. The quick ratio was 5.4 times (28 February 2019: 5.9 times). During the year, the Group had not borrowed any bank loan (2018/2019: Nil) and had no outstanding bank loan as at the fiscal year-end date (28 February 2019: Nil). Forward contracts will be used, if necessary, to hedge related debts and bank borrowings arising from overseas purchases. The Group did not enter into any forward contracts to hedge its foreign exchange risks during the year. In addition, working capital requirements for our business operations in Mainland China will be financed by RMB loans advanced from local banks when necessary.

During the financial year ended 29 February 2020, the Group's cash and bank balances were held in Hong Kong dollars, US dollars and RMB respectively and were deposited in leading banks with maturity of less than one year.

With the Group's steady cash inflow from its operations, coupled with its existing cash and banking facilities, it has adequate financial resources to fund its future needs.

財務回顧(續)

存貨管理(續)

由於經營規模變化，原材料及半製成品的存貨同比減少54.8%。製成品存貨同比減少13.2%，期末存貨中當季及來季的貨品(賬齡皆少於一年)佔比達63.6%(二零一九年二月二十八日：78.0%)，反映集團為應對市場轉變，已適時減少訂購新貨品以紓緩存貨壓力。由於銷售下滑幅度較存貨變化為大，製成品存貨週轉期增加43天至369天(二零一九年二月二十八日：326天)。

流動資金及財務資源

本集團財務狀況非常穩健。於二零二零年二月二十九日，本集團現金及銀行結餘為人民幣508,600,000元(二零一九年二月二十八日：人民幣590,600,000元)，同比減少13.9%。速動比率為5.4倍(二零一九年二月二十八日：5.9倍)。年內，本集團沒有借入任何銀行貸款(二零一八／一九年：無)及於財政年末日集團沒有銀行貸款餘額(二零一九年二月二十八日：無)。如有需要，本集團將以遠期合同對沖因海外採購引起之相關債務及銀行借貸。本集團於年內並無訂立任何遠期合同以對沖其匯兌風險。此外，如有需要，中國大陸業務所需之營運資金將以當地銀行之人民幣貸款進行。

截至二零二零年二月二十九日止財政年度，本集團之現金及銀行結餘以港元、美元及人民幣呈列，並將一年內到期之存款存放於數間大銀行。

基於本集團之穩定經營業務現金流入，加上手持現金及銀行融資，本集團擁有充裕的財務資源以應付未來所需。

BUSINESS REVIEW

Overview

In 2019, the global economy was full of uncertainties. The Sino-US trade war, which lasted for more than a year and a half, had an impact on the economies of both countries. The gross domestic product (GDP) of the PRC grew by 6.1% in 2019, which was the lowest growth rate since 1990. Total retail sales of consumer goods increased by 8.0%, representing a decrease of 1.0 percentage point as compared to the corresponding period of last year, indicating that the growth of retail sales has slowed down in view of the economic conditions. During the year under review, the Group's retail revenue, as compared to last year, decreased by 19.0% to RMB736,400,000 (2018/19: RMB908,800,000).

In January 2020, the PRC and the United States finally signed the first-phase trade agreement and the economic development was expected to improve gradually. While the good news was being taken into account by the market, the outbreak of the COVID-19 spread rapidly all over the world, causing a public health crisis as it evolved into a global pandemic. Economic and financial experts generally predicted that the impact of the pandemic on the PRC's and global economy would be far more severe than that of SARS in 2003. Faced with negative economic factors and challenges from the pandemic, sales of physical stores were under great downward pressure. The Group responded by taking various measures. As the lockdown decree prevented people from going out, the Group accelerated the development of e-commerce business in order to tap new customer group and to shift existing offline customers to online purchase. To achieve better controls on inventory and operating costs, the Group decided to cease the footwear production in Shunde factory, the Group's only production base, since May 2020 (for details, please refer to note 35 Events Occurring After the Reporting Date). The Group will replace its footwear production completely with external purchases while such adjustments will also enable our team to focus on product development and design. Last but not least, the Group will continue to employ information technology to enhance operating efficiency.

業務回顧

概況

二零一九年環球經濟充滿不確定性，長達超過一年半的中美貿易戰對兩國的經濟均有影響。二零一九年中國國內生產總值增長6.1%，是自一九九零年以來最低的增速。社會消費品零售總額增長8.0%，較去年同期下降1.0個百分點，顯示零售銷售受經濟影響下，增長有所減慢。於回顧年度，集團零售收益較去年減少19.0%至人民幣736,400,000元(二零一八/一九年：人民幣908,800,000元)。

二零二零年一月中，中美兩國終於簽署第一階段貿易協議，經濟發展有望逐步改善。正當市場消化這個利好信息，新型冠狀病毒爆發迅速蔓延全球各地，釀成全球疫症大流行的公共衛生危機。經濟及金融學專家普遍推算這次疫症大流行對國內以至全球經濟的衝擊，嚴重程度將遠超二零零三年沙士。面對經濟負面因素及疫症大流行的挑戰，實體店銷售承受巨大下行壓力。集團採取了一系列措施應對，因封城令阻止了民眾外出，集團加快發展電商業務以開拓新客源及讓線下客人轉至網上購買，另一方面為更有效控制存貨及成本，自二零二零年五月已停止集團唯一生產基地順德工廠一切鞋類生產活動(詳情請看附錄三十五報告日後事項)，以向外採購全面代替自家生產，讓我們的團隊能夠集中資源於產品開發及設計。同時繼續利用資訊科技工具提升營運效率。

BUSINESS REVIEW (CONTINUED)

Retail Network

Mainland China is the key market of the Group's retail business. At the end of the year under review, the Group had a retail network comprised of 441 stores in Mainland China, Hong Kong and Macau, representing a net reduction of 85 stores compared to the corresponding date of last year. The number of self-owned stores dropped by 74, while the number of franchised stores decreased by 11 during the year.

As at 29 February 2020, there were 331 core brand le saunda stores, representing a net decrease of 60 stores as compared to the end of last year. There were 52 LINEA ROSA stores, the Group's high-end fashionable brand, representing a net decrease of 15 stores as compared to the end of last year.

As at 29 February 2020, the breakdown of the Group's retail network was as follows:

業務回顧(續)

零售網絡分佈

本集團的零售業務以中國大陸為主，於回顧期年末，集團於中國大陸、香港及澳門合共擁有441家實體店舖，較去年期末淨減少85家店舖。年內自營店淨減少74家，特許經營店舖淨減少11家。

於二零二零年二月二十九日，核心品牌le saunda 331家店舖，於回顧年末淨減少60家店舖；高端時尚品牌LINEA ROSA店舖數目較去年末淨減少15家為52家。

於二零二零年二月二十九日，集團的線下零售網絡分佈如下：

Number of Outlets by Region	按地區劃分的店舖數目	Self-owned (Year-on-year change) 自營 (按年變動)		Franchise (Year-on-year change) 特許經營 (按年變動)		Total (Year-on-year change) 總計 (按年變動)	
Mainland China	中國大陸	384	(-69)	51	(-11)	435	(-80)
• Northern, Northeastern & Northwestern Regions	• 北部、東北及西北	85	(0)	44	(-8)	129	(-8)
• Eastern Region	• 東部	136	(-25)	2	(0)	138	(-25)
• Central and Southwestern Regions	• 中部及西南	73	(-20)	5	(-3)	78	(-23)
• Southern Region	• 南部	90	(-24)	0	(0)	90	(-24)
Hong Kong and Macau	香港及澳門	6	(-5)	-	-	6	(-5)
Total	總數	390	(-74)	51	(-11)	441	(-85)

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (CONTINUED)

Retail Network (Continued)

Mainland China

Total retail sales of consumer goods increased by 8.0% in 2019, which was the lowest figure since the Asian financial crisis in 1999 (6.8%). However, domestic consumption has become the principal driving force for economic growth for 6 consecutive years, contributing 57.8% to the ultimate economic growth. Consumption upgrade was the main growth engine of the domestic retail sector, driving the continuous optimization of market consumption structure, the continuous promotion of industry transformation and upgrade, and the accelerated formation of new consumption hotspots. This has resulted in a significant increase in the demand for categories related to upgraded consumption, while the growth of staple products has been stable.

Up to the end of the third quarter of this financial year, the total sales and same-store sales of the Group's self-owned retail business continued to improve year on year, reflecting that the strategies of streamlining network of physical stores and structural optimization in the past two to three years have gradually yielded results. However, the outbreak of COVID-19 severely hit the consumer market in January and February 2020. As a result, the Group's retail sales in Mainland China in the year under review fell by 17.1% to RMB705,600,000 (2018/19: RMB850,900,000).

業務回顧(續)

零售網絡分佈(續)

中國大陸

二零一九年社會消費品零售總額增長8.0%，是自一九九九年亞洲金融危機以來的低點(6.8%)。然而，國內消費已連續6年成為經濟增長的第一拉動力，對於最終經濟增長的貢獻率為57.8%。消費升級則是國內零售業增長的主引擎，帶動市場消費結構不斷優化，業界轉型升級持續推進，新消費熱點加速形成。這造就消費升級類別的需求顯著提高，而一般生活類別產品的需求則增長平穩。

截至本財政年度第三季末，集團的自營零售同比銷售及同店銷售增長俱持續改善，反映集團過去兩、三年的營銷網絡精簡及架構優化策略漸見成效。可是，新型冠狀病毒疫情卻嚴重打擊二零二零年一、二月的消費市場，最終回顧年度集團於中國大陸地區的零售額下跌17.1%至人民幣705,600,000元(二零一八/一九年：人民幣850,900,000元)。

BUSINESS REVIEW (CONTINUED)

Retail Network (Continued)

Mainland China (Continued)

After analyzing the changes in the business environment throughout the year, we are of the view that the following key factors affected our results in the year under review: (i) the Group continued to optimize its physical stores network and operating structure to improve its operating efficiency, which greatly reduced the proportion of inefficient stores and led to an increase in the same-store sales before the outbreak of the epidemic; (ii) the varied results of promoting experiential shopping and digital transformation in department stores: some stores have encountered bottlenecks while others have successfully completed the transition. At the same time, the number of completion of new shopping malls has decreased. For traditional retail brands, especially those with a high proportion of concessionary counters, they have to spend a lot of resources striving to catch up with the changes of all these new business and operating models; (iii) online purchase continued to grow rapidly with a growth rate higher than that of the overall retail sales of consumer goods and absorbed the market share of physical stores; and (iv) subject to the influences of the external market and the worldwide economy, consumers have become less impulsive and more rational in buying and will demand much more from the retailers.

The Group's operating strategies in the past two to three years has gradually improved our performance. We will endeavor to cut costs to improve our operating efficiency continuously. To enhance the loyalty of our long-term customers, we will use information technology tools to collect and analyze their preferences. Benefiting from the advantages of integrating our online and offline shops, we can target different customer groups with different channels. With all the above adopted, we hope our business will rebound quickly and resume growth after the epidemic subsides.

業務回顧(續)

零售網絡分佈(續)

中國大陸(續)

分析全年的營商環境變化，以下幾個重要因素影響回顧年內的業績：一、集團持續優化銷售網絡及營運架構以提升營運效益，大幅減低了低效店舖的比例，令同店銷售於疫症爆發前錄得增長；二、百貨業的體驗及數字化轉型成效好壞參半，部分遇到瓶頸，部分轉型成功，而新購物商場的落成數目亦有所減少。對於傳統零售品牌而言，尤其百貨專櫃佔比高的，需花費不少資源努力趕上各種新業態及營運模式的轉變；三、網上消費繼續快速增長，高於整體社會消費品零售總額的增長，侵佔了實體店的市場份額；四、受市場環境及外圍經濟影響，消費者變得較為冷靜理性，且對零售商有更高的要求。

集團過去兩、三年的營運策略令業績逐步改善。我們將努力減省成本以持續提高營運效益，利用資訊科技工具收集及分析客戶的喜好，提高長期客戶的忠誠度；發揮線上線下渠道融合的優勢，以不同渠道的特性吸引不同的客戶群，期望疫情減退後，迅速反彈及回復增長。

BUSINESS REVIEW (CONTINUED)

Retail Network (Continued)

Hong Kong and Macau

Hong Kong's GDP recorded negative growth in the third and fourth quarters of 2019 while its annualized GDP for 2019 was forecast to fall by 1.2% in real terms as compared with the previous year, which was the first yearly decline since 2009, representing Hong Kong's economy has been in recession. During the year under review, social events in Hong Kong continued for months. From June to December 2019, areas in which our stores operate were repeatedly affected by the social events, with business hours shortened, foot traffic dropped sharply, and consumers' buying desire weakened severely. Visitor arrivals recorded a decline of 39.1% in the second half of the year, while the number of visitors for the year dropped 14.2% on an annual basis. Retail sales in the fourth quarter of 2019 was forecast to fall by 24.1%, the largest quarterly decline on record. Total sales value of the retail sector for the year was forecast to fall by 11.1% as compared with that of 2018. The data reflected that the impact of local social events on consumption and tourism-related industries was serious.

While the market was expecting the consumption would be stimulated during the traditional peak season of the Chinese New Year, there came the threat of the COVID-19 epidemic, worsening the already gloomy local market and pushing Hong Kong's retail industry into a "super-cold winter". Hit by the local social events, the outbreak of COVID-19 pneumonia and the external economic uncertainties, the Group's sales in Hong Kong and Macau decreased by 46.8% to RMB30,800,000 (2018/19: RMB57,800,000) during the year under review. As at 29 February 2020, the number of stores in Hong Kong and Macau was 6, representing a net decrease by 5. As the shop rental in the market has not dropped accordingly, the Group will further reduce the number of physical stores as appropriate, and concentrate to improve the service and operating efficiency of those potential stores and to accelerate the development of local online business.

業務回顧(續)

零售網絡分佈(續)

香港及澳門

香港本地生產總值二零一九年第三及第四季度錄得負增長，二零一九年全年本地生產總值較上年實質下跌1.2%（預估數字），是自二零零九年以來首次錄得年度跌幅，意味著香港經濟正陷於衰退。回顧期內，本港的社會活動持續多月，六月至十二月期間，集團店舖營業的地區屢受影響，營業時間被迫縮短，人流銳減且嚴重打擊消費者的購買意欲。訪港旅客下半年錄得39.1%的跌幅，全年旅客數字按年下跌14.2%；二零一九年第四季零售銷貨量按年下跌24.1%（預估數字），是有紀錄以來最大的季度跌幅，全年零售業總銷貨價值較二零一八年下跌11.1%（預估數字），數據反映本地社會活動對於消費及旅遊相關行業影響嚴重。

正當市場憧憬農曆新年期間的傳統旺季將刺激消費，卻迎來了新型冠狀病毒疫情的威脅，令原本已經受悲觀情緒籠罩的本地市場雪上加霜，本港零售業可謂步入「超級寒冬」。在本地社會活動及新型肺炎疫情，以及外圍經濟不確定性等因素影響下，回顧年內，集團在香港及澳門地區的銷售額按年下跌46.8%至人民幣30,800,000元（二零一八／一九年：人民幣57,800,000元）。於回顧年末，集團於香港及澳門地區的店舖數目淨減少5家至6家。鑑於租金市場沒有明顯下降，集團會按情況再削減實體店數目，集中資源提升優質店舖的服務及營運效率，同時加速發展本地線上業務。

BUSINESS REVIEW (CONTINUED)

Retail Network (Continued)

E-commerce Business

In 2019, the PRC online retail sales grew by 16.4% to RMB10,632.4 billion, which accounted for 25.8% of the total retail sales of consumer goods, representing a further increase in the share contributed by online retail sales. However, the advantage of large e-commerce platforms, which entered the market the earliest, in securing the e-commerce traffic flow has been weakened and some of their market share has been taken up by various operators of online social media. As a result, large e-commerce operators have shifted to small-towns and rural markets (third- and lower-tier cities) and invested a lot in developing channels to explore the purchasing power of such markets. The millennial generation, who is keen on online purchase, likes to try something new and thus has relatively low brand loyalty. All these greatly increase the cost of attracting customers and selling expenses. The outbreak of COVID-19 has also affected the e-commerce market, imposing great restrictions on logistics and transportation, but to a lesser degree than those on physical stores. During the year under review, e-commerce business revenue decreased by 16.8% year on year. The Group will actively develop e-commerce channels to merge with our offline operation in order to reach out to young customers and gain access to new markets that have not yet been developed.

Brand Building

Being a fashion footwear brand, le saunda likes to have changes in various aspects and to incorporate new elements into its shoes for the market. During the year under review, le saunda collaborated with Cristiano Burani, an Italian designer, to introduce the 2020 Spring/Summer and Fall/Winter capsule collection of footwear in Milan in September 2019 and February 2020 respectively. It was the first appearance of le saunda in the prestigious Milan Fashion Week, one of the "Big Four fashion weeks" in the world. The said collaboration collection demonstrates the outfit style in modern workplace. To change the monotonous perception, the collection added a touch of casualness in formal footwear. Designer Cristiano Burani was formerly the design director of Blumarine Jeans, and is currently the creative director of Takisada Group in Japan. He also worked for luxury brands such as Versace and La Perla before.

業務回顧(續)

零售網絡分佈(續)

電商業務

二零一九年全國網上零售額為人民幣106,324億元，增長率為16.4%，佔社會消費品零售總額的25.8%，網上零售的佔比進一步提高。然而，最早駐足於電商市場的大型電商平台的公共流量優勢有所減弱，被林林總總的社交電商瓜分了部份市場份額。大型電商轉戰下沉市場(三線及以下城市)，投放大量資源開發渠道以釋放下沉市場的購買力。熱衷於網上消費的千禧世代喜歡嘗試新事物，對於品牌忠誠度相對低，令品牌的獲客成本及營銷費用大大提高。此外，新型冠狀病毒疫情亦對電商市場帶來影響，物流運輸方面產生了很大限制，但相比實體店的程度較輕。於回顧年內，電商業務收益同比減少16.8%。集團將積極開發電商渠道，與線下融合，接觸年輕客群以及尚未開拓的新市場。

品牌建設

作為時尚女鞋品牌，le saunda勇於作出多方面的新嘗試，為市場帶來含有新元素的产品。回顧年內，le saunda聯同意大利設計師品牌Cristiano Burani分別於2019年9月及2020年2月在米蘭發佈2020春夏季及秋冬季膠囊系列女鞋，這次是le saunda首次登上極具代表性的米蘭時裝週，是全球「四大時裝週」之一。這次的合作系列，演繹了現代職場穿搭文化，正裝帶有悠閒風的品味，打破正裝予人一成不變的印象。設計師Cristiano Burani曾任Blumarine Jeans的設計總監，現兼任日本Takisada集團的創意總監，也曾服務於奢侈品牌Versace、La Perla等。

BUSINESS REVIEW (CONTINUED)

Brand Building (Continued)

During the year under review, the Group also held the 2019 Fall/Winter and 2020 Spring/Summer Media Preview Day for le saunda and LINEA ROSA at two top-class hotels, namely the Ritz-Carlton Shanghai, Pudong and Hotel Éclat Beijing. In the events, the Group invited a number of major media publishers, senior fashion editors, celebrity stylists and fashion KOLs to preview the products of the two brands in the new season. LINEA ROSA further held the 2019 Fall/Winter Media Preview Day and opened a new showroom in the prosperous Via Filippo Turati in Milan, which attracted a number of foreign media and fashion stylists.

In addition, the Group passed the assessment in the “Quality Tourism Services” certification scheme implemented by the Hong Kong Tourism Board and was recognized as a certified retailer. The products and services of participating retailers were assessed by three main criteria, namely “transparent price; clear product information; and superb customer service”, to attain the certification of the scheme and the recognition proves to be trustworthy for consumers. Moreover, the Group was named again as one of the “2019 Top 100 E-commerce Enterprises in Guangdong Province”. The annual assessment of “Top 100 E-commerce Enterprises in Guangdong Province” aims to acknowledge e-commerce enterprises with considerable amount of assets, huge social influence, promising development potential and a strong sense of social responsibility.

Apart from organizing marketing and promotion functions as well as participating in award-winning activities, the Group also fulfilled its corporate social responsibilities through collaboration with social service organizations to, among others, take part in charitable activities and environmental protection initiatives, offer youth internship programs and participate in youth training projects. During the year under review, the Group was honoured to be awarded the “10 Years Plus Caring Company Logo” and the “Happy Company” award again. In future, the Group will continue to strive for better results while proactively participate in community affairs to contribute to the society.

業務回顧(續)

品牌建設(續)

集團於回顧年內亦舉辦了le saunda與LINEA ROSA 2019秋冬季及2020年春夏季媒體預覽日，地點為兩所頂級酒店：上海浦東麗思卡爾頓酒店及北京怡亨酒店。活動當天邀請了主流媒體出版人、資深時尚編輯、明星造型師、時尚KOL等出席，品鑒兩個品牌的新一季產品，場面熱鬧。LINEA ROSA更前往米蘭繁華的圖拉提區舉行2019秋冬媒體預覽日，開設新品展廳，吸引了外國媒體及時尚造型師的目光。

另外，集團通過了香港旅遊發展局的「優質旅遊服務」認證計劃的評審，獲認證為認可零售商戶。受評商戶的產品和服務需通過「明碼實價、資料清晰及優質服務」三大標準的評審才獲得計劃的認證，值得消費者信賴。集團亦再度上榜獲頒「2019年度廣東省電商企業100強」。廣東省電子商務企業100強每年評選一次，旨在嘉許廣東省內資產規模較大、社會影響力突出、具有良好發展潛力和較強社會責任感的電子商務企業。

除了營銷及推廣和奪得獎項外，集團亦透過與社會服務機構合作，參加公益慈善及環保行動、提供青年實習計劃、參與培育青年項目等，實踐企業社會責任。回顧年內，集團榮幸再度獲授予「10年Plus商界展關懷」標誌及「開心企業」嘉許。集團會繼續努力，創出更佳業績的同時，亦主動參與關心社區的事務，回饋社會！

OUTLOOK AND LONG-TERM STRATEGIES OF THE GROUP

At the beginning of 2020, the outbreak of COVID-19 materially impacted consumer sentiment. To meet the consumption demands accumulated during the outbreak, the Group will make use of the advantage of “contactless” transaction of e-commerce, expedite the development of e-commerce, proactively foster the exchange of traffic between online and offline channels and prepare to introduce new experiential shopping services in our physical stores to satisfy the demands accumulated during the outbreak, thereby improving our sales performance. Meanwhile, the uncertainty in the global economy and market still casts a shadow over the consumer markets in Hong Kong and the PRC. The Group will adopt a prudent and pragmatic approach that there has no expansion plan to open new stores in the short run. Instead, we will reduce the number of stores in certain regions and continue to reduce cost to increase our operational efficiency.

E-commerce business continues to play a key role in the Group's development. The new retail trend has entered the stage of stable development. A number of new competitors entered the e-commerce market while some e-commerce operators also opened offline physical stores. The e-commerce market has changed from the orientation of increasing traffic flow to meeting customer demand. To distinguish from numerous operators in the market, it is necessary to meet the needs and expectations of consumers. The Group will use information technology tools to analyze customers' buying habits and preferences, and explore the potential needs of the market by cooperating with suitable key opinion leaders in promotion. In addition, building relationships with VIPs is another key aspect of work, where we will establish more personalized communication with VIPs and provide them with more caring services. As usual, the Group conducts business with multiple large e-commerce platforms. In the following year, the Group will strengthen the cooperation with e-commerce platforms and develop low-tier markets as new growth engine.

集團展望及長期策略

二零二零年開首，新型冠狀病毒疫情的爆發，大大打擊消費意欲。在疫情肆虐期間聚集了一些尚未滿足的購物需求，集團將把握電商「無接觸」消費的優點，加快發展電商業務，積極推動線上線下相互引流，並準備於疫情過後於實體店推出新體驗服務，滿足消費者於疫情期間積聚的購買欲，爭取提高銷售業績。同時，環球經濟及市場的不確定性仍然籠罩香港及國內消費市場，集團會採取審慎務實的態度，短期內不計劃開店擴張，縮減某些地區的店舖數目，持續減省成本以提升營運效率。

電商業務仍然是集團的重點發展方向之一。新零售的潮流步入穩定發展期，不少新競爭對手加入電商市場，亦有電商營運者開設實體零售店。市場則由以往的引流導向，轉變為需求導向。要在芸芸眾多市場競爭者中突圍，必須要滿足消費者的需求與期望。集團利用資訊科技工具分析客戶的購買習慣和喜好，通過與合適關鍵意見領袖的推廣合作，挖掘市場潛在需求。此外，VIP關係培養是另一個重點工作，與VIP建立更個人化的溝通，並提供更貼心的服務。一如以往，集團於幾個大型電商平台均有業務，來年將加強與電商平台合作，開發下沉市場為消費新動力。

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK AND LONG-TERM STRATEGIES OF THE GROUP (CONTINUED)

In addition to working with e-commerce platforms and social networking e-commerce companies, the Group also actively searches for other partners such as department stores. During the reform of the industry, some department stores succeeded in the transformation to enhance their key operational capacities by introducing experience-based service to attract traffic, as well as implementing digital management in various aspects such as supply chain, marketing, payment and VIPs' database. With a mutual goal to provide better service for customers, having a strategic partnership with department stores, enable the Group and these department stores to benefit from the competitive edges of each other. In the future, shopping will not only offer physical products, but also provide an inspiring experience which is emotionally satisfying for the customers.

Besides, the Group will continue to reduce cost and improve operational efficiency through transition from manufacturing and sales of our own products to relying on purchase wholly from external subcontractors. The Group will concentrate its resources onto product development and design. By strengthening cooperation with overseas Italian designers, we will offer more stylish products to boost the brand awareness in the market. To keep abreast of new digital technology, the Group will implement modern management practice to utilize human resources in a more efficient manner.

The Group believes that we will strengthen our core competitive advantages by means of ongoing implementation of the above strategies and measures. We will strive for better results and create stable returns for our Shareholders when the market and economy recover.

PLEDGE OF ASSETS

As at 29 February 2020, bank deposit of RMB700,000 (28 February 2019: RMB700,000) has been pledged as rental deposit for a subsidiary of the Company.

集團展望及長期策略(續)

除了跟電商平台和社交電商合作，集團亦積極尋求其他合作夥伴，包括百貨公司。在百貨業的轉型過程中，部份百貨公司成功轉型，提升了核心營運能力，引入體驗式服務吸引人流，於供應鏈、營銷、支付、會員數據庫等方面實施數字化管理。與這些百貨公司成為策略合作夥伴能夠發揮雙方的優點，而雙方目標也是一致的，就是為顧客提供更佳的服務。未來購物不單單指產品本身而是充滿趣味性的，讓顧客在情感上感覺滿足。

此外，集團將持續削減成本，提升營運效率，由自產自銷為主，改為全面向外採購。集團將集中資源專注產品開發及設計方面，通過加強與海外意大利設計師的合作，進一步提高產品的時尚感，從而增加品牌於市場的知名度。集團亦採用現代數碼科技，與時並進，實施現代化管理模式，更有效地運用人力資源。

集團相信持續執行以上策略及措施，將加強自身核心競爭力。在市場及經濟環境改善後，爭取更佳業績，為股東帶來穩定回報。

抵押資產

於二零二零年二月二十九日，集團已將人民幣700,000元(二零一九年二月二十八日：人民幣700,000元)之銀行存款抵押，作為本公司的一間附屬公司之租金按金。

CORPORATE GUARANTEES

The Company has given corporate guarantees in favour of banks for banking facilities granted to certain subsidiaries on letters of credit and bank loans to the extent of RMB135,000,000 (28 February 2019: RMB212,900,000), of which RMB780,000 (28 February 2019: RMB2,400,000) was utilised as at 29 February 2020.

DIVIDEND

The Board has not recommended a final dividend for the year ended 29 February 2020 (28 February 2019: no final dividend per ordinary share and a final special dividend of HK35.0 cents per ordinary share).

No interim dividend or interim special dividend was paid for the six months ended 31 August 2019. (six months ended 31 August 2018: no interim dividend and interim special dividend per ordinary share).

EMPLOYEES AND REMUNERATION POLICIES

As at 29 February 2020, the Group had a staff force of 2,394 people (28 February 2019: 2,958 people). Of this number, 53 were based in Hong Kong and Macau and 2,341 in Mainland China. The remuneration level of the Group's employees was in line with market trends and commensurate to the levels of pay in the industry. Remuneration of the Group's employees comprised basic salaries, bonuses and long-term incentives. Total employee benefit expenses for the twelve months ended 29 February 2020, including Directors' emoluments, net pension contributions and the value of employee services, amounted to RMB247,500,000 (2018/2019: RMB301,300,000). The Group has all along organized structured and diversified training programmes for staff at different levels. Outside consultants will be invited to broaden the contents of the training programmes.

公司擔保

本公司已就若干附屬公司所獲授之信用狀及銀行貸款之銀行融資最高限額人民幣135,000,000元(二零一九年二月二十八日:人民幣212,900,000元)向銀行提供公司擔保,於二零二零年二月二十九日已動用信用狀及銀行貸款人民幣780,000元(二零一九年二月二十八日:人民幣2,400,000元)。

股息

董事會不建議派發截至二零二零年二月二十九日止年度之末期股息(二零一九年二月二十八日:無末期股息及末期特別股息每股普通股35.0港仙)。

截至二零一九年八月三十一日止六個月並無派發中期股息及中期特別股息(二零一八年八月三十一日止六個月:無中期股息及中期特別股息)。

僱員及薪酬政策

於二零二零年二月二十九日,本集團共有2,394名僱員(二零一九年二月二十八日:2,958名僱員)。其中,53人駐於香港及澳門,2,341人駐於中國大陸。本集團之僱員薪酬符合市場趨勢,與同業之薪金水平相若。本集團之僱員薪酬包括基本薪金、獎金及長期服務獎金。截至二零二零年二月二十九日止十二個月之僱員福利開支總額(包括董事酬金、退休金供款淨額及僱員服務價值)為人民幣247,500,000元(二零一八/一九年:人民幣301,300,000元)。本集團為不同職級僱員設有完善之培訓計劃。本集團亦邀請外界顧問擔任導師加強培訓計劃之內容。



BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高層管理人員

EXECUTIVE DIRECTORS

Chui Kwan Ho, Jacky, aged 56, first joined the Group in 1981 and was appointed as an Executive Director of the Company in September 1992 and left the Group in September 2010. She re-joined the Group in April 2016. She is an Executive Director of the Company and acts as a director of certain subsidiaries of the Company. Ms. Chui is responsible for the Group's manufacturing management of production facilities in Mainland China, product design and development, e-commerce business operations, marketing, human resources and administration functions. She has over 34 years of experience in retail and production management. Prior to re-joining the Group, she was the chief executive officer in a renowned handbag company in Mainland China and was responsible for footwear products development, manufacturing management and retail operations.

Liao Jian Yu, aged 50, joined the Group in March 2010 as the general manager of 信蝶商業(杭州)有限公司 ("Xindie"), which is and was at the material times a 66.7% owned subsidiary of the Group, and was mainly responsible for business development and retail operation in Zhejiang and Anhui provinces in Mainland China. The remaining 33.3% of the equity interest in Xindie, of which her spouse is a director and legal representative, is and was at the material times owned by a company owned by Ms. Liao and her spouse. She was appointed as an Executive Director of the Company in March 2018 and is responsible for retail and franchise operation and business development of the Group in Mainland China. Prior to joining the Group, she was a franchisee of the Group which operated in Zhejiang province. Ms. Liao has over 22 years of experience in business development and retail management in Mainland China and was given the award "巾幗創業帶頭人" at Hangzhou Xiacheng District in February 2018.

執行董事

徐群好，五十六歲，彼於一九八一年首度加入本集團，並於一九九二年九月獲委任為本公司之執行董事，其後於二零一零年九月離開本集團。彼於二零一六年四月再次加入本集團，現為本公司之執行董事，並擔任本公司若干附屬公司之董事。徐女士負責本集團於中國大陸生產基地之生產管理、產品設計及研發、電子商貿之營運、市場推廣、人力資源及行政管理。彼於零售及生產管理方面積逾三十四年經驗。於重投本集團前，彼於一間中國大陸著名手袋公司擔任行政總裁，並負責鞋履之產品開發、生產管理及零售營運。

廖健瑜，五十歲，於二零一零年三月加入本集團為信蝶商業(杭州)有限公司(「信蝶」)之總經理，該公司一直是本集團所持有66.7%之附屬公司，彼主要負責中國大陸浙江省及安徽省之市場拓展及零售營運。信蝶其餘33.3%股權則一直由廖女士及其配偶所擁有一間公司持有，其配偶亦為信蝶之董事及法定代表人。彼於二零一八年三月獲委任為本公司之執行董事，負責本集團於中國大陸之零售及特許加盟之營運及業務拓展。於加入本集團之前，彼為本集團於浙江省營運之特許加盟商。廖女士於中國大陸之市場拓展及零售管理方面積逾二十二年經驗，並於二零一八年二月獲得杭州市下城區「巾幗創業帶頭人」榮譽稱號。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高層管理人員

EXECUTIVE DIRECTORS (CONTINUED)

Li Wing Yeung, Peter, aged 61, joined the Group in January 2000 and was appointed as an Executive Director of the Company in January 2020. He was previously the Factory Manager of the former Shunde Production Plant of the Group. He is currently the Technical Director of the Group and is responsible for the development and quality control of the Group's product. He also acts as a director of certain subsidiaries of the Company. Mr. Li has over 14 years of experience in factory's production management. He is the son of Mr. Lee Tze Bun, Marces, a controlling shareholder of the Company.

NON-EXECUTIVE DIRECTORS

James Ngai, aged 57, joined the Group in March 2011. He is a Non-Executive Director of the Company, the Chairman of the board of the Company (the "Board") and a member of the remuneration committee (the "Remuneration Committee") and the nomination committee (the "Nomination Committee") of the Board. He is responsible for the Group's leadership and management of the Board and the Group's strategy. Mr. Ngai graduated from University of Toronto with a Bachelor's degree in Economics. He is a Certified Public Accountant (Practising) in Hong Kong and a member of Hong Kong Institute of Certified Public Accountants and American Institute of Certified Public Accountants. He is also a fellow member of The Taxation Institute of Hong Kong. He has over 30 years of experience in accounting, auditing and taxation matters. Mr. Ngai is a director of Stable Gain Holdings Limited ("Stable Gain") which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"). He is also an independent non-executive director of Max Sight Group Holdings Limited, the shares of which are listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

執行董事(續)

李永揚，六十一歲，於二零零零年一月加入本集團及於二零二零年一月獲委任為本公司執行董事。彼曾為本集團前順德生產廠房之廠長。現為本集團技術總監，負責本集團產品開發及品質控制。彼並擔任本公司若干附屬公司之董事。李先生於廠房生產管理積逾十四年經驗。彼為本公司控股股東李子彬先生之兒子。

非執行董事

倪雅各，五十七歲，於二零一一年三月加入本集團。彼為本公司之非執行董事、本公司董事會(「董事會」)主席、以及董事會之薪酬委員會(「薪酬委員會」)及提名委員會(「提名委員會」)之成員。彼負責領導本集團及管理董事會，並制訂本集團的策略。倪先生畢業於多倫多大學，並取得經濟學士學位。彼為香港執業會計師，以及香港會計師公會及美國會計師公會之會員，彼亦為香港稅務學會資深會員。彼於會計、審計及稅務事宜積逾三十年經驗。倪先生為 Stable Gain Holdings Limited (「Stable Gain」)(其於本公司之股份中擁有根據證券及期貨條例(「證券及期貨條例」)第XV部第2及第3分部之條文須向本公司披露之權益)之董事。彼亦為名仕快相集團控股有限公司(該公司之證券於香港聯合交易所有限公司(「聯交所」)上市)之獨立非執行董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lam Siu Lun, Simon, aged 71, joined the Group in January 2006. He is an Independent Non-Executive Director of the Company, the chairman of the audit committee (the “Audit Committee”) of the Board and the Remuneration Committee and a member of the Nomination Committee. Mr. Lam graduated from The University of Hong Kong in 1973. After graduation, he worked at KPMG London and Hong Kong and obtained his qualification as a chartered accountant and certified public accountant from The Institute of Chartered Accountants in England and Wales and Hong Kong Institute of Certified Public Accountants respectively. Mr. Lam has been a practising accountant for over 30 years and is the proprietor of Messrs. S. L. Lam & Company. He has served as a member of Insider Dealing Tribunal on a number of occasions. Mr. Lam is also an independent non-executive director of Lifestyle International Holdings Limited, the shares of which are listed on the Stock Exchange. He was previously an independent non-executive director of Sansheng Holdings (Group) Co. Ltd. (formerly known as Lifestyle Properties Development Limited), the shares of which are listed on the Stock Exchange.

Leung Wai Ki, George, aged 62, joined the Group in September 2004. He is an Independent Non-Executive Director of the Company and a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Leung has over 32 years of experience in accounting, financial management, auditing and receivership. He is a director and financial controller of a real estate development company in Hong Kong.

獨立非執行董事

林兆麟，七十一歲，於二零零六年一月加入本集團。彼為本公司之獨立非執行董事、董事會之審核委員會（「審核委員會」）及薪酬委員會主席、以及提名委員會之成員。林先生於一九七三年香港大學畢業後，曾於倫敦及香港畢馬威會計師事務所工作，並分別獲取英格蘭及威爾斯特許會計師公會確認之特許會計師資格及香港會計師公會確認之註冊會計師資格。林先生從事執業會計師超過三十年，現為林兆麟會計師事務所東主。彼曾經多次擔任內幕交易審裁處成員。林先生亦為利福國際集團有限公司（該公司之證券於聯交所上市）之獨立非執行董事。彼曾出任三盛控股（集團）有限公司（前稱為利福地產發展有限公司）（其證券於聯交所上市）的獨立非執行董事。

梁偉基，六十二歲，於二零零四年九月加入本集團。彼為本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會之成員。梁先生於會計、財務管理、核數及接管事務積逾三十二年經驗。彼現於香港一間房地產開發公司擔任董事及財務總監。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高層管理人員

INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

Hui Chi Kwan, aged 71, joined the Group in November 2007. He is an Independent Non-Executive Director of the Company, the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. Mr. Hui graduated from The University of Hong Kong with a Bachelor's degree in Laws in 1980 and has been a solicitor practicing in Hong Kong since 1983. Before joining the Group, Mr. Hui was a partner of a law firm in Hong Kong. He retired from the partnership in 2007 and remained as a consultant of the said law firm. Mr. Hui is also an independent non-executive director of Max Sight Group Holdings Limited, the shares of which are listed on the Stock Exchange.

SENIOR MANAGEMENT

Yuen Chee Wing, aged 54, joined the Group in August 2010. He is the Chief Financial Officer and Company Secretary of the Company and is responsible for the Group's financial control and accounting, treasury, tax, legal and company secretarial matters. Mr. Yuen graduated from City University of Hong Kong with a Bachelor's degree in Business, The Chinese University of Hong Kong with a Master's degree in Business Administration, and Manchester Metropolitan University with a Bachelor's degree in Laws. He is a certified public accountant of Hong Kong Institute of Certified Public Accountants. Mr. Yuen has over 25 years of experience in audit and accounting. Prior to joining the Group, he was the financial controller of a machinery manufacturer listed on the Stock Exchange.

Li Ying Ying, aged 51, joined the Group in September 1997. She is the General Manager (Southern China) of the Group and is responsible for the Group's retail business operations in the southern region of Mainland China. Ms. Li has over 23 years of retail experience in Mainland China.

Xiao Kun Min, aged 45, joined the Group in March 2004. She is the General Manager (Southwestern China) of the Group and is responsible for the Group's retail business operations in southwestern region of Mainland China. Ms. Xiao has over 24 years of retail experience in Mainland China.

獨立非執行董事(續)

許次鈞，七十一歲，於二零零七年十一月加入本集團。彼為本公司之獨立非執行董事、提名委員會之主席、以及審核委員會及薪酬委員會之成員。許先生於一九八零年畢業於香港大學，並取得法律學士學位，彼自一九八三年起為香港執業律師。於加入本集團前，許先生為一間香港律師行的合夥人。彼於二零零七年退出合夥關係，但仍為該律師行的顧問律師。許先生亦為名仕快相集團控股有限公司(該公司之證券於聯交所上市)之獨立非執行董事。

高層管理人員

袁智榮，五十四歲，於二零一零年八月加入本集團。彼為本公司之首席財務總監及公司秘書，並負責本集團的財務監控及會計、財資、稅務、法務及公司秘書事宜。袁先生畢業於香港城市大學，獲商業學士學位、於香港中文大學獲工商管理碩士學位，以及於曼徹斯特城市大學獲法律學士學位。彼為香港會計師公會之註冊會計師。袁先生於審計及會計方面積逾二十五年經驗。於加入本集團前，彼為一間於聯交所上市之機械製造商之集團財務總監。

李瑛瑛，五十一歲，於一九九七年九月加入本集團。彼為本集團之總經理(中國華南區)，負責本集團在中國大陸華南區之零售業務營運。李女士於中國大陸零售業務積逾二十三年經驗。

肖坤敏，四十五歲，於二零零四年三月加入本集團。彼為本集團之總經理(中國西南區)，負責本集團在中國大陸西南區之零售業務營運。肖女士於中國大陸零售管理積逾二十四年經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The board (the “Board”) of directors (the “Directors”) of Le Saunda Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) is committed to achieving and maintaining the highest standard of corporate governance. The Board and its management understand that it is their responsibility to establish a good corporate management system and practice and strictly comply with the principles of independence, accountability, responsibility and impartiality so as to improve the operation transparency of the Company, protect the interests of shareholders (the “Shareholders”) of the Company and create value for the Shareholders.

CORPORATE GOVERNANCE PRACTICES

During the year, the Company has complied with the code provisions of, and applied the principles in, the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), except for the following:

- (i) Code provision A.6.7 of the CG Code stipulates, among others, that generally independent non-executive Directors and other non-executive Directors should also attend general meetings. Due to other business engagement, Mr. Lee Tze Bun, Marces, a Non-Executive Director as he then was (who resigned with effect from 16 October 2019) was unable to attend the annual general meeting of the Company held on 8 July 2019.
- (ii) Code provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Following the resignation of Mr. Cheng Wang, Gary as Chief Executive Officer and Executive Director with effect from 16 October 2019, the position of Chief Executive Officer is currently vacant. The Company is in the process of identifying a suitable candidate to fill the position of Chief Executive Officer and the role and responsibility of the Chief Executive Officer are being performed by other Executive Directors of the Company for the time being.

The Board will continue to enhance the Group’s corporate governance practices appropriate to the conduct and growth of the Group’s business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest developments.

萊爾斯丹控股有限公司(「本公司」)與其附屬公司(統稱「本集團」)之董事會(「董事會」)致力達至及保持最高標準的企業管治。董事會與其管理層明白，其有責任制定良好的企業管理架構系統及常規，並嚴格遵循獨立、問責、負責、及公平的公司管理原則，致使不斷提高公司運作的透明度，保障本公司股東(「股東」)權益及為股東創造價值。

企業管治常規

於本年度內，本公司貫徹遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四中所載之企業管治守則(「企業管治守則」)的守則條文，並將其應用於公司管治，惟以下守則條文有所偏離除外：

- (i) 企業管治守則條文第A.6.7條訂明(其中包括)獨立非執行董事及其他非執行董事一般而言應出席股東大會。本公司於二零一九年七月八日舉行之股東周年大會，時任非執行董事李子彬先生(自二零一九年十月十六日起辭任)因其他公務未能出席該股東周年大會。
- (ii) 企業管治守則條文第A.2.1條訂明主席及行政總裁的角色應有區分，並不應由一人同時擔任。自鄭宏先生於二零一九年十月十六日辭任行政總裁及執行董事後，行政總裁職位一直懸空，本公司正物色適當人選擔任該職位，行政總裁職務及職責目前由本公司其他執行董事承擔。

董事會將會繼續加強適合本集團之業務行為及增長之企業管治常規，並不時檢討該常規，以確保其遵守法規及專業標準，並符合最新發展。

BOARD OF DIRECTORS

The Board is committed to providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders.

Board Composition

During the year ended 29 February 2020, the Board comprised two to three executive Directors, one to two non-executive Directors and three independent non-executive Directors. The Board has established three Board committees, namely the audit committee (the “Audit Committee”), remuneration committee (the “Remuneration Committee”) and nomination committee (the “Nomination Committee”), to oversee different areas of the Company’s affairs. The composition of the Board and the Board committees are given below and their respective responsibilities and work performed during the year are discussed elsewhere in this report.

During the year ended 29 February 2020 and up to the date of this report, the Board comprises the following members:

Executive Directors

Mr. Cheng Wang, Gary (*Chief Executive Officer*)
(*resigned with effect from 16 October 2019*)
Ms. Chui Kwan Ho, Jacky
Ms. Liao Jian Yu
Mr. Li Wing Yeung, Peter
(*appointed with effect from 22 January 2020*)

Non-Executive Directors

Mr. James Ngai (*Chairman*)
Mr. Lee Tze Bun, Marces
(*resigned with effect from 16 October 2019*)

Independent Non-Executive Directors

Mr. Lam Siu Lun, Simon
Mr. Leung Wai Ki, George
Mr. Hui Chi Kwan

董事會

董事會致力為本公司提供有效及負責任的領導。各董事必須個別及共同秉持誠信行事，以本公司及其股東的最佳利益為依歸。

董事會架構

於截至二零二零年二月二十九日止年度內，董事會由二至三名執行董事、一至二名非執行董事及三名獨立非執行董事組成。董事會轄下設有三個董事委員會，分別為審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」），以監管本公司不同範疇的事務。董事會及董事委員會之架構於下文列載，而其各自的職責以及於年內完成的工作將於本報告內論述。

於截至二零二零年二月二十九日止年度及直至本報告日期，董事會由下列成員組成：

執行董事

鄭宏先生（行政總裁）
(自二零一九年十月十六日起辭任)
徐群好女士
廖健瑜女士
李永揚先生
(自二零二零年一月二十二日起獲委任)

非執行董事

倪雅各先生（主席）
李子彬先生
(自二零一九年十月十六日起辭任)

獨立非執行董事

林兆麟先生
梁偉基先生
許次鈞先生

BOARD OF DIRECTORS (CONTINUED)

Board Composition (Continued)

There is no relationship (including financial, business, family or other material relationship) among members of the Board, except that:

- (a) Mr. James Ngai is a director of an accounting firm which provides advisory and audit services to private companies owned by Mr. Lee Tze Bun, Marces;
- (b) Both Mr. Lee Tze Bun, Marces and Mr. James Ngai are the directors of Stable Gain Holdings Limited (“Stable Gain”), a controlling shareholder of the Company. The entire issued share capital of Stable Gain was registered in the name of Stable Profit Holdings Limited (“Stable Profit”), a company wholly-owned by HSBC International Trustee Limited (“HSBC Trustee”) which acted as trustee of Lee Tze Bun Family Trust (the “LTB Family Trust”), a discretionary trust, of which Mr. Lee Tze Bun, Marces was the founder and an eligible beneficiary thereunder. Mr. Lee Tze Bun, Marces was also the sole director of Stable Profit;
- (c) Mr. Li Wing Yeung, Peter, the son of Mr. Lee Tze Bun, Marces, is a trustee of The Lee Keung Charitable Foundation (“Charitable Foundation”), of which Mr. Lee Tze Bun, Marces is the founder; and
- (d) Both Mr. James Ngai and Mr. Hui Chi Kwan are independent non-executive directors of Max Sight Group Holdings Limited (stock code: 8483).

The biographical details of each Director are set out in the section headed “Board of Directors and Senior Management” on pages 33 to 36 of this report.

董事會(續)

董事會架構(續)

董事會成員彼此之間概無關係(包括財務、業務、家族或其他重大關係)，惟：

- (a) 倪雅各先生為一間會計師事務所之董事，該事務所向李子彬先生擁有之若干私人公司提供顧問及審計服務；
- (b) 李子彬先生及倪雅各先生均為 Stable Gain Holdings Limited (「Stable Gain」)(本公司之控股股東)之董事。Stable Gain 全部已發行股本由 HSBC International Trustee Limited (「HSBC Trustee」) 全資擁有之公司 Stable Profit Holdings Limited (「Stable Profit」) 名義登記，該 HSBC Trustee 為 Lee Tze Bun Family Trust (「LTB Family Trust」)(為酌情信託) 之受託人，而李子彬先生為 LTB Family Trust 之創辦人及合資格受益人，亦為 Stable Profit 之唯一董事；
- (c) 李永揚先生為李子彬先生之兒子，同為李強慈善基金(「慈善基金」) 之受託人，而李子彬先生為該慈善基金之創辦人；及
- (d) 倪雅各先生及許次鈞先生均為名仕快相集團有限公司(股份代號：8483) 之獨立非執行董事。

各董事之個人履歷詳情載於本報告第33至36頁標題為「董事會及高層管理人員」內。

BOARD OF DIRECTORS (CONTINUED)

Board Composition (Continued)

Each Director possesses the necessary expertise and experience and provides checks and balances for safeguarding the interests of the Group and the Shareholders as a whole. During the year, the Independent Non-Executive Directors provided the Group with a wide range of expertise and experience. Their active participation in the Board and committee meetings brought independent judgment on issues relating to the Group's strategy, performance and management process, taking into account the interests of all Shareholders.

During the year and up to the date of this report, the Company has three Independent Non-Executive Directors representing not less than one-third of the Board. Mr. Lam Siu Lun, Simon, one of the Independent Non-Executive Directors, has the appropriate professional qualifications, or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Company has received from each of the Independent Non-Executive Directors a written confirmation of his independence and has satisfied itself of such independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. Whilst Mr. James Ngai and Mr. Hui Chi Kwan are directors of both the Company and Max Sight Group Holdings Limited (stock code: 8483) and thus hold cross-directorships, the Board determines that Mr. Hui Chi Kwan is nevertheless independent with respect to his directorship at the Company since Mr. James Ngai and Mr. Hui Chi Kwan hold only non-executive roles at both companies and have no interest in both companies as disclosed under Part XV of the Securities and Futures Ordinance.

董事會(續)

董事會架構(續)

各董事均擁有所需專業知識及經驗，可收互相制衡之效，以保障本集團及股東整體利益。於本年度內，獨立非執行董事為本集團提供廣泛專業知識及經驗。彼等積極參與董事會及委員會會議，並以全體股東之利益為大前提下，對本集團之策略、表現及管理程序事宜提供獨立判斷。

於本年度內及直至本報告日期，本公司共有三名獨立非執行董事(代表不少於董事會三分之一成員)。按上市規則第3.10(2)條規定，其中一名獨立非執行董事(即林兆麟先生)具備適當的專業資格或會計或相關財務管理專長。本公司已接獲各獨立非執行董事有關其獨立性之書面確認函，而本公司亦根據上市規則第3.13條所載的獨立指引信納彼等均為獨立人士。儘管倪雅各先生及許次鈞先生均為本公司及名仕快相集團有限公司(股份代號：8483)之董事，以致相互擔任對方的公司董事職務，但鑑於倪雅各先生及許次鈞先生只擔任該兩間公司之非執行董事，並且沒有持有任何根據證券及期貨條例第XV部須予披露之利益，所以董事會認為許次鈞先生就有關其在本公司之董事職務仍然是獨立。

BOARD OF DIRECTORS (CONTINUED)

Board Meetings

The Board conducts meetings on a regular basis and on an ad hoc basis of at least four times a year to discuss the overall strategy as well as the operational and financial performance of the Group, and to review and approve the Group's annual and interim results. The Board members are served with notices of at least 14 days and provided with all agendas and adequate information for their review at least 3 days before the meetings. After the meetings, draft minutes are circulated to all Directors for comments before confirmation and sign-off. Minutes of board meetings and meetings of board committees are kept by the company secretary of the Company (the "Company Secretary") and are available for inspection by any Director at any reasonable time on reasonable notice. Each Director is entitled to seek independent professional advice under appropriate circumstances at the expense of the Company. During the year, the Board held 8 physical meetings and 3 written resolutions were signed and passed by all Directors. The attendance records of each Director at the Board meetings are set out on page 55 of this report.

Responsibilities and Delegation

The Board is accountable to the Shareholders for the development of the Group with the goal of maximizing Shareholders' value in the long run. The Board also takes the responsibility for the overall strategies and policies of the Group, approves and monitors the strategic plans, investment and funding decisions, and reviews the Group's financial and operational performance and internal controls. The Group's day-to-day operations and administration are overseen by the Executive Directors and the management.

董事會(續)

董事會會議

董事會每年舉行不少於四次的定期會議及特別會議，以商討整體策略以及本集團之營運及財務表現，並審閱及批准本集團全年及中期業績。董事會成員於會議舉行前至少十四天獲通知及至少三日前獲提供全部議程及充足資料，以供彼等審閱。會議結束後，會議記錄初稿於落實及簽核前將發送予全體董事傳閱及提出意見。董事會及董事委員會之會議記錄均由本公司之公司秘書(「公司秘書」)保管，可供任何董事在提出合理通知後於任何合理時間內查閱。各董事有權於適當情況下尋求獨立專業意見，費用由本公司支付。於本年度內，董事會共舉行八次會議及全體董事簽署通過三份書面決議。各董事出席董事會會議之記錄載於本報告第55頁。

職責及指派工作

董事會須就本集團發展向股東負責，以為股東爭取最大價值作為長遠目標。董事會亦負責制定本集團整體策略及政策、批准及監管策略規劃、投資及融資決策，並檢討本集團之財務、營運表現及內部監控。執行董事及管理層負責監督本集團日常運作及行政事務。

BOARD OF DIRECTORS (CONTINUED)

Responsibilities and Delegation (continued)

The Board is responsible for setting the strategic direction and policies of the Group and supervising the management of the Company. Some functions including the monitoring and approval of material transactions, matters involving a conflict of interest for a substantial Shareholder or Director of the Company, the approval of interim and annual results, declaration of interim dividends and proposal of final dividends and other disclosures to the public or regulators are reserved by the Board for consideration and approval. Matters not specifically reserved to the Board and necessary for the daily management and operation of the Company are delegated to the Executive Directors and the management of the Company.

Directors' Training

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company would provide a comprehensive induction package covering the summary of the operations and business, constitutional documents, the latest published financial reports of the Company, "A Guide on Directors' Duties" issued by the Companies Registry of Hong Kong and the Guidelines for Directors and the Guide for Independent Non-Executive Directors published by the Hong Kong Institute of Directors to each newly appointed Director to ensure that he/she is sufficiently aware of his/her responsibilities and obligations under the Listing Rules and other regulatory requirements.

The Company Secretary reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime to the Directors with written materials, as well as organizing seminars on the professional knowledge and latest development of regulatory requirements related to directors' duties and responsibilities.

董事會(續)

職責及指派工作(續)

董事會負責制訂本集團的策略方向及政策以及監督本公司管理層。若干職能留待董事會考慮及批准，包括監察及批准重大交易、涉及本公司主要股東或董事的利益衝突事項、批准中期及全年業績、宣派中期股息及建議派發末期股息、以及向公眾或監管機關作其他披露。並非指定由董事會決定且屬本公司日常管理及營運所須進行的事宜，則授權執行董事及本公司管理層處理。

董事培訓

本公司鼓勵董事參與持續專業發展，以發展並更新彼等之知識及技能。本公司向每名新委任的董事提供全面的就任資料文件，涵蓋本公司之營運及業務簡介、組織章程文件、最新刊發本公司之財務報告、香港公司註冊處發出的「董事責任指引」及由香港董事學會編製之「董事指引」及「獨立非執行董事指南」，以確保有關董事充分知悉其於上市規則及其他監管規定下的職責及責任。

公司秘書不時向董事匯報上市規則、企業管治常規以及其他監管制度之最新變動及發展，並提供相關書面資料，亦安排講座講解有關董事職務及職責之專業知識及監管規定的最新情況。

BOARD OF DIRECTORS (CONTINUED)

Directors' Training (Continued)

During the year and up to the date of this report, all Directors pursued continuous professional development and relevant details are set out below:

董事會(續)

董事培訓(續)

於本年度內及直至本報告日期，所有董事皆有參與持續專業發展，茲將相關資料列述如下：

Name of Directors	董事姓名	Types of training 培訓類別
Executive Directors:		
Mr. Cheng Wang, Gary (<i>resigned with effect from 16 October 2019</i>)	鄭宏先生(自二零一九年十月十六日起辭任)	A, B
Ms. Chui Kwan Ho, Jacky	徐群好女士	B
Ms. Liao Jian Yu	廖健瑜女士	B
Mr. Li Wing Yeung, Peter (<i>appointed with effect from 22 January 2020</i>)	李永揚先生(自二零二零年一月二十二日起獲委任)	A, B
Non-Executive Directors:		
Mr. James Ngai	倪雅各先生	A, B
Mr. Lee Tze Bun, Marces (<i>resigned with effect from 16 October 2019</i>)	李子彬先生(自二零一九年十月十六日起辭任)	B
Independent Non-Executive Directors:		
Mr. Lam Siu Lun, Simon	林兆麟先生	A, B
Mr. Leung Wai Ki, George	梁偉基先生	B
Mr. Hui Chi Kwan	許次鈞先生	A, B

Remarks:

A – Attending seminars/conferences/forums
B – Reading journals/updates/articles/materials

註解：

A – 出席研討會／會議／論壇
B – 閱讀期刊／最新資訊／文章／資料

Directors' and Officers' Liability Insurance

The Company has arranged appropriate directors' and officers' liability insurance coverage for indemnifying the Directors and officers of the Company against costs, charges, losses, expenses and liabilities incurred arising out of the corporate activities.

董事及高級人員責任保險

本公司已安排合適之董事及高級人員責任保險，本公司之董事及高級人員於從事公司業務時可能產生之成本、支出、損失、開支及負債均獲彌償保證。

BOARD OF DIRECTORS (CONTINUED)

Appointment and Re-election of Directors

The Board is responsible for selecting and appointing individuals with integrity, experience and caliber to act as Directors. The Board reviews the profiles of the candidates and seeks recommendations from the Nomination Committee on the appointment and re-election of the Directors.

According to bye-laws of the Company (the “Bye-Laws”), each Director so appointed by the Board to fill a casual vacancy shall hold office only until the next following annual general meeting (the “AGM”) of the Company in case of an addition to the Board and shall then be eligible for re-election at such meeting. Moreover, one-third of the Directors for the time being, (or, if their number is not a multiple of three, then the number nearest to but not less than one-third), shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall retire from office by rotation no later than the third AGM after he was last elected or re-elected. The rotating Directors who are subject to retirement and re-election at the forthcoming AGM are set out on page 72 of this report.

All Non-Executive Directors (including the Independent Non-Executive Directors) of the Company were appointed for a specific term of 2 years but subject to the relevant provisions of the Bye-Laws or any other applicable laws whereby the Directors shall vacate or retire from their office but be eligible for re-election.

董事會(續)

董事之委任及重選

董事會負責甄選具有誠信、富經驗及有才幹的人士擔任董事。董事會審閱候選人的履歷及就董事的委任及重選尋求提名委員會之建議。

根據本公司之公司細則(「公司細則」)，董事會凡為填補臨時空缺獲委任之每名董事；或如屬董事會新增成員，則彼之任期將直至下屆本公司股東周年大會(「股東周年大會」)為止，屆時將獲資格於該大會重選。此外，當時三分之一董事(或如彼等之數目並非三的倍數，則應為最接近但不少於三分之一數目)須輪席退任，惟規定每名董事(包括有特定任期之董事)必須在其最近一次當選或重選後於不超過三屆之股東周年大會上輪席退任。須於應屆股東周年大會退任及重選之輪任董事詳情載於本報告第72頁。

本公司所有非執行董事(包括獨立非執行董事)之特定任期為兩年，惟須受公司細則或任何其他適用法例之有關條文規限，即董事須離任或退任但可獲資格重選之規定。

CHAIRMAN AND CHIEF EXECUTIVE

In order to maintain a balance of power and authority, the roles of the Chairman and the Chief Executive Officer of the Company are segregated and assumed by separate individuals who have no relationship with each other. During the year, Mr. James Ngai, being the Chairman of the Board, is responsible for overseeing the function of the Board and formulating overall strategies and policies of the Company and ensuring that all Directors are properly briefed on issues arising at the Board meetings and receive adequate information, which must be complete and reliable, in a timely manner. Before his resignation effective on 16 October 2019, Mr. Cheng Wang, Gary, being the Chief Executive Officer as he then was, was responsible for the implementation of the Company's overall strategies and coordination of overall business operation. Since his resignation and whilst the Company is in search of a suitable candidate to assume the role as Chief Executive Officer, the role and responsibility of the Chief Executive Officer are being performed by other Executive Directors of the Company in the meantime. The day-to-day operations and administration of the Group are delegated to the Executive Directors and the management responsible for different aspects of the business.

BOARD COMMITTEES

The Company has established three board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All board committees have clear and specific written terms of reference, report their work to the Board after each meeting and are provided with sufficient resources to discharge their respective duties. Copies of minutes of all meetings and written resolutions passed at the board committees are kept by the Company Secretary.

主席及行政總裁

為求維持權力與職權平衡，本公司的主席與行政總裁的職責已有區分，並由彼此之間概無任何關係的獨立個人擔任。於本年度內，倪雅各先生作為董事會主席，負責監督董事會運作以及制訂本公司整體策略及政策，並確保所有董事均適當知悉在董事會會議上所討論的事項及在適時收到充份的資訊，而有關資訊均屬完備可靠。直至其辭任於二零一九年十月十六日生效前，鄭宏先生作為行政總裁，負責履行本公司整體策略及協調整體業務之運作。自鄭宏先生辭任，本公司一直物色適當人選擔任行政總裁，該職位之職務及職責目前由本公司其他執行董事承擔。本集團之日常管理事務交由執行董事及管理層人員處理，並由各部門主管負責業務各個方面之營運。

董事委員會

本公司轄下設有三個董事委員會，分別為審核委員會、薪酬委員會及提名委員會，以監管本公司不同範疇的事務，並協助執行董事會之職責。所有董事委員會均有明確特定之書面職權範圍，並於各會議後向董事會報告其工作及獲提供足夠資源以履行其職責。所有會議的會議記錄及書面決議經董事委員會通過後需由公司秘書備存。

BOARD COMMITTEES (CONTINUED)

Audit Committee

The Audit Committee was established with written terms of reference (as amended) since 1999. As at 29 February 2020 and up to the date of this report, the Audit Committee comprises three Independent Non-Executive Directors, namely Mr. Lam Siu Lun, Simon (chairman of the Audit Committee), Mr. Leung Wai Ki, George and Mr. Hui Chi Kwan. Mr. Lam has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.21 of the Listing Rules.

The primary functions and duties of the Audit Committee are to recommend the appointment, re-appointment and removal of the external auditor, oversee the integrity of financial information of the Company and its disclosure, provide independent review of the effectiveness of the financial controls, risk management and internal control systems of the Group, and review the accounting principles and practices adopted by the Group. The full terms of reference of the Audit Committee are posted on the respective websites of the Stock Exchange and the Company.

During the year, the Audit Committee held 5 physical meetings with the external auditor, internal auditor and independent consultants. The Chairman of the Board, the Chief Executive Officer and the Chief Financial Officer were invited to attend the meetings. The attendance records of each member of the Audit Committee are set out on page 55 of this report. A summary of work performed by the Audit Committee during the year was as follows:

- (i) review of the audit plan, terms of engagement, independence and qualification of the external auditor and the remuneration paid to the external auditor;
- (ii) review of the financial information of the Group including the annual and interim financial statements and related documents before submission to the Board for approval;
- (iii) review of the management letters and reports issued by the external auditor;

董事委員會(續)

審核委員會

審核委員會自一九九九年成立，並制訂其書面職權範圍(經修訂)。於二零二零年二月二十九日及直至本報告日期，審核委員會包括三名獨立非執行董事林兆麟先生(審核委員會主席)、梁偉基先生及許次鈞先生。林先生具備上市規則第3.21條所規定之適當專業資格或會計或相關財務管理專業知識。

審核委員會之主要功能及職責為就外聘核數師之委任、重新委任及罷免提供推薦建議、監督本公司財務資料之真實性及其披露、就本集團之財務監控、風險管理及內部監控系統之有效性提供獨立檢討，並就本集團採納之會計原則及實務應用進行檢討。審核委員會之職權範圍詳情已分別於聯交所及本公司網站登載。

於本年度內，審核委員會共舉行五次會議，外聘核數師、內部審計師及獨立顧問均有出席，而董事會主席、行政總裁及首席財務總監亦被邀請出席。各審核委員會成員之出席記錄載於本報告第55頁。審核委員會於本年度內已進行的工作概要如下：

- (i) 審閱外聘核數師之審核計劃、委聘條款、獨立性及資格，以及外聘核數師之薪酬；
- (ii) 審閱提呈董事會批准前本集團之財務資料，包括全年及中期財務報表及相關文件；
- (iii) 審閱外聘核數師致管理層之函件及報告；

BOARD COMMITTEES (CONTINUED)

Audit Committee (Continued)

- (iv) review of accounting principles and practices adopted by the Group and the potential impacts of the change in accounting standards to the Group's financial statements;
- (v) review of the effectiveness of the risk management and internal control systems of the Group; and
- (vi) review of the internal audit reports prepared by an independent consulting firm in respect of the effectiveness of the financial, operational and compliance controls and risk management of the Group twice a year.

Remuneration Committee

The Remuneration Committee was established with written terms of reference (as amended) since 2005. As at 29 February 2020 and up to the date of this report, the Remuneration Committee comprises three Independent Non-Executive Directors, namely Mr. Lam Siu Lun, Simon (chairman of the Remuneration Committee), Mr. Leung Wai Ki, George and Mr. Hui Chi Kwan, and one Non-Executive Director, namely Mr. James Ngai.

The primary functions and duties of the Remuneration Committee are to make recommendation to the Board on the Company's policy and structure for remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy, determine the terms of specific remuneration package of the Executive Directors and senior management, and review and approve the performance-based remuneration proposals with reference to the corporate goals and objectives resolved by the Board from time to time. The full terms of reference of the Remuneration Committee are posted on the respective websites of the Stock Exchange and the Company.

董事委員會(續)

審核委員會(續)

- (iv) 審閱本集團採納之會計原則及實務及有關會計準則之更改對本集團財務報表的潛在影響；
- (v) 審閱本集團之風險管理及內部監控系統的效益；及
- (vi) 每年兩次審閱由獨立顧問公司就有關本集團之財務、營運及合規監控以及風險管理的效益而編製之內部審核報告。

薪酬委員會

薪酬委員會自二零零五年起成立，並制訂其書面職權範圍(經修訂)。於二零二零年二月二十九日及直至本報告日期，薪酬委員會包括三名獨立非執行董事林兆麟先生(薪酬委員會主席)、梁偉基先生及許次鈞先生，以及一名非執行董事倪雅各先生。

薪酬委員會之主要功能及職責為就本公司全體董事及高層管理人員之薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提供建議，並釐定執行董事及高層管理人員薪酬待遇之特定條款，及因應董事會不時釐定之企業方針及宗旨而檢討及批准以表現為基準之薪酬建議。薪酬委員會之職權範圍詳情已分別於聯交所及本公司網站登載。

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (Continued)

During the year, the Remuneration Committee held 1 physical meeting and 1 written resolution was signed and passed by all members of the Remuneration Committee. The attendance records of each member of the Remuneration Committee are set out on page 55 of this report. In the meeting, the Remuneration Committee (i) reviewed the remuneration of the Executive Directors and senior management of the Company; (ii) approved performance-based remuneration with reference to the corporate goals and objectives resolved by the Board and/or the senior management from time to time; and (iii) ensured that no Director or senior management or any of his/her associates was involved in deciding his/her own remuneration. Details of the emoluments for Directors, chief executive and five highest paid individuals, and senior management's remuneration by band during the year are set out in notes 10 and 11 to the consolidated financial statements.

Nomination Committee

The Nomination Committee was established with written terms of reference (as amended) since 19 March 2012. As at 29 February 2020 and up to the date of this report, the Nomination Committee comprises three Independent Non-Executive Directors, namely Mr. Hui Chi Kwan (chairman of the Nomination Committee), Mr. Lam Siu Lun, Simon and Mr. Leung Wai Ki, George, and one Non-Executive Director, namely Mr. James Ngai.

The primary functions and duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategies, and identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorships. The full terms of reference of the Nomination Committee are posted on the respective websites of the Stock Exchange and the Company.

董事委員會(續)

薪酬委員會(續)

於本年度內，薪酬委員會共舉行一次會議及全體薪酬委員會成員簽署通過一份書面決議。各薪酬委員會成員之出席記錄載於本報告第55頁。薪酬委員會於會上(i)已審閱本公司執行董事及高層管理人員之薪酬；(ii)已因應董事會及／或高層管理人員不時釐定之企業方針及宗旨而批准以表現為薪酬基準；及(iii)確保概無任何董事或高層管理人員或其任何聯繫人士參與釐定其自身之薪酬。於本年度內，董事、最高行政人員和五名最高薪人士酬金，與按薪酬等級呈列高層管理人員的薪酬詳情載於本綜合財務報表附註10及11。

提名委員會

提名委員會於二零一二年三月十九日成立，並制訂其書面職權範圍(經修訂)。於二零二零年二月二十九日及直至本報告日期，提名委員會包括三名獨立非執行董事許次鈞先生(提名委員會主席)、林兆麟先生及梁偉基先生，以及一名非執行董事倪雅各先生。

提名委員會之主要功能及職責為每年至少一次檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何建議變動向董事會提供意見，以完成本公司之企業策略，物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。提名委員會之職權範圍詳情已分別於聯交所及本公司網站登載。

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

During the year, the Nomination Committee held 1 physical meeting and 1 written resolution was signed and passed by all members of the Nomination Committee. The attendance records of each member of the Nomination Committee are set out on page 55 of this report. In the meeting, the Nomination Committee (i) reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board; (ii) assessed the independence of the Independent Non-Executive Directors; (iii) made recommendation to the Board on the proposed re-election of the retiring Directors at the forthcoming annual general meeting; and (iv) reviewed the diversity of the Board's composition.

Board Diversity Policy

The Board adopted a board diversity policy with the aim of achieving diversity on the Company's board of directors in August 2013. The Company recognizes the benefits of having a diverse Board, and sees diversity of perspectives at the Board level as essential in achieving a sustainable and balanced development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, educational background, professional experience, skills, knowledge, industry experience and expertise. All Board appointments are based on meritocracy, and candidates will be considered against a variety of criteria, having due regard for the benefits of diversity on the Board. The Nomination Committee will review this policy, as appropriate, to ensure the effectiveness of this policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board of Directors for examination and approval.

董事委員會(續)

提名委員會(續)

於本年度內，提名委員會共舉行一次會議及全體提名委員會成員簽署通過一份書面決議。各提名委員會成員之出席記錄載於本報告第55頁。提名委員會於會上(i)已檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)；(ii)評核獨立非執行董事之獨立性；(iii)向董事會建議於即將舉行之股東周年大會上重選退任董事之建議；及(iv)檢討董事會成員組合之多元化。

董事會多元化政策

董事會已於二零一三年八月採納董事會多元化政策，務求令本公司之董事會更具多元化。本公司確認並深信董事會成員多元化裨益良多，且將董事會層面之多元化視作達致可持續及均衡發展的關鍵元素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、教育背景、專業經驗、技能、知識、行業經驗及專門知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以各種標準充分顧及董事會成員多元化的裨益。提名委員會將在適當時候檢討本政策，以確保本政策行之有效。提名委員會將會討論任何或需作出的修訂，再向董事會提出修訂建議，並由董事會審批。

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

Board Diversity Policy (Continued)

The Board contains individuals who have diverse educational background, professional experience, skills, knowledge, industry experience and expertise. Coming from diverse business and professional backgrounds, the Non-Executive Directors actively bring their valuable experience to the Board for promoting the best interests of the Company and the Shareholders. On the other hand, the Independent Non-Executive Directors contribute to ensuring that the interests of all Shareholders of the Company are taken into account by the Board and that relevant issues are subject to objective and dispassionate consideration by the Board. The biographical details of the Directors are set out on pages 33 to 36 of this report. In implementing the board diversity policy, the Board aims to have a balanced composition in each of the relevant areas, but recognizing at the same time that all Board appointments must be based on meritocracy having regard to the best interests of the Company and the Shareholders.

Nomination Policy

In December 2018, the Board adopted a nomination policy (the “Nomination Policy”) with the aim to set out the criteria and procedures for the Nomination Committee considering candidates to be appointed or re-appointed as the Directors.

- (1) The factors listed below will be considered in assessing the suitability of a candidate:
 - (a) age, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the candidate;
 - (b) effect on the Board’s composition and diversity;

董事委員會(續)

提名委員會(續)

董事會多元化政策(續)

董事會成員擁有多元化教育背景、專業經驗、技能、知識、行業經驗及專門知識。各來自不同商業及專業背景的非執行董事均積極向董事局提供寶貴經驗，以提升本公司及其股東的最佳利益。另一方面，各獨立非執行董事均致力確保董事局維護本公司全體股東的利益，並客觀冷靜地考慮相關問題。董事之履歷詳情載於本報告第33至36頁。為執行董事會多元化政策，董事會務求達致各層面之組成，但仍認為所有董事會成員之委任均以用人唯才為原則，以本公司及其股東的最佳利益為依歸。

提名政策

於二零一八年十二月，董事會採納提名政策(「提名政策」)，旨在列明提名委員會於考慮委任或重新委任董事的準則及流程。

- (1) 以下列舉評估建議候選人是否合適的準則：
 - (a) 年齡、技能、知識、經驗、專業知識、專業和學歷資格、背景及候選人的其他個人素質；
 - (b) 對董事會的組成和多元化產生的影響；

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

Nomination Policy (Continued)

- (1) The factors listed below will be considered in assessing the suitability of a candidate: (Continued)
- (c) commitment of the candidate to devote sufficient time to effectively discharge his/her duties as a member of the Board and/or Board committee(s) of the Company. In this regard, the number and nature of offices held by the candidate in public companies or organizations, and other executive appointments or significant commitments will be considered;
 - (d) scrutinizing the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;
 - (e) independence of the candidate in accordance with Rule 3.13 of the Listing Rules subject to its amendments from time to time;
 - (f) potential/actual conflicts of interest that may arise if the candidate is selected;
 - (g) in the case of a proposed re-appointment of an independent non-executive Director, the number of years he/she has already served;
 - (h) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate; and
 - (i) other factors considered to be relevant by the Nomination Committee on a case by case basis.

董事委員會(續)

提名委員會(續)

提名政策(續)

- (1) 以下列舉評估建議候選人是否合適的準則：(續)
- (c) 候選人是否有足夠時間有效履行其作為本公司董事會及／或董事會委員會成員的職責。就此而言，董事會將考慮候選人在公眾公司或組織擔任職位的數目及性質，以及其他行政職位之委任或重大承擔；
 - (d) 審查本公司於實現已商定的企業目標及目的方面的表現，及監督績效的報告；
 - (e) 根據上市規則第3.13條(不時修訂)所載候選人的獨立性；
 - (f) 挑選該候選人所出現的潛在／實際的利益衝突；
 - (g) 於建議重新委任獨立非執行董事的情況下，其已任職年期；
 - (h) 符合董事會不時規定或本公司憲章文件載有，或法律或上市規則(如適用)所規定的要求、指示及規例；及
 - (i) 提名委員會根據具體情況認為相關的其他準則。

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

Nomination Policy (Continued)

(2) Process of appointment of a new director:

- (a) the Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other members of the management and external recruitment agents, and should, upon receipt of the proposal on appointment of a new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. If an independent non-executive Director is to be appointed, the Nomination Committee and/or the Board will also assess and consider whether the candidate can satisfy the independence requirements as set out in the Listing Rules;
- (b) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable);
- (c) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable; and
- (d) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

董事委員會(續)

提名委員會(續)

提名政策(續)

(2) 委任新董事之流程：

- (a) 提名委員會及／或董事會可從各種渠道挑選董事候選人，包括但不限於內部晉升、調任及其他管理層人員和外聘招聘代理的推薦，並應在收到有關委任新董事的建議及候選人的履歷資料(或相關細節)，根據上述準則評估該候選人，以確定該候選人擔任董事職務的資格。如委任獨立非執行董事，提名委員會及／或董事會亦會評估及考慮候選人是否符合上市規則所載的獨立性規定；
- (b) 如提名流程中獲一個或多個理想的候選人，提名委員會和／或董事會應根據公司的需要和每位候選人的資歷查核(如適用)按優先次序進行排名；
- (c) 提名委員會應向董事會建議委任適當的候選人為董事(如合適)；及
- (d) 對於任何由股東於本公司股東大會上提名推選為董事的人士，提名委員會及／或董事會應根據上述準則評估該候選人，以確定該候選人擔任董事職務的資格。

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

Nomination Policy (Continued)

- (3) Re-election of Director at General Meeting:
- (a) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring Director and his/her level of participation and performance on the Board;
 - (b) The Nomination Committee and/or the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above. If an independent non-executive Director is subject to the re-election, the Nomination Committee and/or the Board will also assess and consider whether the independent non-executive Director will continue to satisfy the independence requirements as set out in the Listing Rules; and
 - (c) The Nomination Committee and/or the Board should then make recommendation to shareholders of the Company in respect of the proposed re-election of Director at the general meeting.

董事委員會(續)

提名委員會(續)

提名政策(續)

- (3) 於股東大會重選董事之流程：
- (a) 提名委員會及／或董事會應檢討退任董事對本公司整體貢獻及服務，以及彼於董事會的參與程度及表現；
 - (b) 提名委員會及／或董事會亦應檢討及考慮退任董事是否繼續符合上述準則。倘獨立非執行董事須膺重選，提名委員會及／或董事會亦將評估及考慮獨立非執行董事是否將繼續符合上市規則所載的獨立性規定；及
 - (c) 提名委員會及／或董事會應於股東大會上向本公司股東提呈建議重選董事。

BOARD COMMITTEES (CONTINUED)

Nomination Committee (Continued)

Nomination Policy (Continued)

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders of the Company and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

The following graph provides an analysis on the composition of the Board as at the date of this report:

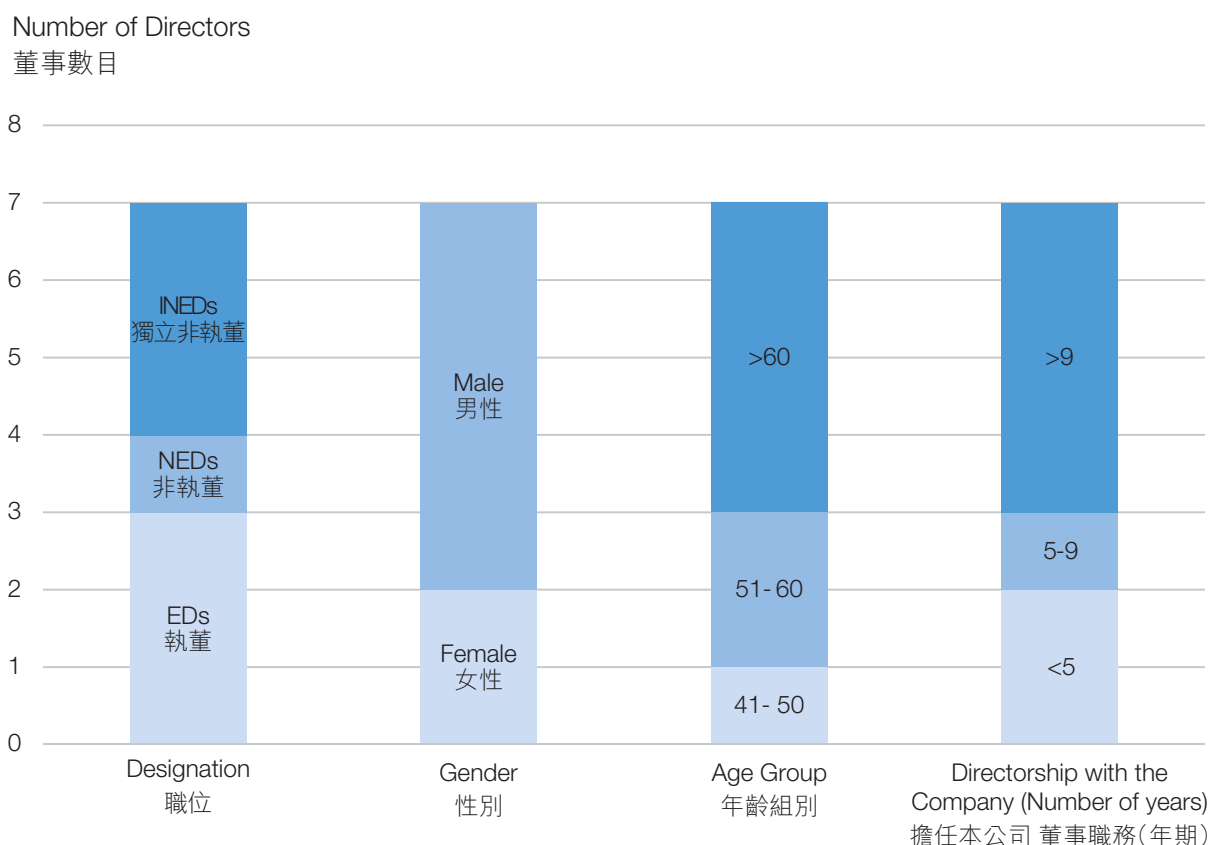
董事委員會(續)

提名委員會(續)

提名政策(續)

如董事會於股東大會上提呈推選或重選候選人為董事，候選人的相關資料將根據上市規則及／或適用法律和法規於本公司股東通函及／或隨同相關股東大會通告的說明函件內披露。

於本報告日期，現時董事會之組成有以下圖表分析：



Remarks:

EDs — Executive Directors
 NEDs — Non-Executive Directors
 INEDs — Independent Non-Executive Directors

註解：

執董 — 執行董事
 非執董 — 非執行董事
 獨立非執董 — 獨立非執行董事

BOARD COMMITTEES (CONTINUED)

Attendance Records

The individual attendance records of each Director at the physical meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee and the annual general meeting of the Company ("2019 AGM") during the year ended 29 February 2020 are set out below:

董事委員會(續)

出席記錄

於截至二零二零年二月二十九日止年度內，各董事參與董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及本公司之股東周年大會(「二零一九年股東周年大會」)之出席記錄列載如下：

		Number of physical meetings attended/held during his/her tenure 所出席/於其任期內舉行之會議數目					
		Note 附註	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	2019 AGM 二零一九年 股東周年大會
Executive Directors:							
Mr. Cheng Wang, Gary <i>(resigned with effect from 16 October 2019)</i>	執行董事： 鄭宏先生 <i>(自二零一九年 十月十六日起辭任)</i>	1	5/5	3/3	N/A 不適用	N/A 不適用	1/1
Ms. Chui Kwan Ho, Jacky	徐群好女士		8/8	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. Liao Jian Yu	廖健瑜女士		7/8	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Li Wing Yeung, Peter <i>(appointed with effect from 22 January 2020)</i>	李永揚先生 <i>(自二零二零年 一月二十二日起獲委任)</i>		0/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Non-Executive Directors:							
Mr. James Ngai	非執行董事： 倪雅各先生	2	8/8	5/5	1/1	1/1	1/1
Mr. Lee Tze Bun, Marces <i>(resigned with effect from 16 October 2019)</i>	李子彬先生 <i>(自二零一九年 十月十六日起辭任)</i>		0/5	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Independent Non-Executive Directors:							
Mr. Lam Siu Lun, Simon	獨立非執行董事： 林兆麟先生		8/8	5/5	1/1	1/1	1/1
Mr. Leung Wai Ki, George	梁偉基先生		8/8	5/5	1/1	1/1	1/1
Mr. Hui Chi Kwan	許次鈞先生		8/8	5/5	1/1	1/1	1/1

Notes:

- Mr. Cheng Wang, Gary attended the Audit Committee meetings as an invitee.
- Mr. James Ngai attended the Audit Committee meetings as an invitee.

附註：

- 鄭宏先生以受邀者身份出席審核委員會會議。
- 倪雅各先生以受邀者身份出席審核委員會會議。

CORPORATE GOVERNANCE FUNCTIONS

The Company is committed to enhancing its corporate governance practices relevant to the model and growth of its business. In order to achieve a right balance between governance and performance, the Board is responsible for ensuring the application of the principles in the CG Code and introducing and proposing other relevant principles concerning corporate governance so as to enhance the standard of corporate governance of the Company. The Board is primarily responsible for performing the following corporate governance functions adopted with written terms of reference on 19 March 2012:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Group and the Directors; and
- (v) to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

The details of the corporate governance functions reviewed and performed by the Board during the year are further disclosed and explained elsewhere in this report.

企業管治職能

本公司致力提升其業務模式及增長的企業管治常規。為求在企業管治的規範與績效之間取得均衡發展，董事會負責確保應用企業管治守則之原則，及引進並建議相關企業管治的主要原則，致力提升本公司的企業管治水平。董事會已於二零一二年三月十九日採納一套書面職權範圍，其主要履行以下企業管治職能：

- (i) 制訂及檢討本公司的企業管治政策及常規；
- (ii) 檢討及監察本集團之董事及高層管理人員的培訓及持續專業發展；
- (iii) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (iv) 制訂、檢討及監督適用於本集團之僱員及董事的操守準則及合規手冊(如有)；及
- (v) 檢討本公司遵守企業管治守則的情況及於企業管治報告內作出披露。

於本年度內，企業管治職能之詳情已經董事會審閱及履行，並於本報告內披露及說明。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements of the Group for the year ended 29 February 2020, in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and the applicable disclosure requirements of the Listing Rules. In preparing the financial statements, the Directors have adopted HKFRSs and suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Board is not aware of any material uncertainties relating to any events or conditions that may cast significant doubt upon the Company’s ability to continue as a going concern in the course of preparing and reviewing the financial statements for the year under review.

The reporting responsibilities of the external auditor of the Company, PricewaterhouseCoopers, on the consolidated financial statements of the Group are set out in the section headed “Independent Auditor’s Report” on pages 94 to 106 of this report.

There was no disagreement between the Board and the Audit Committee on the re-appointment of the external auditor of the Company.

Auditor’s Remuneration

For the year ended 29 February 2020, the fees in respect of audit and non-audit services (the non-audit services comprised of agreed upon procedures and tax advisory services only) provided to the Group by the external auditor of the Company, PricewaterhouseCoopers, amounted to approximately HK\$2,050,000 (2018/19: HK\$2,250,000) and HK\$254,000 (2018/19: HK\$488,000) respectively. The Audit Committee was of the view that the non-audit services provided by the external auditor of the Company did not impair its independence and objectivity.

問責及審核

財務報告

董事確認彼等須負責根據香港財務報告準則（「香港財務報告準則」）及上市規則之適用披露規定，編製及真實公平地呈列本集團截至二零二零年二月二十九日止年度之綜合財務報表。在編製財務報表時，董事已採納並持續應用香港財務報告準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報表。於編製及審閱回顧年度之財務報表時，董事會並不知悉任何足以令人對本公司能否持續經營產生重大疑問之重大不明朗事件或狀況。

本公司外聘核數師羅兵咸永道會計師事務所就本集團綜合財務報表之申報責任載於本報告第94至106頁標題為「獨立核數師報告」內。

董事會與審核委員會並無就本公司外聘核數師的重新委任出現任何意見分歧。

核數師酬金

截至二零二零年二月二十九日止年度，本公司外聘核數師羅兵咸永道會計師事務所就向本集團提供核數及非核數服務（非核數服務只包含協定程序及稅務諮詢服務）所收取之費用，分別約2,050,000港元（二零一八／一九年：2,250,000港元）及254,000港元（二零一八／一九年：488,000港元）。審核委員會認為本公司外聘核數師所提供的非核數服務不會損害其獨立性及客觀性。

COMPANY SECRETARY

Mr. Yuen Chee Wing (“Mr. Yuen”) was appointed as the Company Secretary of the Company on 1 January 2019. Mr. Yuen is a certified public accountant of Hong Kong Institute of Certified Public Accountants. In his capacity as the Company Secretary, Mr. Yuen reports to the Board and is responsible for advising the Board on corporate governance matters. In compliance with Rule 3.29 of the Listing Rules, Mr. Yuen took not less than 15 hours of relevant professional training during the year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct (the “Code of Conduct”) regarding securities transactions by the Directors since 4 October 2005. The terms of the Code of Conduct are no less exacting than the required standard in the Model Code, and the Code of Conduct applies to all the relevant persons as defined in the Code of Conduct, including the Directors, any employee of the Company, or a director or employee of a subsidiary or holding company of the Company, who, by reason of such office or employment, are likely to be in possession of unpublished price sensitive information in relation to the Company or its securities.

Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the Code of Conduct and the required standard set out in the Model Code during the year ended 29 February 2020 and up to the date of this report.

公司秘書

袁智榮先生(「袁先生」)於二零一九年一月一日獲委任為公司秘書。彼為香港會計師公會之註冊會計師。於公司秘書之範疇內，袁先生向董事會匯報及負責向董事會建議企業管治相關事宜。為符合上市規則第3.29條，袁先生已於本年度內接受不少於15小時之相關專業培訓。

董事進行證券交易之標準守則

本公司自二零零五年十月四日起已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)為董事進行證券交易之行為守則(「行為守則」)。行為守則之條款不低於標準守則之規定標準，且行為守則適用於行為守則所界定之所有相關人士，包括董事、本公司任何僱員，或本公司附屬公司或控股公司之董事或僱員(其基於該等職務或僱傭關係，而可能掌握本公司或其證券之尚未公開之股價敏感資料)。

經向全體董事作出具體查詢後，彼等確認截至二零二零年二月二十九日止年度內及直至本報告日期已遵從行為守則及標準守則所載之規定。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has developed the Group's internal control, risk assessment and management systems and has overall responsibility for reviewing and maintaining adequate and effective risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group. It reviews and evaluates the effectiveness of the said systems at least annually (and has done so during the year) to ensure the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions.

Risk Management and Internal Control Systems

The Company's risk management and internal control systems are designed to manage and mitigate risks, rather than eliminate risks, of failure to achieve the business objectives of the Company, and can only provide reasonable and not absolute assurance against material misstatement or loss. We have employed a bottom-up approach for identification, assessment and mitigation of risk at all business unit levels and across functional areas.

Main Features of Risk Management and Internal Control Systems

The key elements of the Company's risk management and internal control systems include the establishment of a risk register to keep track of and document identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

An ongoing risk management approach is adopted by the Company for identifying and assessing the key inherent risks that affect the achievements of its objectives. A risk matrix is adopted to determine risk rating (L = low risk, M = medium risk, H = high risk) after evaluation of the risk by the likelihood and the impact of the risk event. The risk ratings reflect the level of attention of the management and the effort of risk treatment required.

風險管理及內部監控

董事會已制定本集團之內部監控、風險評估及管理制度，並對檢討及維持足夠及有效之風險管理及內部監控制度負有全面責任，以保障股東利益及本集團資產。其最少每年（及在年內已完成）檢討及評估制度的有效程度確保本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及培訓課程及有關預算是足夠的。

風險管理及內部監控制度

本公司的風險管理及內部監控制度旨在管理及減低風險而非完全排除實現本公司業務目標出現失誤之風險，且僅可提供合理保證及非絕對保證不會出現重大錯誤陳述或損失。我們已採用自下而上的方法以辨識、評估及減低所有業務單位層面及在各功能範疇的風險。

風險管理及內部監控制度主要特點

本公司的風險管理及內部監控制度主要元素包括設立風險記錄冊以追蹤及記錄所辨識的風險、評估及評級風險、制訂及持續更新風險應對程序，以及持續測試內部監控程序以確保其有效程度。

本公司已採納一個持續進行的風險管理方法以辨識及評估影響其達到目標的主要固有風險。本公司已於評估風險出現的可能性及風險事項的影響後採納一個風險模型以釐定風險評級（L=低風險；M=中度風險；H=高風險）。風險評級反映管理層注意水平及處理風險的所須力度。

**RISK MANAGEMENT AND INTERNAL CONTROLS
(CONTINUED)**

Process used to identify, evaluate and manage significant risks

During the process of risk assessment, each of the risk owners of departments and major subsidiaries is required to capture and identify the key inherent risks that affect the achievement of its objectives. Each inherent risk is evaluated according to the risk matrix. After taking into consideration of the risk response, such as control measures in place to mitigate the risk, the residual risk of each inherent risk is evaluated again. The risk register with the risk responses and residual risks is reported to the Audit Committee. The Audit Committee evaluates the effectiveness of the systems and reports to the Board. The highest category of residual risks is subject to the Board's oversight.

Process used to review the effectiveness of the Risk Management and Internal Control Systems and to resolve material internal control defects

In view of the Company's business and scale of operations, the Group set up an internal audit department (the "Internal Auditor") in August 2017 with an aim to continuously improve the effectiveness of risk management and internal control of the Group. The Internal Auditor is required to prepare a risk oriented annual audit plan, and on the basis of risk assessment results, determine the work focus of internal audit that is in line with the organization objective. The annual audit plan should be subject to approval by the Audit Committee.

Further, the Board has engaged an independent consulting firm (the "Consultant") to conduct a thorough review of the effectiveness of the Group's risk management and internal control systems for the period from 1 March 2019 to 29 February 2020 in accordance with the requirements under Code Provision C.2 of the CG Code, according to the scope of review agreed and approved by the Audit Committee.

風險管理及內部監控(續)

用以辨認、評估及管理重大風險的程序

於風險評估的程序中，各面對風險的部門及主要附屬公司須及時捕捉及辨識影響其達到目標的主要固有風險。各固有風險乃根據風險模型進行評估。經考慮風險的應對方法後(如採取監控措施以減低風險)將再次評估各固有風險的剩餘風險。風險記錄冊連同風險應對方法及剩餘風險將會向審核委員會予以匯報。審核委員會評估制度的有效程度及向董事會匯報。最高級別的剩餘風險須受董事會監管。

用以檢討風險管理及內部監控制度有效性及解決嚴重的內部監控缺失的程序

就本公司的業務及經營規模而言，本集團於二零一七年八月設立內部審計部(「內部審計師」)，旨在不斷改善本集團之風險管理及內部監控的有效性。內部審計師以風險為導向制定年度審計計劃，在風險評估結果的基礎上，確定符合組織目標的內部審計工作重點，該年度審計計劃應提交審核委員會進行審核。

此外，董事會已委聘一間獨立顧問公司(「顧問」)，根據審核委員會協定及批准的檢討範圍及按企業管治守則內守則條文第C.2條項下規定對二零一九年三月一日至二零二零年二月二十九日期間本集團之風險管理及內部監控制度的有效程度進行全面檢討。

RISK MANAGEMENT AND INTERNAL CONTROLS (CONTINUED)

Process used to review the effectiveness of the Risk Management and Internal Control Systems and to resolve material internal control defects (Continued)

After conducting a review of the effectiveness of the risk management and internal control systems of the Group during the year, the Internal Auditor and the Consultant reported to the Audit Committee and the Audit Committee was satisfied that there had been no major deficiency noted in the Group's risk management and internal control systems after implementation of the recommendations of the Internal Auditor and the Consultant with regard to internal control defects. The Audit Committee reviews annually, and has reviewed during the year, the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures and has access to information necessary to fulfil its duties and responsibilities with respect to risk assessment and risk management. Based on the foregoing review, the Audit Committee and the Board considered the risk management and internal control systems to be effective and adequate during the year.

Procedures and internal controls for the handling and dissemination of inside information

The Board has established a policy on the procedures and internal controls for the handling and dissemination of inside information. The policy stipulates the duty and responsibility of inside information announcement, restriction on sharing non-public information, handling of rumours, unintentional selective disclosure, exemption and waiver to the disclosure of inside information, and also compliance and reporting procedures. Every member of the senior management of the Company must take all reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Company from time to time. They must promptly bring any possible leakage or divulgence of inside information to the attention of the Chief Financial Officer, who will notify the Board accordingly for taking the appropriate action promptly. For any material violation of this policy, the Board will decide, or designate appropriate persons to decide, on a course of actions for rectifying the problem and avoiding recurrence.

風險管理及內部監控(續)

用以檢討風險管理及內部監控制度有效性及解決嚴重的內部監控缺失的程序(續)

於年內，進行風險管理及內部監控制度的有效程度的檢討後，內部審計師及顧問向審核委員會匯報，而審核委員會滿意在實施內部審計師及顧問匯報的內部監控缺失建議後，本公司經檢討的風險管理及內部監控制度範圍並無出現重大缺失。審核委員會每年審閱本公司財務報告制度、內部監控制度、風險管理制度及相關程序是否充分及具備效益；及確保獲取必要信息，以履行有關風險評估與風險管理之責任和義務。因此，審核委員會及董事會認為年內風險管理及內部監控制度屬有效及足夠。

處理及發佈內幕消息的程序及內部監控措施

董事會已就處理及發佈內幕消息的程序及內部監控措施制定政策。該政策規定了內幕消息公佈的職責、在共享非公開信息、處理謠言、非蓄意選擇性披露、豁免及放棄披露內幕消息方面的限制，以及合規及報告程序。本公司每名高層管理人員必須採取一切合理措施，確保本公司不時設有恰當的防範措施，以防違反有關本公司的披露規定。彼等必須迅速提請首席財務總監注意內幕消息的任何潛在洩漏，首席財務總監將通知董事會迅速採取適當的行動。如嚴重違反本政策，董事會將決定或指派適當人士以決定糾正問題的行動方針，並避免再次發生。

DIVIDEND POLICY

The Company intends to create long term value for the Shareholders through maintaining a balance between dividend distribution, preserving adequate liquidity and reserve to meet its working capital requirements and capturing future growth opportunities. The Board has sole discretion to declare and distribute dividends to the Shareholders subject to any restrictions under the Companies Act 1981 of Bermuda (as amended), the Memorandum of Association and the Bye-Laws of the Company and any other applicable laws, rules and regulations.

The Board adopted a dividend policy (the “Dividend Policy”) to provide guidance on whether to propose a dividend and to guide the Board to consider, inter alia, the following factors in determining the dividend amount:

- the Group’s actual earnings performance;
- retained earnings and distributable reserves of the Company and each of the subsidiaries of the Group;
- the Group’s expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Group’s liquidity position;
- general economic conditions, business cycle of the Group’s business and internal or external factors that may have an impact on the business, financial results and position of the Company; and
- other factors that the Board may deem appropriate and relevant.

The Board will review the Dividend Policy from time to time and may exercise its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time as it deems fit and necessary. There is no assurance that dividends will be paid in any particular amount for any given period. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that any dividend will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

股息政策

本公司擬透過從股息分派及保留足夠流動資金和儲備以滿足其營運資金要求及抓緊未來增長機會之間取得平衡，為本公司股東創造長遠價值。董事會有權根據百慕達一九八一年公司法(經修訂)、本公司組織章程大綱及公司細則及任何適用法律、規則及法規所載的任何限制，向本公司股東宣派及派發股息。

董事會採納股息政策(「股息政策」)以決定是否建議宣派股息及在釐定股息金額時，董事會須考慮(其中包括)以下因素：

- 本集團的實際盈利表現；
- 本公司及本集團各附屬公司的留存收益及可分派儲備；
- 本集團的預期營運資金需求、資本開支需求及未來擴充計劃；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的商業週期及可能對本公司業務、財務業績及定位構成影響的內在或外在因素；及
- 董事會認為適當且相關的任何其他因素。

董事會將不時檢討股息政策，並可在其認為合適及必要的任何時間，全權酌情更新、修訂及／或修改股息政策。本公司概不保證在任何指定期間支付任何特定金額之股息。股息政策不得構成一項具法律約束力的承諾使本公司將以任何特定數額派付任何股息及／或不得使本公司有義務於任何時間或不時宣派股息。

SHAREHOLDERS' RIGHTS

The Company treats all Shareholders equally and ensures that the Shareholders' rights are protected and every convenience is provided to them where practicable to enable the exercise of their rights.

1. Procedures for convening a special general meeting ("SGM")

Pursuant to Bye-Law 58 of the Bye-Laws, Shareholders (the "Requisitionists") holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company may request the Board to call a SGM by a written requisition to the Board or the Company Secretary. The objects of the meeting must be stated in the written requisition. The requisition must be signed by the Requisitionists and deposited with the Company Secretary at the Company's head office and principal place of business in Hong Kong at Suites 1104-1106, 11th Floor, 1063 King's Road, Quarry Bay, Hong Kong. Before convening the SGM of the Company, the requisition will be verified with the Company's Share Registrars in Bermuda or Hong Kong to obtain their confirmation that the request is proper and in order. The SGM shall be held within 2 months after the deposit of such requisition. If the Board fails to proceed to convene such meeting within 21 days of such deposit, the Requisitionists themselves may do so in the same manner in accordance with Section 74 of the Companies Act 1981 of Bermuda (as amended).

股東權利

本公司公平地對待所有股東，並確保股東的權利得以保障，亦提供多種便利的途徑予股東以行使其應得的權利。

1. 召開股東特別大會(「股東特別大會」)的程序

根據公司細則第58條，股東(「要求人」)於提交要求日期時須持有不少於十分之一併附有本公司股東大會投票權的本公司繳足股本，可向董事會或公司秘書提交書面要求董事會召開股東特別大會。召開會議的目的必須載於書面要求內。該要求並須由要求人簽署及送達本公司之總辦事處及於香港的主要營業地點(地址為香港鰂魚涌英皇道1063號11樓1104至1106室)公司秘書收。於召開本公司之股東特別大會前，本公司會向百慕達或香港的股份登記處核實該要求，並獲得該股份登記處確認該要求為恰當及適當。股東特別大會須於提交有關要求後兩個月內召開。倘董事會於提交有關要求後之二十一日內仍未有召開有關大會，則按照百慕達一九八一年公司法(經修訂)第74條，要求人可自行以相同形式召開大會。

SHAREHOLDERS' RIGHTS (CONTINUED)

2. Procedures for putting forward proposals at Shareholders' meetings

Pursuant to Sections 79 and 80 of the Companies Act 1981 of Bermuda (as amended), (i) the shareholders holding not less than one-twentieth of the total voting rights; or (ii) not less than 100 shareholders, are entitled to request the Company to give shareholders notice of a resolution which is intended to be moved at the next AGM or SGM. A written notice to that effect signed by the Requisitionist(s) with contact information must be deposited at the Company's head office and principal place of business in Hong Kong at Suites 1104–1106, 11th Floor, 1063 King's Road, Quarry Bay, Hong Kong (addressed to the Company Secretary). The notice shall contain, inter alia, a description of the proposed resolution desired to be put forward at the meeting, the reasons for such a proposal and any material interest of the proposing shareholder in such a proposal. The request will be verified with the Company's Share Registrars in Bermuda or Hong Kong and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

If a Shareholder wishes to propose a person other than a retiring Director for election as a Director at a general meeting, the Shareholder should follow the "Procedures for Shareholders to propose a person for election as a Director", which is posted on the website of the Company.

3. Procedures for raising enquiries to the Board

The Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Address: Suites 1104–1106, 11th Floor, 1063 King's Road, Quarry Bay, Hong Kong

Facsimile: (852) 2554 9304

Shareholders may also make enquiries with the Board at general meetings of the Company.

股東權利(續)

2. 於股東大會上提呈議案的程序

根據百慕達一九八一年公司法(經修訂)第79條及第80條，(i)持有總表決權不少於二十分之一之股東；或(ii)不少於一百名股東，有權向本公司提出請求，要求公司就擬於下屆股東周年大會或股東特別大會上動議的決議案向股東發出通知。提出該請求之要求人需將已簽署之書面通知及聯絡資料，送交本公司之總辦事處及於香港的主要營業地點(地址為香港鰂魚涌英皇道1063號11樓1104至1106室)公司秘書收。該通知須載有(其中包括)擬於股東大會上提呈之決議案之描述、提呈該決議案之原因及提出有關決議案之股東於該建議中之任何重大利益。本公司會向百慕達或香港的股份登記處核實該要求，並於獲得該股份登記處確認該要求為恰當及適當後，公司秘書將要求董事會在股東大會的議程內加入有關決議案。

如股東擬於股東大會上提名退任董事以外之人士參選董事，該股東須遵照本公司網站所載「股東提名候選董事的程序」行事。

3. 向董事會作出查詢之程序

股東可隨時以書面方式透過公司秘書向董事會提出查詢及提問，聯絡方法如下：

地址：香港鰂魚涌英皇道1063號11樓1104至1106室

傳真：(852) 2554 9304

股東亦可於本公司股東大會上向董事會作出查詢。

INVESTOR RELATIONS

Communication with the Shareholders and Investors

The Board recognizes that effective communication with the Company's investors plays a crucial role in maintaining existing investors' confidence and attracting new investors and enhancing their understanding of the Group's performance, strategies and future direction. To foster effective communication with the Shareholders and potential investors of the Company, the Company endeavors to provide accurate, clear, comprehensive and timely information of the Group through the publication of the interim and annual reports, announcements, circulars, press interviews and press releases on the website of the Company.

The AGM provides a useful platform for the Shareholders to exchange views with the Board. The Chairman of the Board and the Chairman of each Board Committees are available at the AGM to answer questions from the Shareholders in respect of the matters that they are responsible and accountable for. The external auditor of the Company is also available at the AGM to assist the directors in addressing any relevant queries by the Shareholders. To ensure the Board is maintaining an on-going dialogue with the Shareholders, the Shareholders are encouraged to attend the AGM or other general meetings of the Company. The notice of AGM is sent to the Shareholders at least 20 clear business days before the AGM and posted on the respective websites of the Stock Exchange and the Company.

In addition to the AGM, the Board designates specialized personnel to maintain close communication with research analysts, fund managers, the Shareholders and media outlets via regular one-on-one meetings, luncheons, factory visits, press conferences and road shows to keep them informed of the Group's business performance and developments.

Constitutional Documents

There was no change in the Memorandum of Association and the Bye-Laws of the Company during the year ended 29 February 2020.

投資者關係

與股東及投資者之溝通

董事會深知與本公司投資者的積極有效溝通，是建立投資者信心及吸引新投資者之關鍵，以加強對本集團之表現、策略及未來發展方向有深入了解。為加強與股東及本公司之有意投資者之間有效溝通，本公司致力透過發佈中期及年度報告、公告、通函、傳媒專訪及新聞稿於本公司網站提供準確、清晰、全面及適時之資料。

本公司股東周年大會為股東提供與董事會交換意見的有用平台。董事會主席及各董事委員會主席均會出席股東周年大會，並回應股東就彼等負責之事宜所作出之提問。本公司外聘核數師亦會出席股東周年大會以協助董事回應股東任何有關提問。為確保董事會與股東持續保持對話，歡迎股東出席本公司股東周年大會或其他股東大會。股東周年大會通告於該股東周年大會舉行日期前至少二十個營業日發送給股東，並分別於聯交所及本公司網站登載。

除股東周年大會外，董事會委任特定人士與研究分析員、基金經理、股東及傳媒機構，透過定期一對一會議、午餐會、參觀廠房、媒體發佈會及路演等保持溝通，使彼等知悉本集團之業務表現及發展。

憲章文件

截至二零二零年二月二十九日止年度內，本公司組織章程大綱及公司細則並無變動。

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the “Board”) of Le Saunda Holdings Limited (the “Company”) has pleasure in presenting to the shareholders of the Company (the “Shareholders”) its report together with the audited financial statements of the Company and its subsidiaries (together the “Group”) for the year ended 29 February 2020.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in note 19 to the consolidated financial statements. The Group is principally engaged in manufacturing and sale of footwear.

Details of the analysis of the Group’s performance for the year ended 29 February 2020 by business and geographical segments are set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group as required pursuant to Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), comprising analysis of the Group’s performance during the year, description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year as well as indication of likely future development in the business of the Group are set out in the Chairman’s Statement on pages 12 to 15 of this report and Management’s Discussion and Analysis on pages 16 to 31 of this report.

An analysis of the Group’s performance during the year using financial key performance indicators is set out in the Financial Highlights on page 2 of this report.

萊爾斯丹控股有限公司(「本公司」)董事會(「董事會」)欣然向本公司之股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零二零年二月二十九日止年度之本報告書連同經審核財務報表。

主要業務及營運地區之分析

本公司之主要業務為投資控股，而其主要附屬公司之業務載於本綜合財務報表附註19。本集團主要從事鞋履製造及銷售。

本集團於截至二零二零年二月二十九日止年度內按業務及地區分類劃分之業務表現分析詳情載於本綜合財務報表附註5。

業務審視

根據公司條例(香港法例第622章)之附表5規定對本集團業務的中肯審視，包括本集團於年內之表現分析、本集團面對的主要風險及不明朗因素的描述、在該財政年度終結後發生及對本集團有影響的重大事件的詳情，及本集團業務相當可能有的未來發展的揭示，已詳載於主席報告書(本報告之第12至15頁)及管理層討論及分析(本報告之第16至31頁)。

於年內，本集團所運用之財務關鍵表現指標進行表現的分析，已詳載於財務摘要(本報告之第2頁)。

BUSINESS REVIEW (CONTINUED)

(I) Environmental Policies and Performance

The Group understands that its business has an impact on the environment and recognizes the importance of sound environmental management and sustainable development. It is committed to complying with the relevant environmental legislations and standards related to its business operations as set by the authorities in the People's Republic of China ("PRC") and Hong Kong where it operates.

The Group has implemented a number of environment-friendly measures in its operations and workplaces including but not limited to production plants, retail shops, warehouses and offices. The Group will prioritize the purchase of eco-friendly materials and also manage the environmental performance of its supply chain. During manufacturing, the Group deals with air emission by active carbon treatment. In daily operations, the Group advocates "paperless office" and actively promotes electronic management information system. It also sets up the equipment necessary for teleconference and video conference in order to reduce the emission of exhaust gas and greenhouse gas caused by transportation for attending the physical meeting. For retail shops, the Group has implemented energy saving practices by using LED lighting fixtures.

The environmental, social and governance report of the Company will be published as a separate report on the respective websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company within 3 months after the publication of this report.

業務審視(續)

(I) 環境政策及表現

本集團明白其業務對環境造成一定影響，並深明良好的環境管理及可持續發展的重要性。本集團一直嚴格遵守其營運所在地包括中華人民共和國(「中國」)及香港的監管機構所制定業務營運的相關環保法例及標準。

本集團已於各業務營運及工作場所(包括但不限於廠房、零售店舖、倉庫及辦公室)實施了多項環保措施。本集團會優先採購環保物料，並管理其供應鏈的環境表現。於製造過程中，本集團已針對廢氣排放作出活性碳處理。在日常營運中，本集團提倡「無紙化」辦公，及積極推進電子訊息化管理系統，並設置必要設備以便安排電話及視像會議，以減少因使用交通所引致的廢棄及溫室氣體排放。就零售店舖而言，本集團已使用LED照明燈具以實施節省能源措施。

本公司之環境、社會及管治報告將以單獨報告形式於刊載此報告後三個月內分別於香港聯合交易所有限公司(「聯交所」)及本公司網站登載。

BUSINESS REVIEW (CONTINUED)

(II) Compliance with Laws and Regulations

The Group recognizes the importance of compliance with regulatory requirements and the risks of non-compliance with such requirements. The Group has conducted on-going review of the newly enacted laws and regulations affecting the operations of the Group and provides relevant trainings and guidance to the staff. The Group has complied with the relevant laws and regulations of PRC and Hong Kong that have significant impact on the operations of the Group for the year ended 29 February 2020.

(III) Key Relationships

(a) Employees

The Group believes that employees are a key element to the success of its business, so it strives to maintain a high staff retention rate by providing competitive remuneration packages and developing a harmonious workplace. To enhance the capabilities and productivity of its employees, the Group provides a comprehensive training program to instill them with quality service skills, product knowledge and language and interpersonal skills. In addition, the Group organizes regular retail staff gatherings to promote team spirit and awards retail staff with outstanding sales performance.

(b) Consumers

The Group provides direct service to consumers in its retail shops. To ensure continuous improvement of the quality of products and services, the Group regularly conducts internal and external market surveys to interact with consumers and to gain more market insights and feedback.

業務審視(續)

(II) 遵守法律及法規

本集團重視遵從監管規定及深明因違反有關規定而帶來的風險。本集團持續檢討影響本集團業務的新頒佈的法律及法規，並提供相關之培訓及指引予員工。截至二零二零年二月二十九日止年度，本集團已遵守對本集團營運構成重大影響之相關中國及香港法律及法規。

(III) 重要關係

(a) 僱員

本集團相信僱員是其成功的一個重要因素，因此提供具有市場競爭力的薪酬待遇及建立和諧工作環境，以致力維持一個高員工挽留率。為了提高僱員之能力及生產力，本集團提供全面培訓計劃，向他們灌輸優質服務技巧、產品知識、語言及人際關係技巧。此外，本集團定期舉行零售員工聚會以促進團隊精神，及向銷售業績優異的零售員工作出嘉許。

(b) 消費者

本集團於其零售店舖直接向消費者提供服務。為確保產品和服務質素持續提升，本集團定期進行內部及外部市場調查，促進與消費者的溝通，並加深對市場趨勢及需求的了解。

BUSINESS REVIEW (CONTINUED)

(III) Key Relationships (Continued)

(c) Suppliers

The Group has established long business relationship with certain suppliers. It selects its suppliers prudently. The relevant suppliers need to fulfil certain assessment criteria of the Group, including, among others, track record, experience, financial capability, reputation and history of meeting our standards for raw materials or finished products. The Group has established anti-bribery policies which are required to be observed by all parties with business dealings with the Group.

(d) Shareholders and Investors

The Board believes effective communication and the disclosure of accurate and timely information build the confidence of Shareholders and investors, and also facilitate the flow of constructive feedback and ideas that are beneficial for investor relations and future corporate development. For details, please refer to the Shareholders' Rights and Investor Relations of the Corporate Governance Report on pages 63 to 65 of this report.

業務審視(續)

(III) 重要關係(續)

(c) 供應商

本集團與多家供應商建立了長期的業務關係。我們審慎挑選供應商，相關供應商均需滿足本集團的若干評估標準，包括往績記錄、經驗、財務實力、聲譽、過去原材料或成品的達標情況等。本集團制訂了反賄賂政策，並要求與本集團進行業務往來之各方必須遵守。

(d) 股東及投資者

董事會相信有效的溝通和準確及適時的信息披露不但加強股東及投資者對我們的信心，同時亦方便他們提供具建設性的反饋及意見，以促進投資者關係及未來業務發展。有關詳情，請參閱企業管治報告之股東權利及投資者關係(本報告之第63至65頁)。

REPORT OF THE DIRECTORS

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 29 February 2020 are set out in the consolidated income statement on page 107 of this report.

No interim dividend was paid for the year ended 29 February 2020 (2018/19: Nil).

The Board does not recommend the payment of a final dividend (2018/19: final special dividend HK35.0 cents per ordinary share) in respect of the year ended 29 February 2020.

FIVE-YEAR FINANCIAL SUMMARY

The five-year financial summary of the Group is set out on pages 214 to 215 of this report. The summary does not form part of the audited financial statements.

SHARE CAPITAL

Details of the movements in the issued share capital of the Company during the year are set out in note 26 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group and the Company during the year available for distribution to the Shareholders are set out in note 29 to the consolidated financial statements.

DONATIONS

The Group made charitable donation of RMB3,000,000 during the year (2018/19: Nil).

業績及分配

本集團截至二零二零年二月二十九日止年度之業績載於本報告第107頁之綜合損益表內。

截至二零二零年二月二十九日止年度並沒有派發中期股息(二零一八/一九年：零)。

董事會不建議派發截至二零二零年二月二十九日止年度末期股息(二零一八/一九年：末期特別股息每股普通股35港仙)。

五年財務概要

本集團之五年財務概要載於本報告第214至215頁。該概要並不構成經審核財務報表之一部分。

股本

本公司於年內已發行股本之變動詳情載於本綜合財務報表附註26。

儲備

本集團及本公司可供分派予股東之儲備於年內的變動詳情載於本綜合財務報表附註29。

捐款

本集團於年內作出慈善捐款人民幣3,000,000元(二零一八/一九年：零)。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the bye-laws of the Company (the “Bye-Laws”) or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of the principal investment properties held by the Group are set out in note 15 to the consolidated financial statements.

PRINCIPAL SUBSIDIARIES

Details of principal subsidiaries of the Group are set out in note 19 to the consolidated financial statements.

DIRECTORS

The directors of the Company (the “Directors”) during the year and up to the date of this report were:

Executive Directors

Mr. Cheng Wang, Gary (*Chief Executive Officer*)
(*resigned with effect from 16 October 2019*)
Ms. Chui Kwan Ho, Jacky
Ms. Liao Jian Yu
Mr. Li Wing Yeung, Peter
(*appointed with effect from 22 January 2020*)

Non-Executive Directors

Mr. James Ngai (*Chairman*)
Mr. Lee Tze Bun, Marces
(*resigned with effect from 16 October 2019*)

Independent Non-Executive Directors

Mr. Lam Siu Lun, Simon
Mr. Leung Wai Ki, George
Mr. Hui Chi Kwan

優先購買權

本公司之公司細則(「公司細則」)或百慕達法例並無規定本公司須按比例向現有股東發售新股份之優先購買權條文。

物業、機器及設備

本集團之物業、機器及設備於年內的變動詳情載於本綜合財務報表附註16。

投資物業

本集團之主要投資物業詳情載於本綜合財務報表附註15。

主要附屬公司

本集團之主要附屬公司詳情載於本綜合財務報表附註19。

董事

於年內及直至本報告日期為止，本公司之董事(「董事」)如下：

執行董事

鄭宏先生(*行政總裁*)
(*自二零一九年十月十六日起辭任*)
徐群好女士
廖健瑜女士
李永揚先生
(*自二零二零年一月二十二日起獲委任*)

非執行董事

倪雅各先生(*主席*)
李子彬先生
(*自二零一九年十月十六日起辭任*)

獨立非執行董事

林兆麟先生
梁偉基先生
許次鈞先生

REPORT OF THE DIRECTORS

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management of the Group as at the date of this report are set out on pages 32 to 36 of this report.

RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 87 of the Bye-Laws, Mr. James Ngai and Mr. Leung Wai Ki, George shall retire from office by rotation at the AGM and, being eligible, will offer themselves for re-election at the forthcoming AGM.

Pursuant to Bye-Law 86(2) of the Bye-Laws, Mr. Li Wing Yeung, Peter, who has been appointed as an Executive Director, will hold office only until the forthcoming AGM and, being eligible, will offer himself for re-election at the forthcoming AGM.

INDEPENDENCE CONFIRMATION

The Company has received from each of the Independent Non-Executive Directors an annual confirmation of their respective independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company considers that all Independent Non-Executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the guidelines. Whilst Mr. James Ngai and Mr. Hui Chi Kwan are both Directors of the Company and Max Sight Group Holdings Limited (stock code: 8483) and thus hold cross-directorships, the Board determines that Mr. Hui is nevertheless independent with respect to his directorship at the Company since Mr. Ngai and Mr. Hui hold only non-executive roles at both companies and have no interest in both companies as disclosed under Part XV of the Securities and Futures Ordinance.

董事及高層管理人員之履歷詳情

於本報告日期，董事及本集團之高層管理人員之履歷詳情載於本報告第32至36頁。

重選董事

根據公司細則第87條，倪雅各先生及梁偉基先生將於股東周年大會上輪席退任，並符合資格及於應屆股東周年大會上願膺重選。

根據公司細則第86(2)條，李永揚先生獲委任為執行董事之任期僅至應屆股東周年大會為止，並符合資格及於應屆股東周年大會上願膺重選。

獨立性確認函

本公司已收到各獨立非執行董事根據聯交所證券上市規則（「上市規則」）第3.13條發出其獨立身分的年度確認函。本公司認為所有獨立非執行董事已符合上市規則第3.13條所載之所有獨立指引，且具備根據該指引之獨立性。儘管倪雅各先生及許次鈞先生均為本公司及名仕快相集團有限公司（股份代號：8483）之董事，以致相互擔任對方的公司董事職務，但鑑於倪雅各先生及許次鈞先生只擔任該兩間公司之非執行董事，並且沒有持有任何根據證券及期貨條例第XV部須予披露之利益，所以董事會認為許次鈞先生就有關其在本公司之董事職務仍然是獨立。

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation). During the year, the service contracts of Mr. Leung Wai Ki, George, Mr. Hui Chi Kwan and Mr. Lam Siu Lun, Simon, all acted as Independent Non-Executive Directors, were renewed for a fixed term of 2 years with the Company with effect from 1 November 2019, 26 November 2019 and 16 January 2020 respectively. In addition, Mr. Li Wing Yeung, Peter, who was appointed as an Executive Director on 22 January 2020, entered into a service contract with the Company with effect from 22 January 2020.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Except for the connected transactions as detailed below, no transactions, arrangements or contracts of significance to the Company in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Neither the Company nor any of its subsidiaries had entered into any contract of significance with the Company's controlling shareholders or their subsidiaries, or any contract of significance for the provision of services to the Company or any of its subsidiaries by the Company's controlling shareholders or their subsidiaries, during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had engaged in or were interested in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group during the year.

董事之服務合約

擬於應屆股東周年大會上膺重選之董事概無與本公司或其任何附屬公司訂立任何本集團不得於一年內不可在不予賠償情況下終止之服務合約，惟法定賠償除外。於年內，梁偉基先生、許次鈞先生及林兆麟先生彼等均擔任獨立非執行董事，與本公司續訂兩年固定年期之服務合約，分別自二零一九年十一月一日、二零一九年十一月二十六日及二零二零年一月十六日起生效。此外，李永揚先生獲委任為執行董事時與本公司訂立服務合約，自二零二零年一月二十二日起生效。

董事之交易、安排及合約權益

除下文所詳述之關連交易外，於年終或年內任何時間，並無董事或與董事有關連之法團於本公司之交易、安排及合約中擁有直接或間接之重大權益。

控股股東之合約權益

於年內，本公司或其任何附屬公司與本公司控股股東或其附屬公司之間並無訂立任何重要合約，或由本公司控股股東或其附屬公司向本公司或其任何附屬公司提供服務的重要合約。

董事於競爭業務權益

於年內，概無董事參與任何對本集團業務構成或可能構成競爭之業務，或於該業務中擁有直接或間接權益。

REPORT OF THE DIRECTORS

董事會報告

CHANGES IN DIRECTORSHIP AND OTHER CHANGES IN DIRECTORS' INFORMATION

The changes in directorship and other changes in the information of the Directors of the Company, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, subsequent to the publication of the annual report of the Company for the year ended 28 February 2019 are set out below:

董事變動及董事資料之其他變動

根據上市規則第13.51B(1)條之規定，須予披露自本公司截至二零一九年二月二十八日止年度之年報刊發以來本公司之董事變動及董事資料之其他變動載列如下：

Name of Directors

董事姓名

Details of change

變動詳情

Executive Directors:

執行董事：

Mr. Cheng Wang, Gary
鄭宏先生

- Resigned as an Executive Director and the Chief Executive Officer with effect from 16 October 2019
自二零一九年十月十六日起辭任執行董事及行政總裁

Mr. Li Wing Yeung, Peter
李永揚先生

- Appointed as an Executive Director with effect from 22 January 2020
自二零二零年一月二十二日起獲委任為執行董事
- Entered into a service contract with the Company without a fixed term commencing on 22 January 2020
與本公司訂立無固定年期之服務合約，自二零二零年一月二十二日起生效

Non-Executive Directors:

非執行董事：

Mr. Lee Tze Bun, Marces
李子彬先生

- Resigned as a Non-Executive Director with effect from 16 October 2019
自二零一九年十月十六日起辭任非執行董事

CHANGES IN DIRECTORSHIP AND OTHER
CHANGES IN DIRECTORS' INFORMATION
(CONTINUED)

董事變動及董事資料之其他變動(續)

Name of Directors 董事姓名	Details of change 變動詳情
Independent Non-Executive Directors: 獨立非執行董事:	
Mr. Leung Wai Ki, George 梁偉基先生	<ul style="list-style-type: none">Renewed service contract with the Company with a fixed term of 2 years commencing on 1 November 2019 and ending on 31 October 2021 已與本公司續訂服務合約，由二零一九年十一月一日起至二零二一年十月三十一日止，為兩年固定年期
Mr. Hui Chi Kwan 許次鈞先生	<ul style="list-style-type: none">Renewed service contract with the Company with a fixed term of 2 years commencing on 26 November 2019 and ending on 25 November 2021 已與本公司續訂服務合約，由二零一九年十一月二十六日起至二零二一年十一月二十五日止，為兩年固定年期
Mr. Lam Siu Lun, Simon 林兆麟先生	<ul style="list-style-type: none">Renewed service contract with the Company with a fixed term of 2 years commencing on 16 January 2020 and ending on 15 January 2022 已與本公司續訂服務合約，由二零二零年一月十六日起至二零二二年一月十五日止，為兩年固定年期

Saved as disclosed above, there is no other information required to be disclosed herein pursuant to Rule 13.51B(1) of the Listing Rules.

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條之規定而予以披露。

REPORT OF THE DIRECTORS 董事會報告

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

As at 29 February 2020, the interests and short positions of the Directors and chief executive of the Company in the ordinary shares of HK\$0.10 each in the capital of the Company (the "Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), as recorded in the register required to be kept by the Company 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 Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券中所擁有之權益及淡倉

於二零二零年二月二十九日，本公司董事及最高行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股本中每股面值0.10港元之普通股（「股份」）、相關股份及債券中所擁有，且根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉），並已記入根據證券及期貨條例第352條規定須存置之登記冊之權益及淡倉；或如根據上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(I) Long positions in Shares (including underlying Shares)

(I) 股份之好倉（包括相關股份）

Name of Directors 董事姓名	Number of Shares 股份數目					Total 總計	Approximate percentage of the issued share capital of the Company 約佔本公司已發行股本百分比
	Personal interests 個人權益	Spouse interests 配偶權益	Corporate interests 公司權益	Other interests 其他權益			
Mr. Li Wing Yeung, Peter ("Mr. Li") 李永揚先生	6,239,200 (Note 1) (附註1)	11,000	—	55,000,000 (Note 2) (附註2)		61,250,200	8.67%
Ms. Chui Kwan Ho, Jacky ("Ms. Chui") 徐群好女士（「徐女士」）	5,027,000	—	—	—		5,027,000	0.71%
Ms. Liao Jian Yu ("Ms. Liao") 廖健瑜女士（「廖女士」）	299,200	—	—	—		299,200 (Note 3) (附註3)	0.04%
Mr. Leung Wai Ki, George ("Mr. Leung") 梁偉基先生（「梁先生」）	—	—	—	1,700,000		1,700,000 (Note 4) (附註4)	0.24%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

(I) Long positions in Shares (including underlying Shares) (Continued)

Notes:

1. Mr. Li personally held 5,909,200 Shares and was entitled to 330,000 share options granted by the Company, the underlying Shares of which he was taken to have an interest.
2. Mr. Li, Ms. Lee Wing Kam Rowena Jackie and Ms. Cheung Man Ching, Teresa jointly held 55,000,000 Shares as trustees of The Lee Keung Charitable Foundation (the "Charitable Foundation"), representing approximately 7.79% of the issued share capital of the Company. Therefore, all of them are deemed to be interested in these Shares which are duplicated amongst their respective interests.
3. Ms. Liao personally held 114,400 Shares and was entitled to 184,800 share options granted by the Company, the underlying Shares of which she was taken to have an interest.
4. Mr. Leung was a governor of Xin Chuan Middle School Foundation Limited, which held 1,700,000 Shares. Therefore, Mr. Leung was deemed to be interested in these Shares.

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券中所擁有之權益及淡倉(續)

(I) 股份之好倉(包括相關股份)(續)

附註：

1. 李永揚先生個人持有5,909,200股股份及獲本公司授予330,000份購股權，彼於該相關股份中擁有權益。
2. 李永揚先生、李詠琴女士及張文清女士作為李強慈善基金(「慈善基金」)之受託人共同持有55,000,000股股份，佔本公司已發行股本約7.79%，因此彼等均被視為擁有該等股份之權益，而彼等各自之股份權益互相重疊。
3. 廖女士個人持有114,400股股份及獲本公司授予184,800份購股權，彼於該相關股份中擁有權益。
4. 莘村中學基金有限公司(「莘村」)(梁先生為莘村之管理人)持有1,700,000股股份。因此，梁先生被視為擁有該等股份之權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

(II) Long positions in underlying shares and debentures of the Company

Interests in share options

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券中所擁有之權益及淡倉(續)

(II) 本公司之相關股份及債券之好倉

購股權權益

Name of Directors	Date of share options granted (Notes 1 & 2)	Adjusted number of Shares (Note 3) 經調整之股份數目(附註3)						Total outstanding as at 29 February 2020 於二零二零年二月二十九日尚未行使	Adjusted exercise price per Share (Note 3) 經調整之每股行使價 (附註3) HK\$ 港元	Exercise period
		Balance as at 1 March 2019 於二零一九年三月一日之結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled during the year 於年內註銷	Lapsed during the year 於年內失效	Adjustment during the year (Note 4) 於年內調整 (附註4)			
Mr. Li 李永揚先生	10 July 2012 2012年7月10日	—	—	—	—	—	110,000	110,000	2.185	10 July 2014–9 July 2022 2014年7月10日至 2022年7月9日
	10 July 2012 2012年7月10日	—	—	—	—	—	110,000	110,000	2.185	10 July 2015–9 July 2022 2015年7月10日至 2022年7月9日
	10 July 2012 2012年7月10日	—	—	—	—	—	110,000	110,000	2.185	10 July 2016–9 July 2022 2016年7月10日至 2022年7月9日
Ms. Liao 廖女士	10 July 2012 2012年7月10日	184,800	—	—	—	—	—	184,800	2.185	10 July 2016–9 July 2022 2016年7月10日至 2022年7月9日
Total 總計		184,800	—	—	—	—	330,000	514,800		

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

(II) Long positions in underlying shares and debentures of the Company (Continued)

Interests in share options (Continued)

Notes:

1. The vesting period of the above share options is from their date of grant until the commencement of their exercise period.
2. The closing price of the Shares immediately before 10 July 2012 on which the share options were granted was HK\$2.41 per Share.
3. On 13 July 2015, an ordinary resolution was duly passed by the Shareholders at the annual general meeting of the Company to approve the issue of bonus Shares on the basis of one bonus Share for every ten existing Shares held by the qualifying Shareholders on the record date (the "Bonus Issue"). As a result of the Bonus Issue, adjustments were made to the exercise price and the number of Shares to be allotted and issued upon full exercise of subscription rights attached to the outstanding share options with effect from 30 July 2015. The exercise price per Share indicated in the above table is the exercise price per Share after the said adjustments were made on 30 July 2015. Prior to the adjustments, the exercise price per Share in relation to share options granted on 10 July 2012 was HK\$2.404. For details, please refer to the announcement of the Company dated 29 July 2015.
4. Mr. Li had been entitled to 330,000 share options granted by the Company immediately before and after his appointment as a Director of the Company with effect from 22 January 2020.

Save as disclosed above, as at 29 February 2020, none of the Directors or chief executive (including their spouse and children under 18 years of age) of the Company had any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which are taken or deemed to have under such provisions of the SFO), as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券中所擁有之權益及淡倉(續)

(II) 本公司之相關股份及債券之好倉(續)

購股權權益(續)

附註:

1. 上述購股權各自的歸屬期由各授出日期起至行使期間開始為止。
2. 緊接二零一二年七月十日授出購股權前，股份收市價為每股2.41港元。
3. 於二零一五年七月十三日，本公司之股東於本公司之股東周年大會上正式通過普通決議案，以批准進行紅股發行，基準為於記錄日期合資格股東每持有十股現有股份獲發一股紅股(「紅股發行」)。由於進行紅股發行，尚未行使購股權之行使價及該等購股權所附認購權獲全面行使時將予配發及發行之股份數目已被調整，自二零一五年七月三十日起生效。於前表所述之每股行使價為於二零一五年七月三十日調整後之每股行使價。於調整前，有關於二零一二年七月十日授出之購股權之每股行使價為2.404港元。有關詳情，請參閱本公司於二零一五年七月二十九日之公告。
4. 緊接李永揚先生於二零二零年一月二十二日獲委任為本公司董事之前後，彼已獲本公司授予330,000份購股權。

除上文所披露者外，於二零二零年二月二十九日，概無本公司董事或最高行政人員(包括彼等之配偶及十八歲以下之子女)於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券擁有任何根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及／或淡倉(包括根據證券及期貨條例之該等條文被當作或視為擁有之權益及／或淡倉)，並記入根據證券及期貨條例第352條規定所存置之登記冊之權益及／或淡倉；或如根據標準守則須知會本公司及聯交所之權益及／或淡倉。

ARRANGEMENTS FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the paragraph headed “Directors’ and chief executive’s interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations” above and the paragraph headed “Share Option Scheme” below, during the year ended 29 February 2020, (a) at no time was the Company or a specified undertaking (as defined in the Companies (Directors’ Report) Regulation (Chapter 622D of the Laws of Hong Kong)) of the Company a party to any arrangements to enable the Directors or the chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and (b) none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for securities of the Company or had exercised any such rights.

董事購買股份及債券之安排

除上文「董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債券中所擁有之權益及淡倉」一節及下文「購股權計劃」一段所披露之權益外，於截至二零二零年二月二十九日止年度內，(a)於任何時間，並無作出任何安排的其中一方是本公司或本公司的指明企業(定義見香港法例第622D章之《公司(董事報告)規例》，致使董事或本公司之最高行政人員藉收購本公司或任何其他法人團體之股份或債券而獲益；及(b)概無董事或彼等各自之配偶或彼等各自之十八歲以下子女擁有任何可認購本公司證券之權利，亦無行使任何該等權利。

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

As at 29 February 2020, according to the register of interests in Shares and short positions of the Company required to be kept under section 336 of the SFO, the following persons or corporations (other than the Directors or chief executive of the Company) had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

(I) Interests and short positions of substantial shareholders in the Shares and underlying Shares

Long positions in Shares

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零二零年二月二十九日，根據證券及期貨條例第336條規定所存置之股份權益及淡倉之登記冊所記錄，下列人士或法團（本公司董事或最高行政人員除外）於股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及第3分部作出披露：

(I) 主要股東於股份及相關股份之權益及淡倉

股份之好倉

Number of Shares and nature of interests
股份數目及權益類別

Name of Shareholders	Beneficial owner	Interests of controlled corporation	Other interests	Total	Approximate percentage of the issued Share capital of the Company 約佔本公司已發行股本百分比
股東名稱	權益擁有人	控股公司權益	其他權益	總計	
Mr. Lee Tze Bun, Marces ("Mr. Lee") 李子彬先生(「李先生」)	54,561,000	36,600,000 (Notes 1 & 2) (附註1及2)	280,500,000 (Notes 3 & 4) (附註3及4)	371,661,000	52.65%
Stable Gain Holdings Limited ("Stable Gain")	225,500,000 (Note 5) (附註5)	—	—	225,500,000	31.94%
Stable Profit Holdings Limited ("Stable Profit")	—	225,500,000 (Note 5) (附註5)	—	225,500,000	31.94%
HSBC International Trustee Limited ("HSBC Trustee")	—	—	225,500,000 (Note 5) (附註5)	225,500,000	31.94%

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

(I) Interests and short positions of substantial shareholders in the Shares and underlying Shares (Continued)

Long positions in Shares (Continued)

Notes:

1. Succex Limited, a corporation which was controlled and wholly owned by Mr. Lee, held 33,000,000 Shares. Therefore, Mr. Lee was deemed to be interested in these Shares.
2. Mr. Lee was a founder and governor of Qing Yun Middle School Education Development Foundation Limited, which held 3,600,000 Shares. Therefore, Mr. Lee was deemed to be interested in these Shares.
3. Stable Gain held 225,500,000 Shares, representing approximately 31.94% of the issued share capital of the Company. The entire issued share capital of Stable Gain was registered in the name of Stable Profit, a company wholly-owned by HSBC Trustee which acted as trustee of Lee Tze Bun Family Trust (the "LTB Family Trust"), a discretionary trust, of which Mr. Lee was the founder (as defined in section 308 of the SFO) and an eligible beneficiary thereunder. Mr. Lee was also the sole director of Stable Profit. Therefore, Mr. Lee was deemed to be interested in these Shares.
4. The Charitable Foundation, of which Mr. Lee was the founder (as defined in section 308 of the SFO), held 55,000,000 Shares, representing approximately 7.79% of the issued share capital of the Company. Therefore, Mr. Lee was deemed to be interested in these Shares.
5. Stable Gain held 225,500,000 Shares, representing approximately 31.94% of the issued share capital of the Company. The entire issued share capital of Stable Gain was registered in the name of Stable Profit, a company wholly-owned by HSBC Trustee which acted as trustee of the LTB Family Trust, a discretionary trust, of which Mr. Lee was a founder (as defined in section 308 of the SFC) and an eligible beneficiary thereunder. Mr. Lee was also the sole director of Stable Profit. Therefore, HSBC Trustee was deemed to be interested in these Shares in its capacity as trustee (other than a bare trustee) and Stable Profit was deemed to be interested in these Shares by virtue of the interest of its controlled corporation (being Stable Gain). The respective interests of Stable Gain, Stable Profit and HSBC Trustee were thus duplicated.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

(I) 主要股東於股份及相關股份之權益及淡倉(續)

股份之好倉(續)

附註：

1. Succex Limited (該公司由李先生控制及全資擁有)持有33,000,000股股份。因此，李先生被視為擁有該等股份之權益。
2. 青雲中學教育發展基金有限公司(「青雲」)(李先生為青雲之創辦人及管理人)持有3,600,000股股份。因此，李先生被視為擁有該等股份之權益。
3. Stable Gain持有225,500,000股股份，相當於本公司已發行股本約31.94%。Stable Gain全部已發行股本由HSBC Trustee全資擁有之公司Stable Profit名義登記，該HSBC Trustee為Lee Tze Bun Family Trust(「LTB Family Trust」)(為酌情信託)之受託人，而李先生為LTB Family Trust之創辦人(定義見證券及期貨條例第308條)及合資格受益人，亦為Stable Profit之唯一董事。因此，李先生被視為擁有該等股份之權益。
4. 慈善基金(李先生為該慈善基金之創辦人)(定義見證券及期貨條例第308條)持有55,000,000股股份，相當於本公司已發行股本約7.79%。因此，李先生被視為擁有該等股份之權益。
5. Stable Gain持有225,500,000股股份，佔本公司已發行股本約31.94%。Stable Gain全部已發行股本由HSBC Trustee全資擁有之公司Stable Profit名義登記，該HSBC Trustee為LTB Family Trust(為酌情信託)之受託人，而李先生LTB Family Trust之創辦人及合資格受益人，亦為Stable Profit之唯一董事。因此，HSBC Trustee於其為受託人身份(被動受託人除外)被視為擁有該等股份之權益；及Stable Profit亦藉其作為控股公司於Stable Gain所擁有之權益，而被視為擁有該等股份之權益。Stable Gain, Stable Profit及HSBC Trustee各自之權益因而互相重疊。

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

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

(II) Interests and short positions of other persons in the Shares and underlying Shares

(II) 其他人士於股份及相關股份之權益及淡倉

Long positions in Shares

股份之好倉

Name of Shareholders	Note	Number of Shares and nature of interests				Total	Approximate percentage of the issued Share capital of the Company 約佔本公司已發行股本百分比
		Personal interests	Spouse interests	Other interests	股份數目及權益類別		
股東名稱	附註	個人權益	配偶權益	其他權益	總計		
Ms. Lee Wing Kam Rowena Jackie ("Ms. Lee") 李詠琴女士(「李女士」)	1	6,985,000	—	55,000,000	61,985,000	8.78%	
Ms. Cheung Man Ching Teresa ("Ms. Cheung") 張文菁女士(「張女士」)	2	—	2,585,000	55,000,000	57,585,000	8.15%	
Ms. Lee, Mr. Li and Ms. Cheung as trustees of the Charitable Foundation 李女士、李永揚先生及張女士均作為慈善基金之受託人	3	—	—	55,000,000	55,000,000	7.79%	

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

(II) Interests and short positions of other persons in the Shares and underlying Shares (Continued)

Long positions in Shares (Continued)

Notes:

1. Ms. Lee was interested in an aggregate of 61,985,000 Shares (comprising 6,985,000 Shares personally held as beneficial owner and 55,000,000 Shares jointly held by her, Mr. Li and Ms. Cheung as trustees of the Charitable Foundation), representing approximately 8.78% of the issued share capital of the Company.
2. Ms. Cheung was interested in an aggregate of 57,585,000 Shares (comprising 2,585,000 Share held by her spouse as beneficial owner and 55,000,000 Shares jointly held by her, Ms. Lee and Mr. Li as trustees of the Charitable Foundation), representing approximately 8.15% of the issued share capital of the Company.
3. Ms. Lee, Mr. Li and Ms. Cheung jointly held 55,000,000 Shares as trustees of the Charitable Foundation, representing approximately 7.79% of the issued share capital of the Company. Therefore, all of them were deemed to be interested in these Shares which were duplicated amongst their respective interests.

Save as disclosed above, as at 29 February 2020, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) or corporation who had interests directly or indirectly and/or short positions in the Shares and underlying Shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

(II) 其他人士於股份及相關股份之權益及淡倉(續)

股份之好倉(續)

附註：

1. 李女士於合共61,985,000股股份中擁有權益(包括6,985,000股股份為個人持有之實益擁有人，及連同與李永揚先生及張女士作為慈善基金之受託人共同持有之55,000,000股股份)，佔本公司已發行股本約8.78%。
2. 張女士於合共57,585,000股股份中擁有權益(包括由其配偶作為實益擁有人持有之2,585,000股股份及連同與李女士及李永揚先生作為慈善基金之受託人共同持有之55,000,000股股份)，佔本公司已發行股本約8.15%。
3. 李女士、李永揚先生及張女士作為慈善基金之受託人共同持有55,000,000股股份，佔本公司已發行股本約7.79%，因此彼等均被視為擁有該等股份之權益，而彼等各自之股份權益互相重疊。

除上文所披露者外，於二零二零年二月二十九日，本公司並無接獲通知有任何其他人士(董事或本公司最高行政人員除外)或法團於本公司之股份及相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露，或須登記於本公司根據證券及期貨條例第336條規定所存置之登記冊之直接或間接權益及／或淡倉。

SHARE OPTION SCHEME

At the special general meeting of the Company held on 22 July 2002, the Shareholders approved the adoption of a share option scheme (the “Scheme”) pursuant to Chapter 17 of the Listing Rules.

The purpose of the Scheme was to enable the Board to grant options to selected eligible persons (as defined under the Scheme) as incentives or rewards for their contribution or potential contribution to the Group. The total number of the Shares available for issue upon exercise of all options granted under the Scheme must not exceed 1,624,700 Shares, representing approximately 0.23% of the total number of issued Shares of the Company as at the date of this report. The aggregate number of the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time.

The maximum number of the Shares issued and to be issued upon exercise of options granted under the Scheme and any other share option schemes of the Company to each eligible person (including cancelled, exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by the Shareholders with such eligible person and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the Scheme at any time during a period commencing on such date on or after the date on which the option is granted as the Board may determine in granting the option and expiring at the close of business on such date as the Board may determine in granting the option but in any event shall not exceed 10 years from the date of grant (which is the date of offer of grant if the offer for the grant of the option is accepted). The minimum period for which an option must be held before it can be exercised is determined by the Board upon the grant of an option.

購股權計劃

本公司於二零零二年七月二十二日舉行之股東特別大會上，股東已批准採納一項符合上市規則第17章規定之購股權計劃（「該計劃」）。

該計劃之目的為使本公司之董事會可將購股權授予指定之合資格人士（定義見該計劃），作為彼等對本集團已經或可能作出之貢獻的獎勵或回報。於本報告日期，因該計劃項下已授出購股權獲悉數行使而可予發行之股份總數不得超過1,624,700股股份，亦相當於本公司已發行股份總數約0.23%。行使根據該計劃及本公司其他購股權計劃已授出但未行使的所有購股權而發行的股份總數，不得超過不時已發行股份之30%。

於任何12個月期間，根據該計劃及本公司任何其他購股權計劃所授出購股權（包括被註銷、已行使及尚未行使之購股權）獲行使時向每名合資格人士發行及將發行之股份總數，不得超過已發行股份之1%。任何額外授出超過有關限額的購股權必須獲股東另行批准，而有關合資格人士及其聯繫人士不得投票。

購股權可根據該計劃條款於授出購股權當日，或董事會於授出購股權當時決定之日期起至董事會於授出購股權當時所釐定日期營業時間結束前任何時間內行使，惟無論如何不得超過授出日期（倘授出購股權的建議獲接納，即建議授出購股權日期）起計10年。董事會於授出購股權時已釐定必須持有購股權之最短時期方可行使。

SHARE OPTION SCHEME (CONTINUED)

The amount payable on acceptance of an option is HK\$1.00. The full amount of the exercise price for the subscription of the Shares must be paid upon exercise of an option.

The price per Share payable on the exercise of an option is to be determined by the Board provided always that it shall be at least the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer of grant (which is deemed to be the date of grant if the offer for the grant of an option is accepted by the eligible person), which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of grant; and (iii) the nominal value of a Share.

The Scheme expired on 21 July 2012.

購股權計劃(續)

接納購股權時應付1.00港元。認購股份的行使價須於行使購股權時全數支付。

行使購股權時應付的每股股份價格由董事會釐定，惟最少須為以下各項之最高者：(i) 股份於授出購股權當日(如合資格人士接納購股權，則接納購股權當日被視為授出日期，且必須為營業日)在聯交所每日報價表所列之收市價；(ii) 股份於緊接授出購股權當日前五個營業日在聯交所每日報價表所列之平均收市價；及(iii) 股份面值。

該計劃已於二零一二年七月二十一日屆滿。

SHARE OPTION SCHEME (CONTINUED)

Pursuant to the Scheme, the Company granted 14,100,000 and 17,440,000 share options to certain Directors and employees of the Company to subscribe for up to a total of 31,540,000 Shares on 27 June 2011 and 10 July 2012 respectively. Particulars of such share options and their movement during the year ended 29 February 2020 were as follows:

購股權計劃(續)

根據該計劃，本公司分別於二零一一年六月二十七日及二零一二年七月十日，向本公司若干董事及僱員授予14,100,000及17,440,000份購股權，以認購最多合計本公司股本中31,540,000股份。截至二零二零年二月二十九日止年度內，此等購股權的詳情及變動如下：

Name or Category of Participant	Date of share options granted (Notes 1 & 2)	Adjusted number of share options (Note 5) 經調整之購股權數目(附註5)						Outstanding as at 29 February 2020 於二零二零年二月二十九日尚未行使	Adjusted exercise price per Share (Note 5) 經調整之每股行使價 HK\$ 港元	Exercise period
		Balance as at 1 March 2019 於二零一九年三月一日之結餘	Granted during the year (Note 3) 於年內授出 (附註3)	Exercised during the year 於年內行使	Cancelled during the year 於年內註銷	Lapsed during the year 於年內失效	Adjustment during the year (Note 4) 於期內調整 (附註4)			
Directors (Note 6) 董事 (附註6)	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2014–26 June 2021 2014年6月27日至2021年6月26日	
	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2015–26 June 2021 2015年6月27日至2021年6月26日	
	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2016–26 June 2021 2016年6月27日至2021年6月26日	
	10 July 2012 2012年7月10日	—	—	—	—	—	110,000	2,185	10 July 2014–9 July 2022 2014年7月10日至2022年7月9日	
	10 July 2012 2012年7月10日	—	—	—	—	—	110,000	2,185	10 July 2015–9 July 2022 2015年7月10日至2022年7月9日	
	10 July 2012 2012年7月10日	184,800	—	—	—	—	110,000	2,185	10 July 2016–9 July 2022 2016年7月10日至2022年7月9日	
Sub-total 小計		184,800	—	—	—	—	330,000	514,800		
Employees 僱員	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2014–26 June 2021 2014年6月27日至2021年6月26日	
	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2015–26 June 2021 2015年6月27日至2021年6月26日	
	27 June 2011 2011年6月27日	—	—	—	—	—	—	4,300	27 June 2016–26 June 2021 2016年6月27日至2021年6月26日	
	10 July 2012 2012年7月10日	111,100	—	—	—	—	(110,000)	1,100	10 July 2014–9 July 2022 2014年7月10日至2022年7月9日	
	10 July 2012 2012年7月10日	444,400	—	—	—	—	(110,000)	334,400	10 July 2015–9 July 2022 2015年7月10日至2022年7月9日	
	10 July 2012 2012年7月10日	884,400	—	—	—	—	(110,000)	774,400	10 July 2016–9 July 2022 2016年7月10日至2022年7月9日	
Sub-total 小計		1,439,900	—	—	—	—	(330,000)	1,109,900		
Total 總計		1,624,700	—	—	—	—	—	1,624,700		

SHARE OPTION SCHEME (CONTINUED)

Notes:

1. The respective vesting periods of the above share options are from their respective dates of the grant until the commencement of their respective exercise periods.
2. The closing prices of the Shares immediately before 27 June 2011 and 10 July 2012 on which the share options were granted were HK\$4.65 and HK\$2.41 per Share respectively.
3. Upon the grant of 17,440,000 share options to eligible persons by the Company on 10 July 2012, there were 1,960 shares options available for grant under the Scheme. The Scheme expired on 21 July 2012.
4. Mr. Li had been entitled to 330,000 share options granted by the Company immediately before and after his appointment as a Director of the Company with effect from 22 January 2020, so that his share options were adjusted from the category of employees to directors.
5. On 13 July 2015, an ordinary resolution was duly passed by the Shareholders at the annual general meeting of the Company to approve the Bonus Issue. As a result of the Bonus Issue, adjustments were made to the exercise price and the number of Shares to be allotted and issued upon full exercise of subscription rights attached to the outstanding share options with effect from 30 July 2015. The exercise price per Share indicated in the above table is the exercise price per Share after the said adjustments were made on 30 July 2015. Prior to the adjustments, the exercise price per Share in relation to share options granted on 27 June 2011 was HK\$4.730 while that in relation to share options granted on 10 July 2012 was HK\$2.404. For details, please refer to the announcement of the Company dated 29 July 2015.
6. For a detailed breakdown of the Directors' interest in share options, please refer to page 78 of this report.

購股權計劃(續)

附註:

1. 上述購股權各自的歸屬期由各授出日期起至行使期間開始為止。
2. 緊接二零一一年六月二十七日及二零一二年七月十日授出購股權前，股份收市價分別為每股4.65港元及2.41港元。
3. 本公司於二零一二年七月十日向合資格人士授出17,440,000份購股權後，該計劃尚可發行1,960份購股權，惟該計劃已於二零一二年七月二十一日屆滿。
4. 緊接李永揚先生於二零二零年一月二十二日獲委任為本公司董事之前後，彼已獲本公司授予330,000份購股權，所以彼購股權之參與者類別由僱員調整至董事。
5. 於二零一五年七月十三日，股東於本公司之股東周年大會上正式通過普通決議案，以批准進行紅股發行。由於進行紅股發行，尚未行使購股權之行使價及該等購股權所附認購權獲全面行使時將予配發及發行之股份數目已被調整，自二零一五年七月三十日起生效。於前表所述之每股行使價為於二零一五年七月三十日調整後之每股行使價。於調整前，有關於二零一一年六月二十七日授出之購股權之每股行使價為4.730港元，而有關於二零一二年七月十日授出之購股權之每股行使價為2.404港元。有關詳情，請參閱本公司於二零一五年七月二十九日之公告。
6. 有關董事所擁有之購股權權益，詳情可參閱本報告第78頁。

CONNECTED TRANSACTIONS

During the year, for the purpose of the Listing Rules, the following connected transactions (including continuing connected transactions) subsisted or were agreed between the Group and the connected person(s) (as defined under the Listing Rules) of the Company:

Pursuant to a purchase framework agreement dated 25 February 2019 (the “2019 Purchase Framework Agreement”) entered into between 昶信貿易(天津)有限公司 (Changxin Trading (Tianjin) Limited*) (“Changxin”), an indirect wholly-owned subsidiary of the Company, and 信蝶商業(杭州)有限公司 (Xindie Commercial (Hangzhou) Limited*) (“Xindie”), a non-wholly owned subsidiary of the Company, Changxin agreed to sell and Xindie agreed to purchase certain products (including footwear and handbags) of the Group’s brands for a term commencing on 1 March 2019 and expiring on 29 February 2020.

The aggregate purchase price payable under the purchase orders/purchase contracts entered into pursuant to the 2019 Purchase Framework Agreement for the year ending 29 February 2020 shall not exceed RMB27,000,000. Details of the 2019 Purchase Framework Agreement were disclosed in the Company’s announcement dated 25 February 2019. The aggregate transaction amount under the 2019 Purchase Framework Agreement was approximately RMB22,332,000 for the year ended 29 February 2020.

On 14 February 2020, Changxin and Xindie entered into another purchase framework agreement (the “2020 Purchase Framework Agreement”) in relation to the renewal of the 2019 Purchase Framework Agreement for a term of one year commencing on 1 March 2020 and expiring on 28 February 2021. The aggregate purchase price payable under the purchase orders/purchase contracts entered into pursuant to the 2020 Purchase Framework Agreement for the period ending 28 February 2021 shall not exceed RMB19,000,000. Details of the 2020 Purchase Framework Agreement were disclosed in the Company’s announcement dated 14 February 2020.

關連交易

於本年度內，就上市規則而言，本集團與本公司之關連人士(定義見上市規則)存在或訂立之關連交易(包括持續關連交易)如下：

根據昶信貿易(天津)有限公司(「昶信」)(本公司間接全資附屬公司)與信蝶商業(杭州)有限公司(「信蝶」)(本公司非全資擁有之附屬公司)於二零一九年二月二十五日簽訂採購框架協議(「二零一九年採購框架協議」)，期限由二零一九年三月一起至二零二零年二月二十九日止，昶信同意售賣及信蝶同意採購若干本集團品牌之產品(包括鞋履及手袋)。

根據二零一九年採購框架協議，於截至二零二零年二月二十九日止年度訂立的採購訂單／採購合同應付之總採購金額不得超過人民幣27,000,000元。有關二零一九年購框架協議之詳情已於二零一九年二月二十五日本公司之公告中披露。根據二零一九年採購框架協議，於截至二零二零年二月二十九日止年度總交易金額為約人民幣22,332,000元。

於二零二零年二月十四日，昶信及信蝶就有關續訂二零一九年購框架協議訂立二零二零年採購框架協議(「二零二零年採購框架協議」)，由二零二零年三月一日起至二零二一年二月二十八日止，期限為一年。根據二零二零年採購框架協議，於截至二零二一年二月二十八日止年度訂立的採購訂單／採購合同應付之總採購金額不得超過人民幣19,000,000元。有關二零二零年採購框架協議之詳情已於二零二零年二月十四日本公司之公告中披露。

* For identification purpose only

CONNECTED TRANSACTIONS (CONTINUED)

The 2019 Purchase Framework Agreement and the 2020 Purchase Framework Agreement are collectively known as “Purchase Framework Agreements”.

Xindie is a non wholly-owned subsidiary of the Company which Ms. Liao and her spouse together can control the exercise of 33.3% of the voting power at its general meeting (through a corporate shareholder of Xindie owned by Ms. Liao and her spouse), and is therefore a connected subsidiary of the Company. Xindie is also a 30%-controlled company held indirectly by Ms. Liao and her spouse and is hence an associate of Ms. Liao. Accordingly, Xindie is a connected person of the Company and the transactions contemplated under the Purchase Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As each of the applicable percentage ratios in respect of the respective transactions contemplated under the Purchase Framework Agreements is more than 0.1% but less than 5%, the respective transactions are subject to the reporting, annual review and announcement requirements but are exempted from the circular (including independent financial advice) and the independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

All Independent Non-Executive Directors have reviewed, during the year ended 29 February 2020, the above continuing connected transactions and confirmed that such transactions have been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms; and
- (3) according the Purchase Framework Agreements, on terms which are fair and reasonable, and in the interests of the Shareholders as a whole.

關連交易(續)

二零一九年採購框架協議及二零二零年採購框架協議統稱為「採購框架協議」。

信蝶是本公司一間非全資擁有之附屬公司，為廖女士及其配偶於信蝶之股東大會上(經廖女士及其配偶所擁有之信蝶的企業股東)共同控制行使33.3%的投票權，因而成為本公司之關連附屬公司。信蝶亦是一間由廖女士及其配偶間接持有的30%受控公司，而成為廖女士的聯繫人。因此，根據上市規則第14A章，信蝶為本公司之關連人士，而且在採購框架協議項下之交易亦構成本公司之持續關連交易。基於採購框架協議項下，根據相關適用百分比率，均超過0.1%，但低於5%，因此該等持續關連交易須遵守上市規則第14A章項下申報、年度審閱及公告的規定，但獲豁免遵守有關通函(包括獨立財務意見)及獨立股東批准的規定。

於截至二零二零年二月二十九日止年度，所有獨立非執行董事已審閱上述持續關連交易，並確認該等交易於以下條件訂立：

- (1) 屬本集團一般及日常業務；
- (2) 按照一般商業條款進行；及
- (3) 根據採購框架協議之交易條款屬公平合理，並符合股東的整體利益。

CONNECTED TRANSACTIONS (CONTINUED)

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagement Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. According to the Board, the auditor has issued an unqualified letter to the Board, confirming that nothing has come to the auditor's attention that causes the auditor to believe that the continuing connected transactions disclosed in this report (1) have not been approved by the Board; (2) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; (3) were not entered into, in all material respects, in accordance with the relevant agreement governing the transaction; or (4) have exceeded the annual cap for the continuing connected transactions. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

RELATED PARTY TRANSACTIONS

Save as disclosed above, related party transactions disclosed in note 33 to the consolidated financial statements do not constitute connected transactions or continuing connected transactions (as defined in the Listing Rules). The Company confirmed that it has complied with the requirements in Chapter 14A of the Listing Rules.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 29 February 2020.

關連交易(續)

本公司核數師已獲聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號「審核或審閱歷史財務資料以外的核證工作」及參照應用指引第740號「關於香港《上市規則》所述持續關連交易的核數師函件」報告本集團的持續關連交易。根據董事會，核數師已向董事會發出無保留意見函件，並無任何有關刊載於本報告內之持續關連交易引起核數師注意並讓核數師相信：(1) 未獲董事會批准；(2) 若交易涉及由本集團提供貨品或服務，在各重大方面沒有按照本集團的定價政策進行；(3) 在各重大方面沒有根據有關交易的協議進行；或(4) 已超過持續關連交易之年度上限。本公司已將核數師函件副本送呈聯交所。

關連人士之交易

除上文所披露者外，於本綜合財務報表附註33內披露之關連人士之交易不會構成關連交易或持續關連交易(定義見上市規則)。本公司確認已符合上市規則第14A條之要求。

購買、出售或贖回本公司上市證券

截至二零二零年二月二十九日止年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISIONS

The Articles of Association of the Company provides that the Directors shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur in or about the execution of their duty or supposed duty, in their respective offices or trusts, provided that the indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to any of the Directors.

MANAGEMENT CONTRACTS

No contracts (other than service contracts with Directors as disclosed) concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 1.3% of the total revenue from sales of goods for the year and sales to the largest customer included therein amounted to approximately 0.5% of the total revenue from sales of goods for the year. Purchases from the Group's five largest suppliers accounted for approximately 30.8% of the total purchases for the year and purchases from the largest supplier amounted to approximately 7.5%.

None of the Directors or any of their respective close associates or any Shareholders (which to the best knowledge of the Directors, own more than 5% of the Shares) had any interest in the Group's five largest customers and/or five largest suppliers.

CORPORATE GOVERNANCE PRACTICE

A corporate governance report is set out on pages 37 to 65 of this report.

獲准許的彌償條文

本公司之組織章程規定董事或任何該等人士就各自因作出或可能履行職務或信託執行其職責或假定職責時，而蒙受的所有訴訟、費用、收費、損失、損害及開支，可從本公司的資產及利潤獲得彌償及確保免就此受任何損害，惟該彌償不延伸至任何與該董事欺詐或不忠誠有關的事宜。

管理合約

於本年度內，概無訂立或已存有關於本公司全部或任何重大部份業務之管理及行政合約(與各董事訂立之服務合約除外)。

主要客戶及供應商

於本年度內，本集團五大客戶之銷售佔年內從銷售所得收益總額約1.3%，其中最大客戶之銷售佔從銷售所得收益總額約0.5%。本集團五大供應商之採購額佔年內總採購額約30.8%，其中最大供應商佔總採購額約7.5%。

於年內，概無董事或任何其聯繫人，或就董事所知任何擁有本公司已發行股本數目5%以上的權益之股東，於上文所述本集團五大客戶及五大供應商中擁有任何實益權益。

企業管治常規

企業管治報告詳載於本報告第37至65頁。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The environmental, social and governance report of the Company will be published as a separate report on the respective websites of the Stock Exchange and the Company within 3 months after the publication of this report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

AUDITOR

The consolidated financial statements for the year ended 29 February 2020 have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as the auditor of the Company will be proposed at the forthcoming AGM.

環境、社會及管治

本公司之環境、社會及管治報告將以單獨報告形式於刊載此報告後三個月內分別於聯交所及本公司網站登載。

足夠公眾持股量

根據本公司所得的公開資料及就董事所知，於本報告日期，本公司一直維持上市規則所規定之足夠公眾持股量，即超過本公司已發行股份之25%。

核數師

截至二零二零年二月二十九日止年度之綜合財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，惟符合資格及願膺續聘。有關續聘羅兵咸永道會計師事務所為本公司之核數師之決議案將於應屆股東周年大會上提呈。

By Order of the Board

承董事會命

James Ngai
Chairman

主席
倪雅各

Hong Kong, 25 May 2020

香港，二零二零年五月二十五日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the Shareholders of Le Saunda Holdings Limited
(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of Le Saunda Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 107 to 213, which comprise:

- the consolidated balance sheet as at 29 February 2020;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 29 February 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

羅兵咸永道

致萊爾斯丹控股有限公司股東
(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

萊爾斯丹控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第107至213頁的綜合財務報表，包括：

- 於二零二零年二月二十九日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收入表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零二零年二月二十九日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

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

- Provision for impairment of inventories; and
- Impairment of property, plant and equipment and right-of-use assets.

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 存貨減值撥備；及
- 物業、機器及設備及使用權資產減值。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Provision for impairment of inventories

存貨減值撥備

Nature of the key audit matter

關鍵審計事項之性質

Refer to Note 4(d) and Note 21 to the consolidated financial statements.

請參閱綜合財務報表附註4(d)及附註21。

At 29 February 2020, the Group's gross inventories and provision for impairment of inventories amounted to RMB310,122,000 and RMB37,029,000, respectively.

於二零二零年二月二十九日，貴集團存貨總額及存貨減值撥備金額分別為人民幣310,122,000元和人民幣37,029,000元。

As described in the accounting policies in Note 2.11 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value.

按照綜合財務報表附註2.11的會計政策規定，存貨按成本值或可變現淨值兩者之較低者列賬。

The Group is engaged in the retail and distribution of footwear and accessories, and is subject to changing consumer demands and fashion trends. In current year, the retail operation was also adversely affected by the recent outbreak of novel coronavirus (COVID-19) epidemic since late January 2020. Management's judgement is required for assessing the appropriate level of inventory provision in light of the current challenging retail environment.

貴集團從事鞋履及配飾的零售及分銷，並因應消費者需求及時尚潮流不斷改變。本年度，零售營運自二零二零年一月底以來亦遭受近期新型冠狀病毒(「2019冠狀病毒病」)爆發的不利影響。鑑於目前零售環境挑戰重重，評估存貨撥備的適當水平時須作出管理層判斷。

Management determines the appropriate provisions for obsolete or slow-moving inventories based on a detailed ageing analysis of inventories and the Group's estimates of projected sales of aged inventories in consideration of various factors, such as the marketability of aged products and the market conditions under the impact of COVID-19 epidemic.

管理層基於存貨的詳細賬齡分析及貴集團對陳舊存貨預測銷量的估計就過時或滯銷存貨釐定適當撥備，當中考慮多種因素，如陳舊產品的銷路及受2019冠狀病毒病疫情影響下的市況。

We focused on this area due to the significant value of inventories and the critical estimates made by management on the provision for obsolete or slow-moving inventories.

我們關注此領域乃由於其結餘金額重大以及管理層於陳舊及低流動性存貨的減值撥備涉及重大的判斷及估計。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

**Provision for impairment of inventories
(Continued)**

存貨減值撥備(續)

**How our audit addressed the Key Audit
Matter**

我們的審計如何處理關鍵審計事項

Our procedures for assessing the appropriateness of management's judgements applied in assessing the provision for impairment of inventories included:

我們執行了以下程序來評估管理層對於計算存貨撥備金額中所運用的估計及判斷的適當性：

- Evaluated management's estimations made in prior years by reference to the level of inventories write-off during the year in relation to stock loss.
 - Evaluated analysis and assessment made by management with respect to slow-moving inventories.
 - Performed audit analytics on stock holding and movement data during the year and after year end to identify products with indications of obsolescence.
 - Compared the net realisable value of inventories sold subsequent to the year end to the cost of inventories.
 - Evaluated the future estimated sales through of aged inventories with reference to historical sales performance of similar products through different sales channels, management assessment of the length of time under which the negative impact of COVID-19 epidemic would last, relevant external market information and the Group's business strategies identified through enquiries with management.
 - Tested the mathematical accuracy of management's year end calculation of provision for impairment of inventories.
- 參照年度與存貨損失有關的存貨撇銷水平，評估管理層往年的估計結果。
 - 評估管理層對低流動性的存貨進行的分析和評估。
 - 對年內及年末之後的庫存量及變動數據進行了審計分析，以確定滯銷跡象的存貨。
 - 對年末之後的銷售存貨的可變現淨值與存貨成本進行比較。
 - 透過陳舊存貨評估未來估計銷量，當中參考類似產品透過不同銷售渠道的過往銷售表現、管理層對2019冠狀病毒病疫情所帶來負面影響的持續時長、相關外部市場資料及經諮詢管理層後識別得出的集團業務策略。
 - 測試管理層年末存貨減值撥備計算之準確性。

Based on the above audit procedures performed, we found that management's assessments were supported by the evidence that we obtained.

根據上述審計程序，我們發現管理層所運用的估計及判斷均有證據支持。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Impairment of property, plant and equipment and right-of-use assets

物業、機器及設備以及使用權資產減值

Nature of the key audit matter

關鍵審計事項之性質

Refer to Note 16 and 17 to the consolidated financial statements.

請參閱綜合財務報表附註16及17。

The Group had recorded impairment loss of RMB9,974,000 and RMB11,946,000 in respect of its property, plant and equipment and right-of-use assets respectively for the year ended 29 February 2020.

截至二零二零年二月二十九日止年度，貴集團就其物業、機器及設備以及使用權資產分別錄得減值虧損人民幣9,974,000元及人民幣11,946,000元。

Due to the outbreak of COVID-19 epidemic in January 2020 and the related precautionary and control measures taken place, the resumption of production of the Group's factory in Shunde, the PRC (the Shunde Factory) was delayed after the Chinese New Year. Management has carried out an impairment assessment of the property, plant and equipment and right-of-use assets of the Shunde Factory and has written down the carrying amount of the assets to its recoverable amount. The recoverable amount of the assets was determined by management based on their fair value less cost to sale given all the production of the Shunde factory were subsequently ceased in May 2020 after a brief resumption of operation.

由於2019冠狀病毒病於二零二零年一月爆發，並已實施相關防控措施，貴集團於中國順德的工廠(順德工廠)已押後至農曆新年後恢復生產。管理層已就順德工廠的物業、機器及設備以及使用權資產進行減值評估，並已將該等資產的賬面值撇減至其可收回金額。該等資產的可收回金額由管理層基於彼等公平值減銷售開支而釐定，原因是短暫恢復營運後順德工廠的所有生產活動已於二零二零年五月停止。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Impairment of property, plant and equipment and right-of-use assets (Continued)

物業、機器及設備以及使用權資產減值(續)

Nature of the key audit matter (Continued)

關鍵審計事項之性質(續)

Certain of the Group's retail stores with operations of more than one year were loss making during the year and the operation of the Group's retail stores was also adversely affected by the outbreak of COVID-19 epidemic. Management regards each individual retail store as a separately identifiable cash-generating unit and carried out impairment assessment for the retail store assets which have impairment indicator. The recoverable amount of the assets of the relevant retail stores is determined by value-in-use calculations using discounted cash flow projections based on sales forecast prepared by management with major assumption such as gross profit, the length of time which the impact of COVID-19 may continue and the speed of recovery.

貴集團營運一年以上的若干零售店於年內出現虧蝕，貴集團的零售店營運亦受到2019冠狀病毒病疫情爆發的不利影響。管理層將個別零售店單獨視作可識別現金產生單位，並就具有減值跡象的零售店資產進行減值評估。相關零售店資產的可收回金額由使用價值計算釐定，使用管理層基於主要假設(如毛利、2019冠狀病毒病的衝擊可能持續時長及復甦速度)貼現現金流量預測。

We focused on this area because significant estimation and judgement were involved in determining the recoverable amounts of the relevant assets subject to impairment assessment.

我們關注此範疇乃由於釐定須進行減值評估之相關資產之可收回金額涉及重大估計及判斷。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Impairment of property, plant and equipment and right-of-use assets (Continued)

物業、機器及設備以及使用權資產減值(續)

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We evaluated and tested management's impairment assessment of the property, plant and equipment of the Shunde Factory by performing the following procedures:

我們評估及檢測管理層對順德工廠之物業、機器及設備之減值評估，採取以下步驟：

- Compared the recoverable amount of the property in respect of the Shunde Factory to the estimated fair value based on valuation report prepared by an independent valuer and evaluating management's estimation of changes in the fair value from the date of the valuation to the year end date.
- 將順德工廠物業之可收回金額與基於獨立估值師所編製估值報告之估計公平值相比較及評估管理層對公平值自估值日期至年終日之變動估值。
- Enquired management on their basis of estimation of the recovery amount of the other fixed assets of the Shunde factory and comparing that with similar historical transactions of the Group.
- 向管理層查詢其對順德工廠其他固定資產的可收回金額之估值基準，並與集團類似過往交易作比較。

KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Impairment of property, plant and equipment and right-of-use assets (Continued)

物業、機器及設備以及使用權資產減值(續)

How our audit addressed the Key Audit Matter (Continued)

我們的審計如何處理關鍵審計事項(續)

We evaluated and tested the impairment assessment of the property plant and equipment and right-of-use assets of the retail stores by performing the following procedures:

我們評估及檢測物業、機器及設備及零售店之使用權資產的減值評估，採取以下步驟：

- Enquired management on their basis of identifying impairment indicators and challenging the judgements made in the identification of impairment indicators;
 - Compared the forecasted sales performance and estimated running costs of the retail stores used in the value in use calculation to their historical records;
 - Enquired management in relation to key assumptions in their value in use calculations and evaluated the key assumptions (such as gross profit, the length of time which the impact of COVID-19 may continue and the speed of recovery) applied by comparing them to our understanding of latest market information and conditions and historical information, where applicable;
 - Recomputed the impairment loss calculation;
 - Evaluated the sensitivity analysis to ascertain the extent of change in the key assumptions that would result in the retail store assets being impaired and also considered the likelihood of such a change in the key assumptions arising.
- 向管理層查詢其識別減值指標的基準及對其識別減值指標過程中所作判斷提出質疑；
 - 將使用價值計算中所用預計銷售表現及估計運營成本與其過往記錄進行比較；
 - 向管理層查詢其於使用價值計算中之主要假設，評估所應用主要假設(如毛利、新型冠狀病毒的影響可能持續之時長及恢復速度)，方法為將有關假設與我們對最近市場資訊及狀況的認知及過往資料(倘適用)進行比較；
 - 重新計算減值虧損；
 - 評估敏感度分析以確定能導致零售店資產出現減值之主要假設變動程度，並考慮出現該主要假設變動的可能性。

Based on our work performed, we found the impairment of property, plant and equipment and right-of-use assets made by management to be supported by available evidence.

根據我們所履行的工作，我們發現管理層所作出之物業、機器及設備及使用權資產減值有實質證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Financial Highlights, Corporate Information, Shareholder Information, Key Milestones, Chairman's Statement, Management's Discussion and Analysis, Board of Directors and Senior Management, Corporate Government Report, Report of the Directors, Five-Year Financial Summary and Investment Properties (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Environmental, Social and Governance Report, which is expected to be made available to us after that date.

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

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

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

When we read the Environmental, Social and Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Audit Committee and take appropriate action considering our legal rights and obligations.

其他信息

貴公司董事須對其他信息負責。其他信息包括我們在本核數師報告日前取得的財務摘要、公司資料、股東資料、重要大事紀、主席報告書、管理層討論及分析、董事會及高層管理人員、企業管治報告、董事會報告、五年財務概要及投資物業內的信息(但不包括綜合財務報表及我們的核數師報告)，以及預期會在本核數師報告日後取得的環境、社會及管治報告內的信息。

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

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

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀環境、社會及管治報告後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審核委員會溝通，並考慮我們的法律權利和義務後採取適當行動。

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

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

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

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

**董事及審核委員會就綜合財務報表須
承擔的責任**

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

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

審核委員會須負責監督貴集團的財務報告過程。

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

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

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

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

**核數師就審計綜合財務報表承擔的
責任**

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 核數師就審計綜合財務報表承擔的責任(續)**
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
 - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
 - 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yuen Kwok Kin Andrew.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 May 2020

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

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

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

出具本獨立核數師報告的審計項目合夥人是袁國健先生。

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年五月二十五日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 29 February 2020
截至二零二零年二月二十九日止年度

		Note	Year ended 29 February 2020 截至 二零二零年 二月二十九日 止年度 RMB'000 人民幣千元	Year ended 28 February 2019 截至 二零一九年 二月二十八日 止年度 RMB'000 人民幣千元
		附註		
Revenue	收益	5	736,387	908,784
Cost of sales	銷售成本	7	(279,912)	(338,568)
Gross profit	毛利		456,475	570,216
Other income	其他收入	6	7,589	15,244
Other losses, net	其他虧損，淨額	6	(1,594)	(7,226)
Impairment losses on trade receivables, net	貿易應收賬項減值虧損，淨額	7	(2,255)	(5,454)
Selling and distribution expenses	銷售及分銷開支	7	(335,197)	(436,745)
General and administrative expenses	一般及行政開支	7	(153,182)	(160,982)
Operating loss	經營虧損		(28,164)	(24,947)
Finance income, net	財務收入，淨額	8	6,890	11,508
Loss before income tax	除所得稅前虧損		(21,274)	(13,439)
Income tax expense	所得稅支出	12	(9,046)	(13,889)
Loss for the year	年內虧損		(30,320)	(27,328)
(Loss)/profit for the year attributable to:	應佔年內(虧損)/溢利：			
— owners of the Company	— 本公司權益持有人		(30,519)	(28,032)
— non-controlling interest	— 非控股權益		199	704
			(30,320)	(27,328)
Losses per share attributable to the owners of the Company (express in RMB cents)	本公司權益持有人應佔每股虧損(人民幣分)			
— Basic	— 基本	13	(4.32)	(3.97)
— Diluted	— 攤薄	13	(4.32)	(3.97)
Dividend	股息	14	—	210,428

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

For the year ended 29 February 2020
截至二零二零年二月二十九日止年度

		Note 附註	Year ended 29 February 2020 截至 二零二零年 二月二十九日 止年度 RMB'000 人民幣千元	Year ended 28 February 2019 截至 二零一九年 二月二十八日 止年度 RMB'000 人民幣千元
Loss for the year	年內虧損		(30,320)	(27,328)
Other comprehensive income for the year, net of tax	年內除稅後之其他全面收入			
<i>Item that will not be reclassified to consolidated income statement</i>	<i>其後不會重新分類為綜合損益表之項目</i>			
— Actuarial losses on retirement benefit obligation	— 退休福利責任之精算虧損	28	(23)	(524)
<i>Items that will be reclassified to consolidated income statement</i>	<i>其後可重新分類為綜合損益表之項目</i>			
— Currency translation differences	— 匯兌差額		23,714	19,918
Total comprehensive loss for the year	年內全面虧損總額		(6,629)	(7,934)
Total comprehensive (loss)/income for the year, attributable to:	應佔年內全面(虧損)/收入總額:			
— owners of the Company	— 本公司權益持有人		(6,828)	(8,638)
— non-controlling interest	— 非控股權益		199	704
			(6,629)	(7,934)

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 29 February 2020
於二零二零年二月二十九日

		Note 附註	As at 29 February 2020 於 二零二零年 二月二十九日 RMB'000 人民幣千元	As at 28 February 2019 於 二零一九年 二月二十八日 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	15	2,360	56,360
Property, plant and equipment	物業、機器及設備	16	127,613	153,306
Right-of-use assets	使用權資產	17	37,969	-
Land use rights	土地使用權	18	-	20,442
Long-term deposits and prepayments	長期按金及預付款項	22	3,421	4,632
Deferred income tax assets	遞延所得稅項資產	20	55,332	54,302
			226,695	289,042
Current assets	流動資產			
Inventories	存貨	21	273,093	325,444
Trade and other receivables	貿易應收賬項及其他應收賬項	22	53,529	74,940
Deposits and prepayments	按金及預付款項	22	43,072	45,471
Pledged bank deposit	已抵押銀行存款	23	719	665
Cash and bank balances	現金及銀行結餘	23	508,555	590,596
			878,968	1,037,116
Total assets	總資產		1,105,663	1,326,158
EQUITY	權益			
Capital and reserves attributable to the owners of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本	26	59,979	59,979
Reserves	儲備			
Proposed dividends	建議股息	29	-	210,428
Others	其他	29	891,452	905,309
			951,431	1,175,716
Non-controlling interest	非控股權益		10,273	10,450
Total equity	總權益		961,704	1,186,166

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 29 February 2020

於二零二零年二月二十九日

		Note 附註	As at 29 February 2020 於 二零二零年 二月二十九日 RMB'000 人民幣千元	As at 28 February 2019 於 二零一九年 二月二十八日 RMB'000 人民幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延所得稅項負債	20	24,757	27,869
Lease liabilities	租賃負債	17	14,724	–
			39,481	27,869
Current liabilities	流動負債			
Trade payables, other payables and contract liabilities	應付貿易賬項、其他應 付賬項及合約負債	25	85,341	106,378
Lease liabilities	租賃負債	17	17,635	–
Current income tax liabilities	當期所得稅負債		1,502	5,745
			104,478	112,123
Total liabilities	總負債		143,959	139,992
Total equity and liabilities	權益及負債總值		1,105,663	1,326,158

The consolidated financial statements on page 107 to 213 were approved by the Board of Directors on 25 May 2020 and were signed on its behalf.

第107至213頁之綜合財務報表已於二零二零年五月二十五日獲董事會批准，並由下列人士代表簽署。

James Ngai

倪雅各

Chairman

主席

Chui Kwan Ho, Jacky

徐群好

Director

董事

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 29 February 2020
截至二零二零年二月二十九日止年度

		Attributable to owners of the Company 本公司權益持有人應佔			Non- controlling interest	Total equity 總權益
		Share capital 股本 RMB'000 人民幣千元	Reserves 儲備 RMB'000 人民幣千元	Sub-total 總計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 March 2018	於二零一八年三月一日	59,979	1,172,351	1,232,330	10,451	1,242,781
Comprehensive income (Loss)/profit for the year	全面收入 年內(虧損)/溢利	-	(28,032)	(28,032)	704	(27,328)
Other comprehensive income	其他全面收入					
Currency translation differences	匯兌差額	-	19,918	19,918	-	19,918
Actuarial losses on retirement benefit obligation	退休福利責任之 精算虧損	-	(524)	(524)	-	(524)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收入 總額	-	(8,638)	(8,638)	704	(7,934)
Transactions with owners	與擁有人之交易					
Dividends	股息	-	(47,976)	(47,976)	(705)	(48,681)
Balance at 28 February 2019	於二零一九年二月二十八日 之結餘	59,979	1,115,737	1,175,716	10,450	1,186,166
Balance at 28 February 2019	於二零一九年二月二十八日 之結餘	59,979	1,115,737	1,175,716	10,450	1,186,166
Initial application of HKFRS16	首次應用香港財務報告 準則第16號	-	(2,987)	(2,987)	-	(2,987)
Restated total equity at 1 March 2019	於二零一九年三月一日 重列總權益	59,979	1,112,750	1,172,729	10,450	1,183,179
Comprehensive income (Loss)/profit for the year	全面收入 年內(虧損)/溢利	-	(30,519)	(30,519)	199	(30,320)
Other comprehensive income	其他全面收入					
Currency translation differences	匯兌差額	-	23,714	23,714	-	23,714
Actuarial losses on retirement benefit obligation	退休福利責任之 精算虧損	-	(23)	(23)	-	(23)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收入 總額	-	(6,828)	(6,828)	199	(6,629)
Transactions with owners	與擁有人之交易					
Dividends	股息	-	(214,470)	(214,470)	(376)	(214,846)
Balance at 29 February 2020	於二零二零年二月二十九日 之結餘	59,979	891,452	951,431	10,273	961,704

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 29 February 2020
截至二零二零年二月二十九日止年度

		Note	Year ended 29 February 2020 截至 二零二零年 二月二十九日 止年度 RMB'000 人民幣千元	Year ended 28 February 2019 截至 二零一九年 二月二十八日 止年度 RMB'000 人民幣千元
		附註		
Operating activities	經營業務活動			
Net cash generated from operations	經營業務產生之現金淨額	24(a)	101,137	47,937
Hong Kong and overseas taxation paid	已繳香港及海外稅項		(17,085)	(15,961)
Interest paid	已付利息	17	(1,785)	-
Net cash generated from operating activities	經營業務活動產生之現金淨額		82,267	31,976
Investing activities	投資活動			
Interest income on bank deposits	銀行存款之利息收入		5,880	8,308
Other finance income	其他財務收入		2,795	3,200
Purchases of property, plant and equipment	購買物業、機器及設備	16	(16,373)	(26,068)
Increase in bank deposits with initial term over three months	超過三個月之定期存款增加		(700)	(35,000)
Proceeds from disposal of property, right-of-use assets/land use right and investment property	出售物業、使用權資產／土地使用權及投資物業	24(b)	70,500	6,000
Proceeds from disposal of plant and equipment	出售機器及設備	24(c)	2,139	-
Increase in pledged deposit	有抵押存款增加		(54)	(41)
Net cash generated from/(used in) investing activities	投資活動產生／(耗用)之現金淨額		64,187	(43,601)

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 29 February 2020
截至二零二零年二月二十九日止年度

		Year ended 29 February 2020 截至 二零二零年 二月二十九日 止年度 RMB'000 人民幣千元	Year ended 28 February 2019 截至 二零一九年 二月二十八日 止年度 RMB'000 人民幣千元
		Note 附註	
Financing activities	融資活動		
Principal element of lease payments	租賃付款之本金部分		-
Dividends paid	已付股息		(49,032)
Dividends paid to non-controlling interest	已付非控股權益股息		(705)
			<hr/>
Net cash used in financing activities	融資活動耗用之現金淨額		(238,955)
			<hr style="border-top: 1px dashed black;"/>
Net decrease in cash and cash equivalents	現金及等同現金項目減少淨額		(61,362)
Effect of foreign exchange rate changes, net	匯率變動影響，淨額		13,835
Cash and cash equivalents at beginning of year	年初之現金及等同現金項目		603,123
			<hr/>
Cash and cash equivalents at end of year	年終之現金及等同現金項目	23	555,596

The notes on pages 114 to 213 are an integral part of these consolidated financial statements.

第114至213頁之附註為本財務報表不可分割之部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Le Saunda Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in manufacturing and sales of footwear and accessories. The Group mainly operates in Mainland China, Hong Kong and Macau.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountant (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at fair value.

1 一般資料

萊爾斯丹控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事皮鞋及配飾之製造及銷售。本集團主要在中國大陸、香港及澳門經營業務。

本公司為於百慕達註冊成立之有限公司，其註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司於香港聯合交易所有限公司(「聯交所」)主板上市。

除另有指明者外，綜合財務報表以人民幣呈列。

2 主要會計政策概要

編製此等綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本集團之綜合財務報表乃按照香港會計師公會頒佈之所有適用香港財務報告準則(「香港財務報告準則」)和香港《公司條例》第622章的披露要求編製。綜合財務報表按歷史成本法編製，並就重估投資物業作出調整，並按公平值列賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

(a) New and amended standards and interpretation adopted by the Group

The Group has adopted the following new and amended standards and interpretation that have been issued and effective for the Group's financial year beginning on or after 1 March 2019:

Amendments to HKFRSs
香港財務報告準則(修訂本)

HKAS 19 (Amendment)
香港會計準則第19號(修訂本)

HKAS 28 (Amendment)
香港會計準則第28號(修訂本)

HKFRS 9 (Amendment)
香港財務報告準則第9號(修訂本)

HKFRS 16
香港財務報告準則第16號

HK (IFRIC) — Int 23
香港(國際財務報告詮釋委員會)
— 詮釋第23號

Annual Improvements to HKFRSs 2015 — 2017 Cycle
二零一五年至二零一七年週期香港財務報告準則之
年度改進

Plan Amendment, Curtailment or Settlement
計劃修正、縮減或清償

Long-term Interests in Associates and Joint Ventures
於聯營公司及合營企業的長期權益

Prepayment Features with Negative Compensation
具有負補償之預付款特性

Leases
租賃

Uncertainty over Income Tax Treatments
所得稅待遇之不確定性

2 主要會計政策概要(續)

2.1 編製基準(續)

編製與香港財務報告準則一致之財務報表須運用若干關鍵會計估計，管理層亦須於應用本集團之會計政策時作出判斷。涉及較高程度判斷或較為複雜之範疇，或涉及對綜合財務報表而言屬重大之假設及估計範疇，及於附註4中披露。

(a) 本集團採納之新準則、修訂之準則及詮釋

本集團於二零一九年三月一日或之後開始之財政年度採納以下已頒佈及生效之新準則、修訂之準則及詮釋：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

(a) New and amended standards and interpretation adopted by the Group (Continued)

The Group changed its accounting policies as a result of adopting HKFRS 16. In accordance with the transition provisions of HKFRS 16, the Group has adopted the modified retrospective application for existing leases at 1 March 2019 with certain transition reliefs and under which comparative figures are not restated. This is disclosed in Note 2.2 below. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and amended standards and interpretations not yet adopted

Certain new accounting standards, amendments to standards and interpretations have been published that are not mandatory for the financial year ended 29 February 2020 and have not been early adopted by the Group. The Group's assessment of the impact of these new and amended standards and interpretations is set out below.

2 主要會計政策概要(續)

2.1 編製基準(續)

(a) 本集團採納之新準則、修訂之準則及詮釋(續)

本集團因採納香港財務報告準則第16號「租賃」而改變了會計政策。根據香港財務報告準則第16號之過渡條文，本集團已採納經修定追溯方法。於二零一九年三月一日，已生效之租賃合約有一定的過渡緩和，且並未重列比較數字。此變動於下文附註2.2披露。大部分上文所列之其他修訂並無對於過往期間已確認的金額造成任何影響，且預期不會對當期或未來期間造成重大影響。

(b) 尚未採納之新訂準則、修訂之準則及詮釋

本集團並沒有提早採納已頒佈但於二零二零年二月二十九日報告期間尚未強制生效之若干新訂會計準則、修訂之準則及詮釋。本集團對該等新訂準則、修訂之準則及詮釋的影響之評估載列如下。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

(b) *New and amended standards and interpretations not yet adopted (Continued)*

Amendments to HKAS 1 and HKAS 8
 香港會計準則第1號及第8號(修定本)

Amendments to HKAS 39, HKFRS 7 and HKFRS 9
 香港會計準則第39號、香港財務報告準則第7號及第9號(修定本)

Amendments to HKFRS 3
 香港財務報告準則第3號(修定本)

Conceptual framework for Financial Reporting 2018
 二零一八年財務報告之概念框架

HKFRS 17
 香港財務報告準則第17號

HKFRS 10 and HKAS 28 (Amendments)

香港財務報告準則第10號及香港會計準則第28號(修訂本)

(1) Effective for the accounting period beginning on or after 1 March 2020

(2) Effective for the accounting period beginning on or after 1 March 2021

(3) Effective date to be determined

These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策概要(續)

2.1 編製基準(續)

(b) *尚未採納之新訂準則、修訂之準則及詮釋(續)*

Definition of Material⁽¹⁾
 重要的定義⁽¹⁾

Hedge Accounting⁽¹⁾

對沖會計處理⁽¹⁾

Definition of a Business⁽¹⁾
 業務的定義⁽¹⁾

Revised Conceptual Framework for Financial Reporting⁽¹⁾
 財務報告之經修訂概念框架⁽¹⁾

Insurance Contracts⁽²⁾
 保險合約⁽²⁾

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁽³⁾

投資者與其聯營公司或合營企業之間的資產出售或注資⁽³⁾

(1) 於二零二零年三月一日或之後開始之會計期間生效

(2) 於二零二一年三月一日或之後開始之會計期間生效

(3) 生效日期尚未決定

以上的準則預計不會對在當期或未來報告期間，及可預見未來交易造成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Change in accounting policies

This note explains the impact of the adoption of HKFRS 16 Leases on the Group's financial statements.

As indicated in Note 2.1 above, the Group has adopted HKFRS 16 Leases retrospectively from 1 March 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 March 2019. The new accounting policies are disclosed in Note 2.19.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 March 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 March 2019 was 4.44%.

(i) *Practical expedients applied*

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- relying on previous assessments on whether leases are onerous;
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 March 2019 as short-term leases;

2 主要會計政策概要(續)

2.2 會計政策變動

本附註解釋採納香港財務報告準則第16號對本集團財務報表之影響。

如上文附註2.1所述，追溯由二零一九年三月一日起，本集團已採納香港財務報告準則第16號，根據準則內特定過渡條文許可下，本集團已採納經修定追溯方法，且並未重列二零一九年度報告期間的比較數字。因新租賃準則所產生之重新分類及調整於二零一九年三月一日的期初資產負債表中確認。新會計政策披露於下文附註2.19。

於採納香港財務報告準則第16號後，本集團為之前根據香港會計準則第17號「租賃」的原則歸入「經營租賃」的租賃確認了租賃負債。該等負債乃按餘下租賃付款，用承租人截至二零一九年三月一日的新增借款利率折現計量的現值。於二零一九年三月一日，承租人應用於租賃負債的新增借款加權平均利率為4.44%。

(i) *實務簡易處理方法*

於首次應用香港財務報告準則第16號時，本集團已採用下列該準則所允許的實務簡易處理方法：

- 依賴先前就租賃是否屬虧損性之評估；
- 將於二零一九年三月一日餘下租期少於十二個月的經營租賃作為短期租賃的會計處理；

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Change in accounting policies (Continued)

(i) *Practical expedients applied (Continued)*

- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and HK (IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease”.

2 主要會計政策概要(續)

2.2 會計政策變動(續)

(i) *實務簡易處理方法(續)*

- 於首次應用日期排除初始直接成本以計量使用權資產；及
- 倘合約包含延長或終止租賃的選擇權，則於事後釐定租期。

本集團亦已選擇不重新評估合約在首次應用日期是否租賃或是否包含租賃。相反，對於在過渡日期之前訂立的合約，本集團依據其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」作出的評估。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Change in accounting policies (Continued)

(ii) Measurement of lease liabilities

Operating lease commitments disclosed as at 28 February 2019
Discounted using the lessee's incremental borrowing rate and practical expedients applied upon adoption
Less: short-term leases not recognised as a liability

Lease liabilities recognised as at 1 March 2019

Of which are:

Current lease liabilities

Non-current lease liabilities

2 主要會計政策概要(續)

2.2 會計政策變動(續)

(ii) 租賃負債之計量

RMB'000
人民幣千元

於二零一九年二月二十八日所披露的經營租賃承擔
採用承租人的新增借款利率折現及首次採納時的實際處理方法

減：不確認為負債的短期租賃

於二零一九年三月一日確認的租賃負債

其中為：

流動租賃負債

非流動租賃負債

69,735

(16,811)

(6,510)

46,414

21,861

24,553

46,414

(iii) Measurement of right-of-use assets

The carrying amount of the associated right-of-use assets were measured as if the new rule had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application in the Consolidated Balance Sheet. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

(iii) 使用權資產之計量

使用權資產相關之賬面值的計量與自開始日期就已應用新準則一樣，但使用了綜合資產負債表中首次應用日承租人的新增借款利率進行折現。並沒有虧損性租賃合約需要對於首次應用中的使用權資產進行調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Change in accounting policies (Continued)

(iv) Adjustments recognised in the consolidated balance sheet on 1 March 2019

The change in accounting policy affected the following items in the consolidated balance sheet on 1 March 2019:

2 主要會計政策概要(續)

2.2 會計政策變動(續)

(iv) 在二零一九年三月一日綜合資產負債表中所確認的調整

會計政策變更影響了二零一九年三月一日綜合資產負債表中的下列項目：

Consolidated Balance Sheet (extract)	綜合資產負債表 (摘錄)	Before adoption	Adoption of	After adoption
		1 March 2019	HKFRS 16	1 March 2019
		二零一九年三月一日應用前	香港財務報告準則第16號應用	二零一九年三月一日應用後
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	-	63,869	63,869
Land use rights	土地使用權	20,442	(20,442)	-
Total assets	總資產	1,326,158	43,427	1,369,585
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	-	24,553	24,553
Current liabilities	流動負債			
Lease liabilities	租賃負債	-	21,861	21,861
Total liabilities	總負債	139,992	46,414	186,406
Equity	權益			
Reserves	儲備	1,115,737	(2,987)	1,112,750
Total equity	總權益	1,186,166	(2,987)	1,183,179

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Change in accounting policies (Continued)

(v) Lessor accounting

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of HKFRS 16.

2.3 Subsidiaries

2.3.1 Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

2 主要會計政策概要(續)

2.2 會計政策變動(續)

(v) 出租人之入賬

採納香港財務報告準則第16號後，本集團不需要對其作為出租人持有的資產的會計處理作出任何調整。

2.3 附屬公司

2.3.1 綜合賬目

附屬公司指本集團對其具有控制權的所有主體(包括結構性主體)。當本集團因為參與該主體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該主體的權力影響此等回報時。附屬公司在控制權轉移至本集團之日起合併入賬。附屬公司在控制權終止之日起停止合併入賬。

集團旗下公司間的交易、結存及交易的未變現利益，均予以抵銷。未變現虧損亦予抵銷除非該交易提供轉讓資產有減值的證據。必要時，附屬公司之會計政策已作出更改，以符合本集團的會計政策。

非控股權益會於綜合損益表、綜合全面收入表、綜合權益變動表以及綜合資產負債表中分別顯示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Subsidiaries (Continued)

2.3.1 Consolidation (Continued)

(a) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

2 主要會計政策概要(續)

2.3 附屬公司(續)

2.3.1 綜合賬目(續)

(a) 業務合併

無論是購買權益資產或其他資產，都採用收購法將所有業務合併入賬。收購附屬公司所轉讓的對價包括：

- 已轉讓資產公允值；
- 被收購方原擁有人所承擔負債；
- 本集團發行的股本權益；
- 或有對價安排產生的任何資產或負債的公允值；及
- 於附屬公司任何先前股本權益的公允值。

除特殊情況外，於業務合併中收購的可識別資產及承擔的負債及或然負債，最初按於收購日期的公允值計量。本集團按個別收購基準，根據公允值或非控股權益應佔被收購方可識別資產淨值已確認金額的比例，確認被收購方的任何非控股權益。收購相關成本於產生時列為開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Subsidiaries (Continued)

2.3.1 Consolidation (Continued)

(a) Business combinations (Continued)

The excess of the:

- consideration transferred;
- amount of any non-controlling interests in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2 主要會計政策概要(續)

2.3 附屬公司(續)

2.3.1 綜合賬目(續)

(a) 業務合併(續)

超過：

- 所轉讓對價；
- 被收購方的任何非控股權益金額；及
- 任何先前於被收購方的股本權益於收購日期的公允值。

高於所收購可辨認資產淨值的公允值時，其差額以商譽列賬。就議價購買而言，如轉讓對價、總額低於所收購附屬公司資產淨值的公允值，其差額直接在綜合損益表中確認。

如果現金代價的任何部分的結算被延期，則未來的應付金額將按交換日的現值折現。所用折現率為實體的新增借款利率，即在可比較條款及條件下，可於獨立融資人獲得的類似借貸利率。或有對價歸類為權益或負債。歸類為負債的公允值其後將重新計量，該重新計量之公允值變動乃於損益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Subsidiaries (Continued)

2.3.1 Consolidation (Continued)

- (b) Changes in ownership interests in subsidiaries without change of control

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

- (c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to the profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

2 主要會計政策概要(續)

2.3 附屬公司(續)

2.3.1 綜合賬目(續)

- (b) 控制權並無變動的附屬公司擁有權權益變動

並無導致失去控制權的非控股權益交易作為權益交易入賬，即作為與附屬公司擁有人以擁有其作為擁有人身份的交易。任何已付對價的公允值與附屬公司資產淨值相關已收購部分的賬面值的差額已計入權益。向非控股權益出售的任何收益或虧損亦計入權益。

- (c) 出售附屬公司

當本集團不再擁有控制權，於實體中之任何保留權益須按失去控制權當日之公平值重新計量，而賬面值的變動均於損益確認。就其後為保留權益以聯營公司、合營公司或財務資產等形式入賬而言，公平值為初始賬面值。此外，以往就該實體於其他全面收入中確認之任何金額，乃按猶如本集團已直接出售相關資產或負債之方式入賬。此舉意味以往在其他全面收入中確認之金額重新分類至損益表或轉入另一種規定／允許的儲備且適用於香港財務報告準則。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Subsidiaries (Continued)

2.3.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

2 主要會計政策概要(續)

2.3 附屬公司(續)

2.3.2 獨立財務報表

於附屬公司之投資乃以成本扣除減值列賬。成本包括投資直接應佔成本。成本亦包括投資於附屬公司的股權獎勵計劃及購股權計劃之資本投入。附屬公司之業績按已收股息及應收股息為基準由本公司入賬。

當收到附屬公司之投資的股息時，倘股息超出附屬公司在宣派股息期間之全面收入總額，或在獨立財務報表之投資賬面值超出被投資方淨資產(包括商譽)在綜合財務報表之賬面值時，則必須對有關投資進行減值測試。

2.4 分類報告

經營分類的呈報方式與向主要經營決策者提供內部報告的方式一致。負責配置資源及評估經營分類表現的主要經營決策者為制定策略性決策的執行董事。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Group's presentation currency and the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in the consolidated income statement.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through the profit or loss are recognised in the consolidated income statement as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

2 主要會計政策概要(續)

2.5 外幣換算

(a) 功能及呈列貨幣

本集團內各實體的財務報表所列項目均以該實體經營所在的主要經濟環境的貨幣(「功能貨幣」)計量。本公司之功能及呈列貨幣為人民幣。綜合財務報表以本集團的呈列貨幣人民幣呈列。

(b) 交易及結餘

以外幣為單位的交易按交易當日或該項目重估時的匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將以外幣計值的貨幣資產及負債按年終匯率換算產生的匯兌盈虧在綜合利潤表確認。

以公平值計量的非貨幣性外幣項目，採用公平值確定日作匯率折算。以公平值計量的資產和負債的折算差額，按公平值列賬作為收益或損失報告之部分。舉例，非貨幣資產及負債(例如分類為按公平值計入全面收入的權益)的換算差額乃計入綜合利潤表內的公平價值損益及非貨幣資產(例如分類為按公平值計入全面收入的權益)的換算差額乃計入其他全面收入。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

On consolidated, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

2 主要會計政策概要(續)

2.5 外幣換算(續)

(c) 集團公司

功能貨幣與呈列貨幣不同的所有集團實體的業績及財務狀況按以下方式換算為呈列貨幣：

- (i) 資產負債表內呈列的資產及負債按該資產負債表結算日的收市匯率換算；
- (ii) 每份利潤表內的收入及開支按平均匯率換算(除非此平均匯率並不代表交易日期匯率的累計影響的合理約數；在此情況下，收入及開支乃以交易日期的匯率換算)；及
- (iii) 所有由此產生的換算差額在其他全面收入內確認。

於綜合賬目時，換算海外業務投資淨額而產生的匯兌差額，乃列入其他全面收入內。當出售部分海外業務時，此等先前於權益列賬的匯兌差額乃於綜合利潤表內確認為出售盈虧的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group.

Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment properties are carried at fair value, representing open market value determined at each financial year end by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections.

Changes in fair values are recorded in the consolidated income statement as part of a valuation gain or loss in “other losses, net”.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within “other losses, net” in the consolidated income statement.

2 主要會計政策概要(續)

2.6 投資物業

投資性物業，主要由租賃土地和樓宇組成，持有為獲得長期租金收益或作為資本增值或兩者兼備同時並非由本集團佔用。

以經營租賃持有的土地，如符合投資性物業的其餘定義，按投資性房地產記賬。在此等情況下，相關的經營租賃猶如其為融資租賃而記賬。

投資性物業初始按成本列賬，包括相關的交易成本及借款成本(如適用)。

在初始確認後，投資性房地產按公允價值列賬，公允價值指由外部估值師於每個報告日期釐定的公開市值。公允價值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有此項資料，本集團利用其他估值方法，例如較不活躍市場的近期價格或折現現金流量預測法。

公允價值變動在損益表內記錄為「其他虧損，淨額」中的部份估值收益或虧損。

出售資產之收益及虧損為出售價值與賬面值的差額，並將此列入綜合損益表的「其他虧損，淨額」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment

Leasehold land classified as finance lease and all other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised when replaced. All other repair and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred.

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, at the following annual rates:

Leasehold land 租賃土地	Over the lease period 按租期
Land and buildings 土地及樓宇	3-4% or over the lease period, whichever is shorter 3-4%或按租期(以較短者為準)
Leasehold improvements 租賃裝修	5-20% or over the lease period, whichever is shorter 5-20%或按租期(以較短者為準)
Plant and machinery 機器及設備	10%
Furniture and fixtures 傢俬及裝置	20%-33.3%
Motor vehicles 汽車	20%

2 主要會計政策概要(續)

2.7 物業、機器及設備

分類為融資租賃之租賃土地及所有其他物業、機器及設備均按歷史成本扣除折舊入賬。歷史成本包括與收購有關項目直接相關之開支。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，始包括在資產的賬面值或確認為獨立資產(視適用情況而定)。替換部分的賬面值不再確認。所有其他維修及保養成本在產生的財政期間內於綜合利潤表支銷。

分類為融資租賃之租賃土地自土地權益可作擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產之折舊以直線法按以下年率於相關估計可用年限期間分攤成本計算：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (*Note 2.8*).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised in the consolidated income statement.

2.8 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2 主要會計政策概要(續)

2.7 物業、機器及設備(續)

資產剩餘價值及可使用年期於各報告期末檢討並作出適當調整。

倘資產賬面值高於其估計可收回金額，其賬面值將即時撇減至其可收回金額(*附註2.8*)。

出售之盈虧按所得款項與相關資產賬面值的差額釐定，並於綜合利潤表確認。

2.8 非財務資產減值

可作攤薄資產於發生事件或情況改變顯示賬面值可能無法收回時進行減值檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額為資產公平值扣除交易成本及使用值二者中的較高者。於評估減值時，資產將列入可識別現金流量(現金產生單位)之最低層次組合。非財務資產出現減值時，將於各報告期末檢討減值撥回之可能性。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investment and other financial assets

(a) Classification

The Group classifies its financial assets in the category of those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassified debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classified its debt instruments as financial assets at amortised cost.

2 主要會計政策概要(續)

2.9 投資和其他金融資產

(a) 分類

本集團將其金融資產分類為按攤銷成本計量的金融資產。

分類取決於本集團的業務模式管理金融資產及現金流的合同條款。

當其管理這些資產的業務模式發生變化時，本集團才會對債務投資進行重新分類。

(b) 確認及終止確認

金融資產之常規買賣於買賣日期確認，買賣日期即本集團承諾買賣資產之日期。自收取現金流量之金融資產之權利屆滿或轉讓，且本集團已轉讓所有權絕大部分風險及回報時，則會終止確認金融資產。

(c) 計量

於初步確認時，本集團按其公平價值計量金融資產，另加直接因收購該金融資產而產生之交易成本。

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為按攤銷成本計量的金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investment and other financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the profit or loss and presented in “other losses, net” together with foreign exchange gains and losses.

(d) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit loss (“ECL”) associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment on other receivables is measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime ECL.

2 主要會計政策概要(續)

2.9 投資和其他金融資產(續)

(c) 計量(續)

債務工具(續)

為收取合同現金流而持有的資產，倘其該等現金流僅為支付本金和利息，則按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入財務收入。於終止確認時產生之任何收益或虧損直接計入損益，並以「其他虧損，淨額」呈列連同匯兌收益及虧損列賬。

(d) 金融資產之減值

本集團按前瞻基準對與按攤銷成本分類之資產工具相關之預期信貸虧損(「預期信貸虧損」)進行評估。所採用之減值方法取決於信貸風險有否大幅增加。

就應收賬款而言，本集團採用香港財務報告準則第9號所允許之簡化方法，其中規定於初步確認應收款項時確認預期整個存續期虧損。

其他應收款項之減值視乎自初步確認以來信貸風險有否顯著增加，而按12個月預期信貸虧損或整個存續期預期信貸虧損計量。倘應收款項之信貸風險自初步確認以來有大幅增加，則減值按整個存續期預期信貸虧損計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group of the counterparty.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (“FIFO”) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.12 Trade and other receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. See Note 2.9 for further information about the Group’s accounting for trade and other receivables for a description of the Group’s impairment policies.

2 主要會計政策概要(續)

2.10 抵銷金融工具

若公司對於已確定之抵銷金額具法定可執行權力，並有意按淨額基準結算或變現資產及同時結算負債時，則金融資產與負債相互抵銷，該淨額於集團綜合資產負債表內呈報。這法定可執行權力不能取決於將來發生之事件，但必須執行於日常業務及當本集團或交易方出現違約、無力償還或破產事件。

2.11 存貨

存貨按成本或可變現淨值兩者中的較低者列賬。成本以先入先出法釐定。製成品及在製品之成本包括設計成本、原材料、直接勞工、其他直接成本及相關生產開支(依據一般營運能力計算)，惟不包括借貸成本。可變現淨值則為日常業務中的預計售價減適用可變動銷售開支。

2.12 貿易應收賬項及其他應收賬項

貿易應收賬項為客戶於日常業務過程中應收貨款。倘貿易應收賬項及其他應收賬項預期於一年或以內(或業務之一般營運週期內(倘更長))收回，則分類為流動資產，否則有關賬項則呈列為非流動資產。

貿易應收賬項及其他應收賬項初步以公平值確認，其後利用實際利率法按攤銷成本扣除減值撥備計量。有關本集團貿易應收賬項及其他應收賬項的會計處理及本集團減值政策的進一步資料，請參閱附註2.9。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Current and deferred income tax

The income tax expense for the year comprises current and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策概要(續)

2.13 現金及銀行結餘

現金及銀行結餘包括手持現金、銀行通知存款及其他短期高流動性投資(原到期日為三個月或以下)。

2.14 股本

普通股分類為權益。發行新股份或期權直接應佔增加成本在權益內列示為所得款項(除稅後)的扣減。

2.15 應付貿易賬項及其他應付賬項

應付貿易賬項為在日常業務過程中向供應商購買商品或服務的付款責任。倘貿易應付賬項及其他應付賬項於一年或以內(或一般業務營運週期內(倘更長))到期，則分類為流動負債，否則有關賬項則列作非流動負債。

應付貿易賬項及其他應付賬項初步按公平值確認，其後以實際利率法按攤銷成本計量。

2.16 當期及遞延所得稅

年內稅項支出包括當期及遞延稅項。稅項乃於綜合利潤表確認，惟與在其他全面收入或直接在權益確認的項目有關者除外。在此情況下，稅項亦分別於其他全面收入或直接在權益確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Current and deferred income tax (Continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company, its subsidiaries and joint venture operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable consolidated income statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities in relation to investment properties that are measured at fair value are determined assuming the properties will be recovered entirely through sale.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要(續)

2.16 當期及遞延所得稅(續)

當期所得稅支出以本公司及其附屬公司及合營企業營運及產生應課稅收入所在國家於結算日已頒佈或實質頒佈的稅法為基準計算。管理層就適用稅務規例須作出詮釋的情況定期評估報稅單，並按預期支付予稅務機關的數額按適用情況計提撥備。

遞延所得稅就資產及負債的稅基與綜合財務報表所示賬面值之間的暫時差額，以負債法確認。然而，倘遞延所得稅項負債乃來自初步確認商譽，而並非業務合併的交易中初步確認資產或負債而產生遞延所得稅，而交易當時並無影響會計處理及應課稅溢利或虧損，則不會將遞延所得稅入賬。遞延所得稅按於結算日已實施或實際實施，以及在變現有關遞延所得稅資產或清償遞延所得稅負債時預期適用之稅率(及法例)而釐定。

以公平值計量的投資物業所產生之遞延所得稅負債乃假設物業可全部售出而釐定。

遞延所得稅資產乃僅於有可能出現未來應課稅溢利可抵銷暫時差額時予以確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Current and deferred income tax (Continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 主要會計政策概要(續)

2.16 當期及遞延所得稅(續)

遞延所得稅就於附屬公司的投資產生的暫時差額作出撥備，惟就遞延所得稅負債而言，倘本集團可以控制暫時差額撥回的時間，而暫時差額在可預見將來很有可能不會撥回則除外。

當有法定可執行權力將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產及負債涉及由同一稅務機關對應課稅實體或不同應課稅實體徵稅但有意向以淨額基準結算結餘時，則可將遞延所得稅資產與負債互相抵銷。

2.17 撥備

在出現以下情況時將確認撥備：本集團因已發生的事件而產生現有的法律或推定責任；可能需要有資源流出以償付責任；及金額可以被可靠估計。概不會就未來營運虧損確認撥備。

如有多項類似責任，則根據整體責任類別考慮須就清償責任流出資源的可能性。即使在同一責任類別所包括的任何一個項目相關的資源流出的可能性不高，仍須確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Provisions (Continued)

Provisions are measured at the present value of management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

Sales of goods are recognised at a point in time when a group entity has delivered products to the customer; the customer has accepted the products and collectability of the related receivables is reasonably assured.

(a) Sales of goods — retail and concessionaire sales

Revenue from sales of goods including retail and concessionaire sales is recognised when control of the products has transferred, which generally coincides with the time when the goods are delivered to customers and title has passed.

2 主要會計政策概要(續)

2.17 撥備(續)

於報告日，撥備按管理層最佳估算償付責任所須開支的現值計算，計算現值之折現率為稅前利率反映貨幣時間價值及責任獨有風險的現時市場評估。因時間過去而導致的撥備增加確認為利息開支。

2.18 收益確認

收益乃根據本集團在一般業務過程中出售之貨品及服務之已收或應收代價之公平值計量。收益經扣除增值稅、退貨、回扣及折扣，以及抵銷集團內部銷售後之淨值列示。

貨品銷售於集團轉移產品至客戶時，客戶接收產品並可合理確保可收回相關應收款項時確認。

(a) 銷售貨品 — 零售及特許銷售

銷售貨品的收益包括零售及特許銷售於貨品的控制權轉移時確認，一般與貨品送交顧客及貨品權轉移是同時進行。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Revenue recognition (Continued)

(b) Sales of goods – internet sales

Revenue from the sale of goods on the internet is recognised at the point that the control of the inventory have passed to the customer, which is the point of dispatch. Transactions are settled by credit or payment card. Provisions are made for internet credit notes based on the expected level of returns, which in turn is based upon the historical rate of returns.

2.19 Leases

As explained in Note 2.2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.2.

Until 28 February 2019, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases (*Note 30*). Payments made under operating leases were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 March 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments).

2 主要會計政策概要(續)

2.18 收益確認(續)

(b) 銷售貨品 – 網上銷售

網上提供貨品銷售的收入於存貨的控制權轉移時(即付運時)確認。交易以信用卡或付款卡進行。撥備乃按預期退貨率(此乃按歷史退貨率得出)就網上信貸票據作出。

2.19 租賃

如上文附註2.2解釋，本集團已變更作為承租人的租賃會計政策。新政策請參見下文所述，而變更之影響請參見附註2.2。

直至二零一九年二月二十八日止，租賃所有權之重要部分風險及回報不會轉移給本集團。因此，物業租賃乃分類為經營租賃(附註30)。根據經營租賃作出之付款(扣除自出租人收取的任何獎勵)以直線法於租期內自損益扣除。

自二零一九年三月一日起，租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認相應負債。

租賃產生的資產及負債初步按現值基準計量。租賃負債包括固定付款(包括實質固定付款)的淨現值。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and any lease payments made at or before the commencement date.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of store premises are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2 主要會計政策概要(續)

2.19 租賃(續)

租賃付款採用租賃所隱含的利率予以折現。倘無法釐定該利率，則使用承租人的新增借款利率，即承租人在類似條款及條件的類似經濟環境中借入獲得類似價值資產所需資金所必須支付的利率。

使用權資產按成本計量，包括租賃負債的初始計量金額及於開始日期或之前所作的任何租賃付款。

使用權資產一般在資產的使用壽命與租賃期兩者孰短的期間內按直線法計提折舊。如本集團合理確定會行使購買權，則在相關的資產的使用壽命期間內對使用權資產計提折舊。

與店舖物業的短期租賃相關的付款以直線法於損益中確認為開支。短期租賃指租期為十二個月或以下的租賃。

本集團作為出租人收到的經營租賃收入在租賃期內按直線法確認為收入。本集團採用了新的租賃準則，各項租賃資產已按其性質包括在資產負債表內，因而無需對作為出租人持有的資產的會計處理做出任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the consolidated income statement.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 8 below. Any other interest income is included in other income.

2.21 Employee benefits

(a) *Employee benefit entitlements*

Salaries, bonuses, annual leave and the cost of other benefits to the Group are accrued in the year in which the associated services are rendered by the employees of the Group.

(b) *Pension obligations*

The Group contributes to a mandatory provident fund scheme which is a defined contribution retirement scheme and available to all Hong Kong employees. Both the Company and the staff are required to contribute 5% of the employees' relevant income with a ceiling of HK\$1,500 per month to the MPF scheme. Staff may elect to contribute more than the minimum as a voluntary contribution. The Group's contributions to this mandatory provident fund scheme are expensed as incurred.

2 主要會計政策概要(續)

2.20 利息收入

按攤銷成本計算的金融資產利息收入，該使用實際利率法計算於綜合損益表確認。

利息收入作為財務收入呈現，其來自為現金管理目的而持有之金融資產。見下文附註8。任何其他利息收入亦包括在其他收入內。

2.21 僱員福利

(a) *僱員福利*

本集團薪金、花紅、年假及其他福利成本於本集團僱員的相關服務年度內計付。

(b) *退休金責任*

本集團須向屬於界定供款退休計劃之強制公積金計劃作出供款，所有香港僱員均可參與。根據強制性公積金計劃，本公司與員工各須按僱員每月相關收入5%作出供款，每月強制性供款上限為港幣1,500元。僱員可選擇繳交高於最低數額作為自願供款。本集團對有關強積金計劃的供款乃於產生時確認費用。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee benefits (Continued)

(b) Pension obligations (Continued)

The Group also contributes to pension schemes established by municipal governments in respect of certain subsidiaries in Mainland China. The municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the Group. Contributions to these schemes are charged to the consolidated income statement as incurred.

The liability or asset recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

2 主要會計政策概要(續)

2.21 僱員福利(續)

(b) 退休金責任(續)

本集團亦就若干中國大陸附屬公司向市政府設立的退休計劃作出供款。市政府承諾會承擔本集團所有現有及日後退休僱員的退休福利責任。向該等計劃作出的供款會於產生時在綜合利潤表內扣除。

資產負債表中就界定供款計劃確認的負債或資產是報告期末的界定供款負債的現值減去計劃資產的公允價值。界定供款責任乃按獨立精算師使用預計的單位信貸方式每年計算得出。

經驗調整和精算假設變更產生的重新計量收益及虧損在其發生期間直接在其他全面收益中確認。並包括在權益變動表和資產負債表的保留溢利中。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Share-based payments

(a) Equity-settled share-based payment transactions

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

2 主要會計政策概要(續)

2.22以股份支付之交易

(a) 以股權結算及以股份支付之交易

本集團設有一項以股權結算以及股份為基礎之薪酬計劃，據此，實體收取來自僱員之服務作為本公司股本工具(購股權)之代價。就僱員提供服務而授出購股權之公允價值確認為支出。將支銷之總額乃參考所授購股權之公允價值釐定：

- 包括任何市場表現條件(例如實體之股價)；
- 不包括任何服務及非市場表現歸屬條件(例如盈利能力、銷售增長目標及僱員在某特定時間於公司留任)產生之影響；及
- 包括任何非歸屬條件之影響(例如員工儲蓄規定)。

於各報告期末，本集團根據非市場表現及服務條件修訂對預期歸屬的購股權數目所作估計，並於綜合損益表確認修訂原有估計產生之影響(如有)，並對權益作出相應調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Share-based payments (Continued)

(a) *Equity-settled share-based payment transactions (Continued)*

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

If the vested equity instruments are later lapsed and are not exercised, the corresponding amount recognised for services received from an employee is transferred from employees' share-based compensation reserve to retained earnings.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, and no longer of the discretion of the Company, where appropriate.

2 主要會計政策概要(續)

2.22以股份支付之交易(續)

(a) *以股權結算及以股份支付之交易(續)*

此外，在某些情況下，職工可能在授出日期之前提供服務，因此授出日期的公允價值就確認服務開始期與授出日期之期間內的開支作出估計。

在期權行使時，本公司發行新股。收取的所得款扣除任何直接歸屬交易成本撥入股本及股份溢價。

若歸屬的股權工具，其後失效及未有被行使，相應收到之僱員服務金額當由僱員股份報酬儲備轉入保留溢利。

2.23股息分派

本公司股東的股息分派於本公司股東或董事(視適用情況而定)批准派付股息之期間內，及股息不再受本公司支配時，在本集團的綜合財務報表及本公司的財務報表確認為負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (included foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out under policies approved by the directors of the Company. The directors provide principles for an overall risk management, as well as policies covering specific areas.

2 主要會計政策概要(續)

2.24政府補助

當能夠合理地保證補助將可收取，而本集團將會符合所有附帶條件時，將政府提供的補助按其公允價值確認入賬。

與成本有關之政府補助遞延入賬，並按擬補償之成本配合其所需期間在利潤表中確認。

3 財務風險管理

3.1 財務風險因素

本集團的業務面對多項財務風險：市場風險(包括外匯風險及利率風險)、信貸風險及流動資金風險。

本集團的整體風險管理專注於市場之不確定預測性，並尋求降低對本財務表現的潛在不利影響。

本公司根據董事批審的政策來實施風險管理。董事提供整體風險管理之原則，該政策及涵蓋特定的範疇。

**3 FINANCIAL RISK MANAGEMENT
(CONTINUED)**

3.1 Financial risk factors (Continued)

(a) *Market risk*

(i) Foreign exchange risk

The Group mainly operates in Hong Kong and Mainland China with most of the transactions settled in HK\$, US\$ and RMB. The Group is exposed to foreign exchange risk arising mainly from the exposure of HK\$ and US\$ against RMB as the majority of the Group's financial assets and liabilities including deposits in banks, trade receivables and trade payables are denominated in HK\$ and US\$.

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and it has not hedged its foreign exchange rate risk.

At 29 February 2020, if HK\$ had strengthened/weakened by 3% against the RMB with all other variables held constant, loss for the year would have been approximately RMB536,000 lower/higher (2019: loss for the year would have been approximately RMB1,422,000 lower/higher) mainly as a result of foreign exchange gains/losses on translation of HK\$ denominated deposits in banks, trade receivables and trade payables.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) *市場風險*

(i) 外匯風險

本集團主要於香港及中國大陸經營業務，大部分交易以港元、美元及人民幣結算。本集團主要面對港元及美元兌人民幣的匯率所產生的外匯風險，由於本集團的財務資產及財務負債包括銀行存款、貿易應收賬項及應付貿易賬項都以港元及美元列值。

本集團透過定期檢討本集團的外匯淨額管理其外匯風險，惟並無對沖其外匯風險。

於二零二零年二月二十九日，倘若港元兌人民幣升值／貶值3%，而所有其他變數維持不變，則年內虧損將減少／增加人民幣536,000元(二零一九年：年內虧損將減少／增加人民幣1,422,000元)，主要因折算以港元列值的銀行存款、貿易應收賬項及應付貿易賬項所產生的匯兌收益／虧損所致。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

At 29 February 2020, if US\$ had strengthened/weakened by 3% against the RMB with all other variables held constant, loss for the year would have been approximately RMB3,739,000 lower/higher (2019: loss for the year would have been approximately RMB6,660,000 lower/higher) mainly as a result of foreign exchange gains/losses on translation of US\$ denominated deposits in banks and trade payables.

The foreign exchange risk arising from the exposure of other foreign currencies is considered to be minimal.

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets and liabilities except for the deposits in banks, details of which have been disclosed in Note 23. The interest rate risk is considered to be insignificant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於二零二零年二月二十九日，倘若美元兌人民幣升值／貶值3%，而所有其他變數維持不變，則年內虧損將減少／增加人民幣3,739,000元(二零一九年：年內虧損將減少／增加人民幣6,660,000元)，主要因折算以美元列值的銀行存款及應付貿易賬項所產生的匯兌收益／虧損所致。

由其他外幣所產生的外匯風險考慮為極少。

(ii) 利率風險

本集團的收入及經營現金流量大體上獨立於市場利率的變動，而除銀行存款詳見附註23所披露外，本集團亦無任何重大計息資產及負債。利率風險被視為並不重大。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk

The carrying amounts of the trade and other receivables (Note 22), pledged bank deposits and cash and bank balances (Note 23) included in the consolidated balance sheet represent the Group's maximum exposure to credit risk in relation to its financial assets.

Sales to retail customers are made in cash or via major credit cards. The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 to 60 days from the invoice date while credit sales are generally on credit terms within 90 days. Normally the Group does not require collaterals from trade debtors. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables has been made.

Substantially all the deposits with banks are held in international financial institutions located in Hong Kong and Mainland China, which management believes are of high credit quality. The Group has a policy to limit the amount of credit exposure to any financial institution and management does not expect any losses arising from non-performance by these counterparties.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

列入綜合資產負債表的貿易應收賬項及其他應收賬項(附註22)，已抵押銀行存款及銀行存款(附註23)為本集團所面臨與財務資產相關的信貸風險上限。

零售客戶的銷售以現金或主要信用卡進行。本集團訂有政策確保僅向信貸紀錄良好的客戶以信貸方式銷售產品，而本集團亦會定期評估客戶的信貸狀況。本集團於百貨商場的特許銷售一般可於發票日起30至60天內收回，而信貸銷售的信貸期一般為90天內。本集團通常不要求貿易債務人提供抵押品。本集團過往收回的貿易應收賬項及其他應收賬項並無超出有關記錄限額，而董事認為已就不可收回的應收賬款作出充足撥備。

大體上所有銀行存款均由管理層認為屬高信貸質素的位於香港及中國大陸的國際金融機構持有。本集團採取政策限制對任何金融機構的信貸風險，而管理層並不預期會出現任何因該等對手方不履行責任而產生的虧損。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivable.

To measure the expected credit losses, trade receivables has been grouped based on the ageing and shared credit risk characteristics.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 29 February 2020 and 28 February 2019, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers on an individual or collective basis, to settle the receivables.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值

就所有貿易應收賬項而言，本集團採用香港財務報告準則第9號所允許之簡化方法計量預期信貸虧損，該信貸虧損以整個存續期作虧損撥備。

為計量預期信貸虧損，貿易應收賬項已根據賬齡和共同信貸風險特徵分組。

預期虧損率基於二零二零年二月二十九日及二零一九年二月二十八日前36個月內銷售的支付情況以及期間發生的相應歷史信貸虧損確定。歷史信貸虧損率已作出調整，以反映影響單獨或集體基礎的客戶支付應收款能力的當前和前瞻性宏觀經濟因素資訊。

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3 FINANCIAL RISK MANAGEMENT
(CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

On that basis, the loss allowance on collective basis as at 29 February 2020 and 28 February 2019 were determined as follows for trade receivables:

							Total
		Current	1-30 days past due	31-60 days past due	61-90 days past due	Over 90 days past due	
		即期	1至30天逾期	31至60天逾期	61至90天逾期	90天以上逾期	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 29 February 2020	於二零二零年二月二十九日						
Expected loss rate	預期虧損率	1.6%	4.2%	11.2%	31.1%	95.0%	
Gross carrying amount	總賬面值						
– trade receivables	– 貿易應收賬項	40,534	7,345	3,340	447	6,592	58,258
Loss allowance	虧損準備	629	308	373	139	6,260	7,709
		Current	1-30 days past due	31-60 days past due	61-90 days past due	Over 90 days past due	Total
		即期	1至30天逾期	31至60天逾期	61至90天逾期	90天以上逾期	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 28 February 2019	於二零一九年二月二十八日						
Expected loss rate	預期虧損率	0.0%	0.0%	0.0%	0.0%	100.0%	
Gross carrying amount	總賬面值						
– trade receivables	– 貿易應收賬項	61,588	6,312	1,999	2,333	5,454	77,686
Loss allowance	虧損準備	-	-	-	-	5,454	5,454

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值(續)

在此基礎上，除已按集體基礎的虧損準備外，於二零二零年二月二十九日及二零一九年二月二十八日，貿易應收賬項虧損準備釐定如下：

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

The loss allowances for trade receivables as at 29 February 2020 and 28 February 2019 reconcile to the opening loss allowances as follows:

		Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初		5,454	980
Write-off as uncollectable	撇銷不可收回金額		-	(980)
Write-back on recovery of bad debts	收回壞賬撥回	7	(332)	-
Increase in loss allowance recognised in the consolidated income statement during the year	年內在綜合損益表中確認的虧損準備增加	7	2,587	5,454
At end of year	年終		7,709	5,454

For other financial assets at amortised cost, management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses which is immaterial.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

金融資產減值(續)

於二零二零年二月二十九日及二零一九年二月二十八日，貿易應收賬項虧損準備與期初虧損準備對賬如下：

就攤銷成本的其他金融資產而言，管理層參考交易對手的歷史違約率及當前財務狀況，自初步確認後認為其信貸風險並未有顯著增加。減值撥備乃根據12個月預期信貸虧損釐定，該預期信貸虧損並不重大。

3 FINANCIAL RISK MANAGEMENT
(CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, which is mainly generated from the operating cash flow, and the availability of funding from an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		Less than 1 year 一年以內 RMB'000 人民幣千元	Between 1 and 2 years 一年至 兩年之間 RMB'000 人民幣千元	Between 2 and 5 years 兩年至 五年之間 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 29 February 2020						
Trade and other payables	應付貿易賬項及 其他應付賬項	66,056	-	-	-	66,056
Lease liabilities	租賃負債	18,654	4,695	7,536	3,381	34,266
		84,710	4,695	7,536	3,381	100,322
As at 28 February 2019						
Trade and other payables	應付貿易賬項及 其他應付賬項	82,359	-	-	-	82,359

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

審慎的流動資金風險管理包括維持充足現金(主要由經營現金流產生),以及透過充裕的已承擔信貸融資以維持可供動用資金。本集團致力維持可動用的已承擔信貸融資,保持資金調配彈性。

下表將本集團的財務負債按由結算日至合約到期日的餘下期間分析為相關到期組別。表內所披露金額為合約未折現現金流。由於折現影響不大,於12個月內到期的結餘相等於其賬面結餘。

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and make adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, obtain new bank borrowings, return capital to shareholders or issue new shares.

The table below analyses the Group's capital structure as at 29 February 2020:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash and cash equivalents	現金及等同現金項目	472,855	555,596
Bank deposits with initial term over three months	期限逾三個月的銀行存款	35,700	35,000
Pledged deposits	已抵押銀行存款	719	665
Net cash position	淨現金	509,274	591,261
Total equity	總權益	961,704	1,186,166
Total capital	總資本	1,470,978	1,777,427

As at 29 February 2020, the Group maintained a net cash position of RMB509,274,000 (2019: RMB591,261,000).

3 財務風險管理(續)

3.2 資本風險管理

本集團管理其資本，以保障本集團有能力持續經營，為股東及其他持份者提供回報及利益，同時維持最佳資本結構以降低資本成本。

本集團管理資本架構，並根據經濟環境變動作出調整。為維持或調整資本結構，本集團或會調整派予股東的股息金額、取得新銀行借款、將資本返還股東或發行新股。

於二零二零年二月二十九日，下表將本集團的資本結構分析如下：

於二零二零年二月二十九日，本集團維持淨現金人民幣509,274,000(二零一九年：人民幣591,261,000)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year are discussed below.

(a) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives of its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimated, and will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Impairment of non-financial assets

The impairment loss for non-financial assets, comprising property, plant and equipment and land use rights, is recognised as the amount by which the carrying amount exceeds its recoverable amount in accordance with the accounting policy stated in Notes 2.7 to 2.8. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use, which are based on the best information available to reflect the amount obtainable at each balance sheet date, from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs to disposal.

4 主要會計估計及判斷

估計及判斷會作持續評估，並根據過往經驗及其他因素(包括預期在當時情況下合理相信將會發生的未來事件)而定。

本集團作出有關未來的估計及假設。顧名思義，所得會計估計鮮有相等於有關實際結果。存在導致資產或負債賬面值於下一個財政年度出現重大調整風險的估計及假設討論如下。

(a) 物業、機器及設備的可使用年期

本集團管理層釐定本集團物業、機器及設備的估計可使用年期。該估計乃根據類似性質及功能的物業、機器及設備過往的實際可使用年期而定。倘可使用年期少於先前估計年期，則管理層將增加折舊支出，並將撇減或撇銷已廢棄或出售的過時技術或非策略性資產。

(b) 非金融資產減值

非金融資產減值虧損，包括物業、機器及設備及土地使用權。根據附註2.7至2.8所載會計政策，若物業、機器及設備的賬面值高於其可收回金額，則確認有關差額為減值虧損。可收回金額為資產公平值減銷售成本與資產使用值兩者中之較高者，乃根據可取得資料以反映知情及自願的各方按公平原則進行交易以出售資產並經扣減出售成本後於各結算日可取得的金額。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Taxes

The Group is subject to various taxes in Hong Kong, Macau and Mainland China. Significant judgement is required in determining the provision for these taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation in the periods in which such estimate is changed.

(d) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on current market conditions and the historical experience of manufacturing and selling products of similar nature. Management reassesses the estimation at each balance sheet date.

4 主要會計估計及判斷(續)

(c) 稅項

本集團須在香港、澳門及中國大陸繳納多種稅項。釐定此等稅項撥備時須作出重大判斷。於日常業務過程中，不少交易及計算的最終稅項計算未能確定。倘此等事項的最終稅項與最初記錄的金額不同，有關差額將影響計算期間的稅項撥備。

當管理層認為可動用暫時差額或稅務虧損以抵銷未來應課稅溢利時，將確認若干暫時差額相關遞延所得稅項資產及稅務虧損。倘預期與原定估計不同，有關差額將影響估計出現變動期內的遞延所得稅項資產及稅項的確認。

(d) 存貨的可變現淨值

存貨的可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售開支。此等估計乃根據目前市況以及製造及銷售同類性質產品的過往經驗。管理層在各個結算日重新評估有關估計。

5 REVENUE AND SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions.

The executive directors review the Group's financial information mainly from a retail and non-retail perspective. For the retail business, the executive directors further assess the performance of operations on a geographical basis (Mainland China, Hong Kong and Macau respectively). The reportable segments are classified in a manner consistent with the information reviewed by the executive directors.

The executive directors assess the performance of the operating segments based on a measure of reportable segment loss. This measurement basis excludes other income (excluding government incentives), other losses, net (excluding gain on early termination of leases), finance income, net, and unallocated expenses.

Segment assets mainly exclude deferred income tax assets and other assets that are managed on a central basis.

Segment liabilities mainly exclude current income tax liabilities, deferred income tax liabilities and other liabilities that are managed on a central basis.

In respect of geographical segment reporting, sales are based on the country in which the customer is located, and total assets and capital expenditure are based on the country where the assets are located.

5 收益及分類資料

管理層基於執行董事所審閱作為制定策略決定依據的報告釐定經營分類。

執行董事主要以零售及非零售觀點來審閱本集團的財務資料。就零售業務而言，執行董事進一步按地理分類(中國大陸、香港及澳門)評估業務表現。可呈報分類按執行董事審閱資料之方式分類。

執行董事根據可呈報分類虧損評估經營分類之表現。該計量基準不包括其他收入(不包括政府補貼)、其他虧損，淨額(不包括提前終止租賃合約收益)、財務收入，淨額、及未分配開支。

分類資產主要不包括遞延所得稅項資產及被集中管理之其他資產。

分類負債主要不包括當期所得稅負債、遞延所得稅項負債及被集中管理之其他負債。

就地區分類報告而言，銷售乃基於客戶所在國家而釐定，總資產及資本支出乃基於資產所在的國家釐定。

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5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(i) The segment information provided to the executive directors for the reportable segments for the year ended 29 February 2020 is as follows:

5 收益及分類資料(續)

(i) 向執行董事提供作為截至二零二零年二月二十九日止年度之可呈報分類之分類資料如下：

		Retail 零售	Others 其他	Total 總額
		Mainland		
		China 中國大陸	HK & Macau 香港及澳門	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue from external customers	外界客戶之收益	705,621	30,766	736,387
Reportable segment loss	可呈報分類虧損	(10,235)	(16,479)	(26,714)
Other income (excluding government incentives)	其他收入(不包括政府補貼)			81
Other losses, net (excluding gain on early termination of leases)	其他虧損, 淨額(不包括提前終止租賃合約收益)			(1,814)
Finance income, net	財務收入, 淨額			6,890
Unallocated expenses	未分配開支			283
Loss before income tax	除所得稅前虧損			(21,274)
Income tax expense	所得稅支出			(9,046)
Loss for the year	年內虧損			(30,320)
Depreciation and amortisation	折舊及攤銷	39,471	10,919	50,390
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	9,182	792	9,974
Impairment loss on right-of-use assets	使用權資產減值虧損	6,339	5,607	11,946
Additions to non-current assets (other than deferred income tax assets)	非流動資產添置(遞延所得稅項資產除外)	32,074	-	32,074

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5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) The segment information provided to the executive directors for the reportable segments for the year ended 28 February 2019 is as follows:

5 收益及分類資料(續)

(ii) 向執行董事提供作為截至二零一九年二月二十八日止年度之可呈報分類之分類資料如下：

		Retail 零售		Others 其他	Total 總額
		Mainland China 中國大陸	HK & Macau 香港及澳門		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue from external customers	外界客戶之收益	850,949	57,835	-	908,784
Reportable segment loss	可呈報分類虧損	(10,551)	(6,891)	-	(17,442)
Other income (excluding government incentives)	其他收入(不包括政府補貼)				78
Other losses, net	其他虧損, 淨額				(7,226)
Finance income, net	財務收入, 淨額				11,508
Unallocated expenses	未分配開支				(357)
Loss before income tax	除所得稅前虧損				(13,439)
Income tax expense	所得稅支出				(13,889)
Loss for the year	年內虧損				(27,328)
Depreciation and amortisation	折舊及攤銷	31,858	1,784	-	33,642
Additions to non-current assets (other than deferred income tax assets)	非流動資產添置(遞延所得稅項資產除外)	23,482	2,586	-	26,068

For the years ended 29 February 2020 and 28 February 2019, revenues from external customers are mainly derived from the Group's own brands, le saunda, le saunda MEN, LINEA ROSA, PITTI DONNA and CNE.

截至二零二零年二月二十九日及二零一九年二月二十八日止年度, 外界客戶之收益主要來自本集團自有品牌le saunda、le saunda MEN、LINEA ROSA、PITTI DONNA及CNE。

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5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(iii) An analysis of the Group's assets and liabilities as at 29 February 2020 by reportable segment is set out below:

5 收益及分類資料(續)

(iii) 於二零二零年二月二十九日，本集團按可呈報分類劃分之資產及負債分析如下：

		Retail 零售		Others 其他	Total 總額
		Mainland China 中國大陸		HK & Macau 香港及澳門	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment assets	分類資產	773,649	240,541	-	1,014,190
Deferred income tax assets	遞延所得稅項資產				55,332
Unallocated assets	未分配資產				36,141
Total assets per consolidated balance sheet	綜合資產負債表之資產總額				1,105,663
Segment liabilities	分類負債	102,275	14,885	-	117,160
Current income tax liabilities	當期所得稅負債				1,502
Deferred income tax liabilities	遞延所得稅項負債				24,757
Unallocated liabilities	未分配負債				540
Total liabilities per consolidated balance sheet	綜合資產負債表之負債總額				143,959

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(iv) An analysis of the Group's assets and liabilities as at 28 February 2019 by reportable segment is set out below:

5 收益及分類資料(續)

(iv) 於二零一九年二月二十八日，本集團按可呈報分類劃分之資產及負債分析如下：

		Retail 零售		Others 其他	Total 總額
		Mainland			
		China 中國大陸	HK & Macau 香港及澳門		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment assets	分類資產	929,287	314,366	145	1,243,798
Deferred income tax assets	遞延所得稅項資產				54,302
Unallocated assets	未分配資產				28,058
Total assets per consolidated balance sheet	綜合資產負債表之資產總額				1,326,158
Segment liabilities	分類負債	99,521	6,005	13	105,539
Current income tax liabilities	當期所得稅負債				5,745
Deferred income tax liabilities	遞延所得稅項負債				27,869
Unallocated liabilities	未分配負債				839
Total liabilities per consolidated balance sheet	綜合資產負債表之負債總額				139,992

5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(v) The analysis of revenue from external customers by geographical segments is as follows:

Revenue	收益	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	705,621	850,949
Hong Kong	香港	27,904	54,550
Macau	澳門	2,862	3,285
Total	總計	736,387	908,784

For the years ended 29 February 2020 and 28 February 2019, there was no transaction with a single external customer that amounted to 10% or more of the Group's revenue.

5 收益及分類資料(續)

(v) 本集團按可呈報分類劃分之來自外界客戶收益如下：

截至二零二零年二月二十九日及二零一九年二月二十八日止年度，並無與單一外界客戶進行金額達本集團收益10%或以上的交易。

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**5 REVENUE AND SEGMENT INFORMATION
 (CONTINUED)**

(vi) An analysis of the non-current assets (other than deferred tax assets) of the Group by geographical segments is as follows:

Non-current assets	非流動資產	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mainland China	中國大陸	92,779	151,262
Hong Kong	香港	5,403	13,937
Macau	澳門	73,181	69,541
Total	總計	171,363	234,740

5 收益及分類資料(續)

(vi) 本集團按可呈報分類劃分之非流動資產(遞延所得稅項資產除外)之分析如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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6 OTHER INCOME AND OTHER LOSSES, NET

6 其他收入及其他虧損，淨額

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Other income	其他收入		
Gross rental income from investment properties	投資物業之租金總收入	81	78
Government incentives	政府補貼	7,508	15,166
		7,589	15,244
Other losses, net	其他虧損，淨額		
Fair value losses on investment properties (Note 15)	投資物業公平值虧損(附註15)	-	(6,909)
Net exchange losses (Note)	匯兌虧損，淨額(附註)	(7,457)	(4,531)
Gain on disposal of property, right-of-use assets/land use right and investment property (Note 24 (b))	出售物業、使用權資產／土地使用權及投資物業收益(附註24(b))	5,643	4,214
Gain on early termination of leases (Note 17)	提前終止租賃合約收益(附註17)	220	-
		(1,594)	(7,226)

Note: Net exchange losses arose from the settlement of transactions denominated in foreign currencies and from the translation at year-end exchange rates of monetary assets and liabilities, including inter-company balances, denominated in foreign currencies.

附註：來自外幣計值交易結算及按年終匯率換算以外幣計值之貨幣資產及負債(包括集團公司間結餘)所產生之匯兌虧損淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EXPENSES BY NATURE

Expenses included in cost of sales, impairment losses on trade receivables, net, selling and distribution expenses, and general and administrative expenses are analysed as follows:

7 按性質分類之開支

計入銷售成本、貿易應收賬項減值虧損、淨額、銷售及分銷開支和一般及行政開支之分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Auditors' remuneration	核數師酬金		
— Audit services	— 核數服務	1,814	1,912
— Non-audit services	— 非核數服務	225	228
Amortisation of land use rights (Note 18)	土地使用權攤銷 (附註18)	—	791
Depreciation of property, plant and equipment (Note 16)	物業、機器及設備折舊 (附註16)	25,348	32,851
Depreciation of right-of-use assets (Note 17)	使用權資產折舊 (附註17)	25,042	—
Loss on write off/disposal of plant and equipment (Note 24(c))	撇銷/出售機器及 設備虧損(附註24(c))	8,869	3,725
Cost of sales	銷售成本	279,912	338,568
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約 租金		
— minimum lease payments	— 最低租金款項	—	52,230
— contingent rents	— 或然租金	—	1,299
Expenses relating to short-term leases and variable lease payments	短期經營租賃開支及 可變租賃付款	117,998	—
Freight charges	運費	7,038	8,841
Postage and express charges	郵遞及速遞費	3,418	3,815
Advertising and promotional expenses	廣告及宣傳開支	21,890	40,536
Concessionaire fees	商場特許銷售費	—	144,903
Employee benefit expenses (including directors' emoluments) (Note 9)	僱員福利開支(包括董事 酬金)(附註9)	247,506	301,325
Impairment losses/(write back of impairment) on inventories	存貨減值虧損/ (減值撥回)	14,114	(409)
Impairment losses on trade receivables, net	貿易應收賬項減值虧損， 淨額	2,255	5,454
Impairment loss on property, plant and equipment (Note 16)	物業、機器及設備減值 虧損(附註16)	9,974	—
Impairment loss on right-of-use assets (Note 17)	使用權資產減值虧損 (附註17)	11,946	—
Direct operating expenses arising from investment properties that generated rental income (Note 15(a))	賺取租金收入之投資物 業所產生之直接經營 開支(附註15(a))	9	10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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8 FINANCE INCOME, NET

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest income on bank deposits	銀行存款之利息收入	5,880	8,308
Interest expense on lease liabilities (Note 17)	租賃負債之利息支出 (附註17)	(1,785)	-
Other finance income	其他財務收入	2,795	3,200
		6,890	11,508

8 財務收入，淨額

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	203,681	251,586
Staff welfare and other benefits	員工福利及其他津貼	15,382	14,590
Pension costs — defined contribution plans (Note)	退休金成本 — 界定供款計劃 (附註)	28,443	35,149
		247,506	301,325

9 僱員福利開支(包括董事酬金)

Note:

Employees of the Group's subsidiaries in Hong Kong participate in a mandatory provident fund scheme ("MPF Scheme") which is a defined contribution scheme. The assets of the MPF scheme are held separately from those of the Group under independently administered funds. Contributions to the schemes by the employers and employees are calculated as a percentage of employees' basic salaries. The Group has no further obligations for the actual payment of post-retirement benefits beyond the contributions.

附註：

本集團於香港的附屬公司的僱員參與界定供款計劃，即強制性公積金計劃(「強積金計劃」)。強積金計劃的資產乃與本集團其他資產分開處理及由獨立基金管理的形式持有。僱主及僱員於強積金計劃的供款，分別以僱員的基本薪金計算。本集團除供款外毋須承擔對其香港僱員退休後福利的責任。

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

Employees of the Group's subsidiaries in Mainland China are required to participate in defined contribution retirement schemes administered and operated by municipal governments. The Group's subsidiaries in Mainland China contribute funds to the retirement schemes to fund the retirement benefits of the employees which are calculated on certain percentages of the average employee salaries as agreed by the municipal governments. Such retirement schemes are responsible for the entire post-retirement benefit obligations payable to the retired employees. The Group has no further obligations for the actual payment of post-retirement benefits beyond the contributions.

Retirement benefit scheme costs amounting to RMB28,443,000 (2019: RMB35,149,000) were paid by the Group during the year. Forfeited contributions totalling RMB606,000 (2019: RMB540,000) were refunded and credited in the employee benefit expenses during the year.

9 僱員福利開支(包括董事酬金)(續)

本集團於中國大陸的附屬公司僱員須參與由市政府管理及營運的界定供款退休金計劃。本集團於中國大陸的附屬公司向退休金計劃供款，以向僱員提供退休福利，有關供款額按市政府釐定的平均僱員薪金的若干百分比計算。該等退休金計劃為應付予退休僱員的全部退休後福利。本集團除供款外，毋須承擔實際支付退休後福利的其他責任。

年內，本集團支付的退休福利計劃成本為人民幣28,443,000元(二零一九年：人民幣35,149,000元)。已退回沒收的供款合共為人民幣606,000元(二零一九年：人民幣540,000元)，並已計入僱員福利開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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10 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

Pursuant to section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information about Benefit of Directors) Regulation (Cap. 622G) and the Listing Rules, the emoluments paid or payable to every director and the chief executive for the year are as follows:

10 董事之福利及權益

(a) 董事及最高行政人員酬金

根據香港《公司條例》(第622章)第383條《公司(披露董事利益資料)規例》(第622G章)及上市規則，就作為董事及最高行政人員(不論是本公司或其附屬公司的董事及最高行政人員)於年內提供的服務，而已收或應收的薪酬如下：

		2020 二零二零年				
Name	姓名	Fees 袍金 RMB'000 人民幣千元	Salary, bonus, other allowances and benefits in kind 薪金、花紅、其他津貼及實物利益 RMB'000 人民幣千元	Employer's contribution to retirement benefit scheme 僱主退休金計劃供款 RMB'000 人民幣千元	Share option benefits (Note) 購股權福利 (附註) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Executive director and chief executive						
Mr. Cheng Wang, Gary (resigned on 16 October 2019)	鄭宏先生 (於二零一九年十月十六日辭任)	-	1,269	10	-	1,279
Executive directors						
Ms. Chui Kwan Ho, Jacky	徐群好女士	-	2,504	16	-	2,520
Ms. Liao Jian Yu	廖健瑜女士	-	1,829	21	-	1,850
Mr. Li Wing Yeung, Peter (appointed on 22 January 2020)	李永揚先生 (於二零二零年一月二十二日獲委任)	-	79	3	-	82
Non-executive directors						
Mr. James Ngai	倪雅各先生	212	-	-	-	212
Mr. Lee Tze Bun, Marces ("Mr. Lee") (resigned on 16 October 2019)	李子彬先生 (「李先生」) (於二零一九年十月十六日辭任)	-	-	-	-	-
Independent non-executive directors						
Mr. Lam Siu Lun, Simon	林兆麟先生	212	-	-	-	212
Mr. Leung Wai Ki, George	梁偉基先生	212	-	-	-	212
Mr. Hui Chi Kwan	許次鈞先生	212	-	-	-	212
		848	5,681	50	-	6,579

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10 BENEFITS AND INTERESTS OF DIRECTORS
(CONTINUED)

(a) Directors' and chief executive's
emoluments (Continued)

Name	姓名	2019 二零一九年					Total 總計 RMB'000 人民幣千元
		Fees 袍金 RMB'000 人民幣千元	Salary, bonus, other allowances and benefits in kind 薪金、花紅、 其他津貼及 實物利益 RMB'000 人民幣千元	Employer's contribution to retirement benefit scheme 僱主退休金 計劃供款 RMB'000 人民幣千元	Share option benefits (Note) 購股權福利 (附註) RMB'000 人民幣千元		
Executive director and chief executive	執行董事及 行政總裁						
Mr. Cheng Wang, Gary	鄭宏先生	-	1,530	15	-	1,545	
Executive directors	執行董事						
Ms. Chui Kwan Ho, Jacky	徐群好女士	-	2,311	15	-	2,326	
Ms. Liao Jian Yu (appointed on 16 March 2018)	廖健瑜女士 (於二零一八年三 月十六日獲委任)	-	1,597	31	-	1,628	
Non-executive directors	非執行董事						
Mr. James Ngai	倪雅各先生	204	-	-	-	204	
Mr. Lee Tze Bun, Marces ("Mr. Lee")	李子彬先生 (「李先生」)	-	-	-	-	-	
Independent non-executive directors	獨立非執行董事						
Mr. Lam Siu Lun, Simon	林兆麟先生	204	-	-	-	204	
Mr. Leung Wai Ki, George	梁偉基先生	204	-	-	-	204	
Mr. Hui Chi Kwan	許次鈞先生	204	-	-	-	204	
		816	5,438	61	-	6,315	

Note:

Share option benefits are non-cash compensation which were determined based on the fair value of share options granted to the relevant directors at the date of grant and recognised over the vesting period (Note 27).

No other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking during the year ended 29 February 2020 (2019: Nil).

附註:

購股權福利為一項非現金補償，乃根據相關董事所獲授購股權於授出日期之公平值釐定，並於歸屬期內確認(附註27)。

截至二零二零年二月二十九日止年度，並無有關董事就管理本公司或其附屬企業事務而提供之其他服務獲支付或應收之酬金(二零一九年：無)。

**10 BENEFITS AND INTERESTS OF DIRECTORS
(CONTINUED)**

(b) Directors' retirement benefits

During the year ended 29 February 2020, no retirement benefits were paid to or receivable by the directors in respect of their services as directors of the Company and its subsidiaries or other services in connection with the management of the affairs of the Company or its subsidiary undertaking through defined benefit pension plans (2019: Nil).

(c) Directors' termination benefits

During the year ended 29 February 2020, no payments or benefits in respect of termination of directors' services were paid or payable, directly or indirectly, to the directors (2019: Nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 29 February 2020, no consideration was provided to or receivable by third parties for making available Directors' services (2019: Nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 29 February 2020, there are no loans, quasi-loans or other dealings in favour of the directors, their controlled body corporates and connected entities (2019: Nil).

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2019: Nil).

10 董事之福利及權益(續)

(b) 董事退休福利

截至二零二零年二月二十九日止年度，並無董事透過界定退休金計劃，就有關其於本公司或附屬公司之服務，或其於本公司或其附屬公司業務的事務管理之其他服務，獲支付或應收之退休福利(二零一九年：無)。

(c) 終止董事服務之補償金

截至二零二零年二月二十九日止年度，並無向董事直接或間接支付關於終止董事服務之款項或補償，也沒有應付款項(二零一九年：無)。

(d) 就董事之就任向第三方提供的報酬

截至二零二零年二月二十九日止年度，並無就董事之就任向第三方支付或應收報酬(二零一九年：無)。

(e) 有關以董事、該等董事之受控法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至二零二零年二月二十九日止年度，概無以董事、該等董事之受控法團及關連實體為受益人之貸款、準貸款及其他交易(二零一九年：無)。

(f) 董事於交易、安排或合約的重大利益

本公司概無訂有本公司董事直接或間接擁有重大利益或於年末或年內任何時間仍然存續，與本公司業務有關的重大交易、安排或合約(二零一九年：無)。

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11 SENIOR MANAGEMENT'S EMOLUMENTS

(a) Five highest paid individuals

The directors' emoluments presented above include the emoluments of 3 (2019: 3) highest paid individuals in the Group. The emoluments of the remaining 2 (2019: 2) highest paid individual during the year ended 29 February 2020 was:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries, bonus, other allowances and benefits in kind	2,193	2,045
Employer's contributions to retirement benefits scheme	32	40
Compensation for loss of office	-	296
	2,225	2,381

Emolument band
薪酬範圍

	Number of individuals 人數	
	2020 二零二零年	2019 二零一九年
RMB500,001 – RMB1,000,000	1	-
RMB1,000,001 – RMB1,500,000	1	2

None of the directors or the five highest paid individuals waived or agreed to waive any emoluments during the year (2019: Nil).

11 高級管理人員酬金

(a) 五名最高薪人士

上文呈列的董事酬金已包括本集團三名(二零一九年:三名)最高薪人士的酬金。已付餘下二名(二零一九年:二名)最高薪人士於截至二零二零年二月二十九日止年度之薪酬為:

年內，各董事或五名最高薪人士均無已放棄或同意放棄任何酬金(二零一九年:無)。

11 SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(b) Senior management's emoluments by band

The senior management's emoluments fell within the following bands:

Emolument band 薪酬範圍		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
Nil – RMB500,000	0元人民幣至 500,000元人民幣	1	3
RMB500,001 – RMB1,000,000	500,001元人民幣至 1,000,000元人民幣	1	1
RMB1,000,001 – RMB1,500,000	1,000,001元人民幣至 1,500,000元人民幣	1	1

11 高級管理人員酬金(續)

(b) 高級管理人員薪酬範圍

高級管理人員之薪酬範圍如下：

12 INCOME TAX EXPENSE

The amount of income tax charged to the consolidated income statement represents:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	–	–
– People's Republic of China ("the PRC") corporate income tax	– 中華人民共和國(「中國」)企業所得稅	13,180	16,839
Deferred income taxation (Note 20)	遞延所得稅項(附註20)	(4,134)	(2,950)
		9,046	13,889

12 所得稅支出

於綜合損益表中扣除之所得稅金額為：

12 INCOME TAX EXPENSE (CONTINUED)

The PRC corporate income tax is provided on the profits of the Group's subsidiaries in the PRC at 25% (2019: 25%).

The applicable rate of Hong Kong profits tax is 16.5% (2019: 16.5%). No provision for Hong Kong profits tax has been made in the financial statements as the Group does not have any assessable profit arising in Hong Kong during the year ended 29 February 2020 and 28 February 2019.

The applicable rate of Macau complementary tax is 12% (2019: 12%). No provision for Macau complementary tax has been made in the financial statement as the Group does not have any assessable profit arising in Macau during each of the two years ended 29 February 2020 and 28 February 2019.

The taxation on the Group's loss before income tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

12 所得稅支出(續)

本集團中國附屬公司溢利乃按25%(二零一九年: 25%)之中國企業所得稅率計稅。

香港利得稅適用稅率為16.5%(二零一九年: 16.5%)。由於本集團於截至二零二零年二月二十九日及二零一九年二月二十八日止年度並無於香港產生任何應課稅盈利, 故財務報表內並無就香港利得稅作出撥備。

澳門所得補充稅適用稅率為12%(二零一九年: 12%)。由於本集團於截至二零二零年二月二十九日及二零一九年二月二十八日止年度並無於澳門產生任何應課稅盈利, 故財務報表內並無就澳門所得補充稅作出撥備。

本集團除所得稅前虧損之稅項與應用適用稅率計算之理論金額之差額如下:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Loss before income tax	除所得稅前之虧損	(21,274)	(13,439)
Tax calculated at domestic tax rates applicable to profits in the respective geographical areas	按各個地區溢利適用的本地稅率計算的稅項	(3,526)	(3,903)
Income not subject to tax	毋須課稅收入	(1,300)	(623)
Expenses not deductible for tax purposes	不可扣稅之支出	10,677	6,991
Tax losses for which no deferred income tax asset was recognised	未確認遞延所得稅項資產之稅項虧損	3,929	8,569
Utilisation of previously unrecognised tax losses	使用先前未確認之稅項虧損	(2,836)	(446)
Withholding tax	預扣稅	2,102	3,301
Income tax expense	所得稅支出	9,046	13,889

12 INCOME TAX EXPENSE (CONTINUED)

There was no tax charge relating to components of other comprehensive income for the year ended 29 February 2020 (2019: Nil).

13 LOSSES PER SHARE

Basic

Basic losses per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

12 所得稅支出(續)

截至二零二零年二月二十九日止年度，並無其他全面收入部分之稅項支出(二零一九年：無)。

13 每股虧損

基本

每股基本虧損乃將本公司權益持有人應佔虧損除以年內已發行普通股之加權平均數計算。

		2020 二零二零年	2019 二零一九年
Loss attributable to owners of the Company (RMB'000)	本公司權益持有人應佔虧損(人民幣千元)	(30,519)	(28,032)
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千計)	705,895	705,895
Basic losses per share (RMB cents)	每股基本虧損(人民幣分)	(4.32)	(3.97)

Diluted

For the years ended 29 February 2020 and 28 February 2019, diluted losses per share equals basic losses per share as there was no dilutive potential shares.

攤薄

截至二零二零年二月二十九日及二零一九年二月二十八日止年度，並無潛在攤薄影響之普通股，每股攤薄虧損相等於每股基本虧損。

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14 DIVIDEND

14 股息

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
No final, proposed, (2019: No final dividend)	無建議末期股息 (二零一九年：無建議末期股息)	-	-
No final special, proposed, (2019: HK35.0 cents per ordinary share)	無建議末期特別股息 (二零一九年：每股普通股35.0港仙)	-	210,428
		-	210,428

At the Board of Directors' meeting held on 25 May 2020, the Directors did not propose a final dividend for the year ended 29 February 2020.

於二零二零年五月二十五日舉行之董事會上，董事會不建議派發截至二零二零年二月二十九日止年度之末期股息。

15 INVESTMENT PROPERTIES

15 投資物業

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	於年初	56,360	128,594
Fair value losses recognised in the consolidated income statement (Note 6)	於綜合損益表確認的公平值虧損(附註6)	-	(6,909)
Transfer to property, plant and equipment	轉至物業、機器及設備	-	(68,989)
Disposal	出售	(54,000)	-
Exchange differences	匯兌差額	-	3,664
At end of year	於年終	2,360	56,360

15 INVESTMENT PROPERTIES (CONTINUED)

Investment properties are stated at the professional valuation made on an open market value basis at 29 February 2020 and 28 February 2019 by an independent professional valuer, Ravia Global Appraisal Advisory Limited. The revaluation losses are included in “other losses, net” in the consolidated income statement.

(a) Amounts recognised in the consolidated income statement for investment properties

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Rental income (Note 6)	租金收入(附註6)	81	78
Direct operating expenses from investment properties that generated rental income (Note 7)	賺取租金收入之投資物業所產生之直接經營開支(附註7)	(9)	(10)
		72	68

As at 29 February 2020, the Group had no unprovided contractual obligations for future repairs and maintenance (2019: Nil).

The Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties through sale. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates and the tax bases that are consistent with the expected manner of recovery of these investment properties (Note 20).

15 投資物業(續)

投資物業乃按獨立專業估值師瑞豐環球評估諮詢有限公司根據二零二零年二月二十九日及二零一九年二月二十八日之公開市值基準所作專業估值列賬。物業重估虧損已計入綜合損益表的「其他虧損，淨額」。

(a) 於綜合損益表確認之投資物業

於二零二零年二月二十九日，本集團沒有未計提的未來維修及保養契約責任(二零一九年：無)。

本集團的投資物業的商業模式旨在通過出售的方式消耗投資物業中大部份的經濟利益。本集團使用與投資物業的預期收回方式一致的稅率和稅基，對與這些投資物業的暫時性差異有關的遞延所得稅進行計量(附註20)。

15 INVESTMENT PROPERTIES (CONTINUED)

(b) Valuation basis

The Group obtains independent valuations for its investment properties at least annually. In the current year, the valuations are performed by Ravia Global Appraisal Advisory Limited, an independent professional qualified valuers. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The directors determine a property's value within a range of reasonable fair value estimates.

At each financial year end the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report;
- Holds discussions with the independent valuer.

The best evidence of fair value is current prices in an active market for similar investment properties. Where such information is not available the directors consider information from a variety of sources including:

- (i) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- (ii) discounted cash flow projections based on reliable estimates of future cash flows; or
- (iii) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

15 投資物業(續)

(b) 估值基準

本集團最少於每年取得投資物業之獨立估值。於本年度，由獨立專業估值師瑞豐環球評估諮詢有限公司進行估值。於每一個報告年度末，董事會考慮最近獨立評估，更新就每個物業的公平值作評估。董事於合理公平值估算範圍內決定物業價值。

於每個財政年度，財務部門：

- 核對於獨立估值報告之所有主要的輸入值；
- 當比較上年度的估值報告時評估物業的估值變動；
- 與獨立評估師進行討論。

公平值的最好證明是按活躍市場相近投資物業的現價。當董事未能取得此等資料會考慮多種來源包括：

- (i) 不同性質物業於活躍市場的現價或相近物業於較不活躍市場的近價，調整去反映此等差異；
- (ii) 根據可靠估計未來現金流之估算折現現金流；或
- (iii) 根據物業的預計淨市場收入，資本化估算收入，資本化的利率乃按市場證明分析。

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15 INVESTMENT PROPERTIES (CONTINUED)

(b) Valuation basis (Continued)

Fair value hierarchy

15 投資物業(續)

(b) 估值基準(續)

公平值等級

		Fair value measurements at 29 February 2020 using 於二零二零年二月二十九日 使用下列公平值計量		
Description	描述	Quoted prices in active markets for identical assets 相同資產之 活躍市場報價 (Level 1) (第一層) RMB'000 人民幣千元	Significant other observable inputs 重要其他 可觀察輸入值 (Level 2) (第二層) RMB'000 人民幣千元	Significant unobservable inputs 重要不可 觀察輸入值 (Level 3) (第三層) RMB'000 人民幣千元
Recurring fair value measurements	經常性公平值計量			
Investment property: The PRC	投資物業： 中國	-	-	2,360

		Fair value measurements at 28 February 2019 using 於二零一九年二月二十八日 使用下列公平值計量		
Description	描述	Quoted prices in active markets for identical assets 相同資產之 活躍市場報價 (Level 1) (第一層) RMB'000 人民幣千元	Significant other observable inputs 重要其他 可觀察輸入值 (Level 2) (第二層) RMB'000 人民幣千元	Significant unobservable inputs 重要不可 觀察輸入值 (Level 3) (第三層) RMB'000 人民幣千元
Recurring fair value measurements	經常性公平值計量			
Investment properties: The PRC	投資物業： 中國	-	-	56,360

15 INVESTMENT PROPERTIES (CONTINUED)

(b) Valuation basis (Continued)

Fair value measurements using significant unobservable inputs (level 3)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

There were no transfers among levels 1, 2 and 3 during the years ended 29 February 2020 and 28 February 2019.

15 投資物業(續)

(b) 估值基準(續)

公平值計量使用重要不可觀察輸入值(第三層)

本集團的政策是事件發生日公平值等級轉出及轉入或情況改變引致更改，才確認有關轉移。

截至二零二零年二月二十九日及二零一九年二月二十八日止年度，沒有第一層，第二層及第三層等級之間的轉移。

		The PRC 中國 RMB'000 人民幣千元	Macau 澳門 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 March 2018	於二零一八年 三月一日	60,600	67,994	128,594
Losses from fair value adjustment	公平值調整之虧損	(4,240)	(2,669)	(6,909)
Transfer to property, plant and equipment	轉至物業、機器 及設備	-	(68,989)	(68,989)
Exchange differences	匯兌差額	-	3,664	3,664
At 28 February 2019	於二零一九年 二月二十八日	56,360	-	56,360
At 1 March 2019	於二零一九年 三月一日	56,360	-	56,360
Disposal	出售	(54,000)	-	(54,000)
Exchange differences	匯兌差額	-	-	-
At 29 February 2020	於二零二零年 二月二十九日	2,360	-	2,360

15 INVESTMENT PROPERTIES (CONTINUED)

(b) Valuation basis (Continued)

Valuation techniques

Fair value measurements using significant unobservable inputs (level 3)

The valuations were determined by using the direct comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square meter.

15 投資物業(續)

(b) 估值基準(續)

估值技術

公平值計量使用重要不可觀察輸入值(第三層)

有關估值乃使用直接比較法釐定。在鄰近地區的可供比較物業之售價會根據物業大小等主要因素之差異作出調整。此估值方法最為重要之輸入數據為每平方米價格。

Description 項目	Fair value at 29 February 2020 (RMB'000) 於二零二零年 二月二十九日的 公平值 (人民幣千元)	Valuation technique 估值方法	Unobservable inputs 觀察不到的 輸入值	Range of unobservable input 觀察不到的 輸入值的範圍	Relationship of unobservable inputs to fair value 觀察不到的輸入值 與公平值的關係
Investment property – retail shop in the PRC 投資物業 – 位於中國零售店	2,360	Direct comparison approach 直接比較法	Comparable's unit selling/asking price 可比項目的 單位售價/開價	RMB16,523 per square meter 每平方米人民幣 16,523元	The higher the unit selling price, the higher the fair value 單位售價愈高，公平值愈 高
Description 項目	Fair value at 28 February 2019 (RMB'000) 於二零一九年 二月二十八日的 公平值 (人民幣千元)	Valuation technique 估值方法	Unobservable inputs 觀察不到的 輸入值	Range of unobservable input 觀察不到的 輸入值的範圍	Relationship of unobservable inputs to fair value 觀察不到的輸入值 與公平值的關係
Investment properties – retail shop in the PRC 投資物業 – 位於中國零售店	2,360	Direct comparison approach 直接比較法	Comparable's unit selling/asking price 可比項目的 單位售價/開價	RMB16,523 per square meter 每平方米人民幣 16,523元	The higher the unit selling price, the higher the fair value 單位售價愈高，公平值愈 高
Investment properties – factory building in the PRC 投資物業 – 位於中國廠房	54,000	Direct comparison approach 直接比較法	Comparable's unit selling/asking price 可比項目的 單位售價/開價	RMB929 per square meter 每平方米人民幣 929元	The higher the unit selling price, the higher the fair value 單位售價愈高，公平值愈 高

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16 PROPERTY, PLANT AND EQUIPMENT

16 物業、機器及設備

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture and fixtures	Motor vehicles	Total
		土地及樓宇	租約物業改善工程	機器及設備	傢俬及裝置	汽車	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 March 2018	於二零一八年三月一日						
Cost	成本	81,915	187,187	105,643	26,967	4,120	405,832
Accumulated depreciation	累積折舊	(43,031)	(159,924)	(86,930)	(18,456)	(3,100)	(311,441)
Net book amount	賬面淨值	38,884	27,263	18,713	8,511	1,020	94,391
Year ended 28 February 2019	截至二零一九年 二月二十八日止年度						
Opening net book amount	年初賬面淨值	38,884	27,263	18,713	8,511	1,020	94,391
Exchange differences	匯兌差額	100	208	-	112	14	434
Additions	添置	-	22,035	403	2,326	1,304	26,068
Transfer from investment properties (Note 15)	轉移投資物業 (附註15)	68,989	-	-	-	-	68,989
Write off/disposal	撇銷/出售	(339)	(2,246)	(702)	(343)	(95)	(3,725)
Depreciation	折舊	(1,942)	(23,411)	(2,598)	(3,849)	(1,051)	(32,851)
Closing net book amount	年終賬面淨值	105,692	23,849	15,816	6,757	1,192	153,306
At 28 February 2019	於二零一九年 二月二十八日						
Cost	成本	151,325	187,744	103,750	26,357	4,199	473,375
Accumulated depreciation	累積折舊	(45,633)	(163,895)	(87,934)	(19,600)	(3,007)	(320,069)
Net book amount	賬面淨值	105,692	23,849	15,816	6,757	1,192	153,306
Year ended 29 February 2020	截至二零二零年 二月二十九日止年度						
Opening net book amount	年初賬面淨值	105,692	23,849	15,816	6,757	1,192	153,306
Exchange differences	匯兌差額	4,314	197	-	101	16	4,628
Additions	添置	-	14,068	1,043	411	851	16,373
Write off/disposal	撇銷/出售	(364)	(2,083)	(7,073)	(1,478)	(374)	(11,372)
Depreciation	折舊	(902)	(19,305)	(2,170)	(2,729)	(242)	(25,348)
Impairment (Note (a) & (b))	減值(附註(a)及(b))	-	(2,358)	(7,616)	-	-	(9,974)
Closing net book amount	年終賬面淨值	108,740	14,368	-	3,062	1,443	127,613
At 29 February 2020	於二零二零年 二月二十九日						
Cost	成本	155,131	189,071	87,162	23,187	3,599	458,150
Accumulated depreciation	累積折舊	(46,391)	(174,703)	(87,162)	(20,125)	(2,156)	(330,537)
Net book amount	賬面淨值	108,740	14,368	-	3,062	1,443	127,613

16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Note:

- (a) Due to the outbreak of COVID-19 epidemic in January 2020 and the related precautionary and control measures taken place, the resumption of production of the factory at Shunde ("Shunde Factory") was delayed after the Chinese New Year. The Group has carried out an impairment assessment of the property, plant and equipment and right-of-use assets of the Shunde Factory. As a result, the carrying amount of the plant and machinery of the Shunde Factory has written down to its recoverable amount and the Group recognised an impairment loss of RMB7,616,000 in general and administrative expenses. The recoverable amount of the assets of the Shunde Factory were determined based on their fair value less cost to sale given all the production of the Shunde Factory were subsequently ceased in May 2020 after a brief resumption of operation (Note 35).
- (b) Certain retail stores with operation for more than one year were making loss during the year and the Group foresees the retail stores' operation will also be affected by the uncertainties that brought by the outbreak of COVID-19 epidemic since late January 2020. The Group regards each individual retail store as a separately identifiable cash-generating unit and carried out impairment assessment for the retail stores which have indicator of impairment. As a result, impairment loss of RMB2,358,000 and RMB11,946,000 against leasehold improvements and right-of-use assets, respectively, were recognised in selling and distribution expenses of the Group. The estimates of the recoverable amounts were based on value-in-use calculations using discounted cash flow projections based on the sales forecast.

17 LEASES

The Group's right-of-use assets and lease liabilities as a lessee mainly arise from lease of various retail shop premises, warehouses and offices with terms of 6 months to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group has recognised right-of-use assets for these leases, except for short term leases, see Note 2.2 to the consolidated financial statements further information.

16 物業、機器及設備(續)

附註：

- (a) 由於二零二零年一月爆發新型冠狀病毒疫情，並採取了相關的預防和控制措施，推遲了順德工廠(「順德工廠」)於春節後的恢復生產。本集團已對順德工廠的物業、機器及設備及使用權資產進行減值評估。因此，順德工廠的機器及設備之賬面值已減低至其可收回金額，本集團並在一般及行政開支中確認了減值虧損人民幣7,616,000元。順德工廠在短暫恢復生產營運後於二零二零年五月停止生產(附註35)，因此，順德工廠之資產的可收回金額是根據其公允價值減去預計的出售費用。
- (b) 若干經營超過一年的零售店舖在本年度產生虧損。本集團預計自二零二零年一月下旬以來，新型冠狀病毒疫情爆發所帶來的不確定性也將影響零售店舖的經營。本集團視每間零售店舖為單獨現金產生單位，並對有減值跡象的零售店舖進行減值評估。因此，本集團在銷售及分銷開支中分別為租約物業改善工程和使用權資產確認了減值虧損人民幣2,358,000元及人民幣11,946,000元。估計可收回金額是基於使用價值計算，其中使用了銷售預測中的折現現金流量預測計算。

17 租賃

作為承租人，本集團之使用權資產及租賃負債，主要來自零售店舖、貨倉及辦公室之不同租賃合約，而租賃合約之年期為6個月至10年。租賃條款按個別基準協商且包含多種不同條款及條件。

除短期租賃外，本集團已確認租賃租約為使用權資產。詳細資訊，請查閱綜合財務報表附註2.2。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 LEASES (CONTINUED)

The consolidated balance sheet shows the following amounts relating to leases:

17 租賃(續)

綜合資產負債表顯示了以下關於租賃的金額：

		As at 29 February 2020	As at 1 March 2019
		於二零二零年 二月二十九日	於二零一九年 三月一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Right-of-use assets	使用權資產		
Land use rights	土地使用權	20,102	20,442
Retail shop premises, warehouses and offices	零售店舖、貨倉及 辦公室	17,867	43,427
		37,969	63,869
		As at 29 February 2020	As at 1 March 2019
		於二零二零年 二月二十九日	於二零一九年 三月一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Lease liabilities	租賃負債		
Current	流動	17,635	21,861
Non-current	非流動	14,724	24,553
		32,359	46,414

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17 LEASES (CONTINUED)

17 租賃(續)

		2020		
		二零二零年		
		Retail shop		
		premises,		
		warehouse		
		and office		
		零售店舖、		
		貨倉及辦公室		
Land use		RMB'000	RMB'000	Total
rights		RMB'000	RMB'000	RMB'000
土地使用權		人民幣千元	人民幣千元	總計
RMB'000		人民幣千元	人民幣千元	人民幣千元
Right-of-use assets	使用權資產			
Opening right-of-use assets as at 1 March 2019 (Note 2.2(iv))	於二零一九年三月一日之期初使用權資產 (附註2.2(iv))	20,442	43,427	63,869
Additions	添置	-	15,701	15,701
Depreciation charge (Note 7)	折舊費用(附註7)	(806)	(24,236)	(25,042)
Disposal	出售	(507)	-	(507)
Early termination of leases	提前終止租賃合約	-	(5,079)	(5,079)
Impairment (Note 16(b))	減值(附註16(b))	-	(11,946)	(11,946)
Currency translation difference	匯兌差額	973	-	973
Right-of-use assets as at 29 February 2020	於二零二零年二月二十九日之使用權資產	20,102	17,867	37,969

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

17 LEASES (CONTINUED)

17 租賃(續)

		2020 二零二零年 RMB'000 人民幣千元
Lease liabilities	租賃負債	
Opening lease liabilities as at 1 March 2019 (Note 2.2(iv))	於二零一九年三月一日之 期初租賃負債(附註2.2(iv))	46,414
Additions	添置	15,435
Repayment of lease liabilities	償還租賃負債	(25,976)
Interest for lease liabilities (Note 8)	租賃利息(附註8)	1,785
Early termination of leases	提前終止租賃合約	(5,299)
Lease liabilities as at 29 February 2020	於二零二零年二月二十九日 之租賃負債	32,359

As at 29 February 2020, the total future lease payments for short-term leases and low value leases amounted to RMB8,047,000.

於二零二零年二月二十九日，短期租賃及低價值租賃的未來租賃付款總額為人民幣8,047,000元。

18 LAND USE RIGHTS

18 土地使用權

		2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初	21,239
Amortisation	攤銷	(791)
Disposals	出售	(956)
Exchange differences	匯兌差額	950
At end of year	年終	20,442

From 1 March 2019, land use rights are included in right-of-use assets (Note 17) upon the adoption of HKFRS16. Please refer to Note 2.2 to the consolidated financial statements for details about the change in accounting policy.

自二零一九年三月一日起，採用香港財務報告準則第16號後，土地使用權已包括在使用權資產內(附註17)。有關變更會計政策之詳情，請參閱綜合財務報表附註2.2。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

19 SUBSIDIARIES

The following is a list of the principal subsidiaries of the Group at 29 February 2020 which, in the opinion of the directors, principally affect the results or form a substantial portion of the net assets of the Group:

19 附屬公司

董事認為於二零二零年二月二十九日對本集團業績有重大影響或構成本集團淨資產的主要部分的主要附屬公司如下：

Name of entity 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人類別	Particular of issued share capital and debt securities 已發行股本及債務證券	Principal activities/ place of operation 主業業務/ 營業地點	2020 and 2019 Interest held 二零二零年及 二零一九年所持權益
Blooming On Limited 榮世有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Property holding/ the PRC 持有物業/ 中國	100%
Brightly Investment Limited 輝滿投資有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Property holding/ the PRC 持有物業/ 中國	100%
Grandmark Holdings Limited 昌徽集團有限公司	Hong Kong, limited liability company 香港， 有限責任公司	1 ordinary share of HK\$1 each 1股每股面值1港元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
Great Sino Enterprises Limited 慶華企業有限公司	Hong Kong, limited liability company 香港， 有限責任公司	10,000 ordinary shares of HK\$1 each 10,000股每股面值1港元 普通股	Provision of management services and investment holding/ Hong Kong 提供管理服務及 投資控股/ 香港	100%
Le Saunda (B.V.I.) Limited (Note (a)) (附註(a))	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	31,500 ordinary shares of US\$1 each 31,500股每股面值1美元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
Le Saunda Calcado, Limitada	Macau, limited liability company 澳門， 有限責任公司	MOP200,000 200,000澳門元	Retailing of shoes/ Macau 皮鞋零售/ 澳門	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人類別	Particular of issued share capital and debt securities 已發行股本及債務證券	Principal activities/ place of operation 主業業務/ 營業地點	2020 and 2019 Interest held 二零二零年及二零一九年所持權益
Le Saunda China Investment Limited 萊爾斯丹中國投資有限公司	Hong Kong, limited liability company 香港， 有限責任公司	100 ordinary shares of HK\$1 each 100股每股面值1港元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
Le Saunda Licensing Limited 利信達商標有限公司*	Bahamas, limited liability company 巴哈馬群島， 有限責任公司	5,000 ordinary shares of US\$1 each 5,000股每股面值1美元 普通股	Holding and licensing of trade-marks and names/ Hong Kong 持有及授出特許經營商標及商號名稱/ 香港	100%
Le Saunda Management Limited 萊爾斯丹管理有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Provision of management services/ Hong Kong 提供管理服務/ 香港	100%
Le Saunda Real Estate Limited 萊爾斯丹地產有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
L.S. Retailing Limited 萊爾斯丹零售有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1,000 each plus 20,000 non-voting deferred shares of HK\$1,000 each 2股每股面值1,000港元 普通股加20,000股每股面值1,000港元無投票權遞延股份	Retailing of shoes/ Hong Kong 皮鞋零售/ 香港	100%

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綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人類別	Particular of issued share capital and debt securities 已發行股本及債務證券	Principal activities/ place of operation 主業業務/ 營業地點	2020 and 2019 Interest held 二零二零年及 二零一九年所持權益
Maioir Limited 藝恒信製鞋廠有限公司	Hong Kong, limited liability company 香港， 有限責任公司	1,000 ordinary shares of HK\$2,000 each 1,000股每股面值2,000 港元 普通股	Trading of shoes and investment holding/ Hong Kong 皮鞋貿易及投資控股/ 香港	100%
Master Benefit Limited 置信有限公司	Hong Kong, limited liability company 香港， 有限責任公司	3,000,000 ordinary shares of HK\$1 each 3,000,000股每股面值 1港元普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
Super Billion Properties Limited 瑞億置業有限公司	Hong Kong, limited liability company 香港， 有限責任公司	100 ordinary shares of HK\$1 each 100股每股面值1港元 普通股	Property holding/ Hong Kong 持有物業/ 中國	100%
Trend Door Company Limited 億才有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
Trend Light Trading Company Limited 高達貿易有限公司	Hong Kong, limited liability company 香港， 有限責任公司	2 ordinary shares of HK\$1 each 2股每股面值1港元 普通股	Investment holding/ Hong Kong 投資控股/ 香港	100%
昶信貿易(天津)有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$100,000 100,000美元	Wholesales and trading of shoes/ the PRC 皮鞋批發及貿易/ 中國	100%
利信達商業(中國)有限公司	The PRC, limited liability company 中國， 有限責任公司	HK\$53,000,000 53,000,000港元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	100%

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綜合財務報表附註

19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人類別	Particular of issued share capital and debt securities 已發行股本及債務證券	Principal activities/ place of operation 主業業務/ 營業地點	2020 and 2019 Interest held 二零二零年及二零一九年所持權益
利信達貿易(深圳)有限公司	The PRC, limited liability company 中國， 有限責任公司	HK\$10,000,000 10,000,000港元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	100%
億才商業(上海)有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$6,500,000 6,500,000美元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	100%
灝信達商業(北京)有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$2,200,000 2,200,000美元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	100%
祖盈貿易(天津)有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$800,000 800,000美元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	100%
信蝶商業(杭州)有限公司	The PRC, limited liability company 中國， 有限責任公司	RMB27,000,000 人民幣27,000,000元	Retailing of shoes/ the PRC 皮鞋零售/ 中國	66.67%
佛山市順德區利信達鞋業有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$3,800,000 3,800,000美元	Manufacturing and trading of shoes/ the PRC 皮鞋製造及貿易/ 中國	100%
佛山市順德區盈達鞋業有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$1,050,000 1,050,000美元	Manufacturing and trading of shoes/ the PRC 皮鞋製造及貿易/ 中國	100%

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19 SUBSIDIARIES (CONTINUED)

19 附屬公司(續)

Name of entity 附屬公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法人類別	Particular of issued share capital and debt securities 已發行股本及債務證券	Principal activities/ place of operation 主業業務/ 營業地點	2020 and 2019 Interest held 二零二零年及 二零一九年所持權益
佛山市順德區盈毅鞋業有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$1,500,000 1,500,000美元	Manufacturing and trading of shoes/ the PRC 皮鞋製造及貿易/ 中國	100%
佛山市高明區盈信達鞋業有限公司	The PRC, limited liability company 中國， 有限責任公司	RMB55,000,000 人民幣55,000,000元	Property holding/ the PRC 持有物業/ 中國	100%
佛山市順德區雙強房地產開發有限公司	The PRC, limited liability company 中國， 有限責任公司	US\$200,000 200,000美元	Inactive/ the PRC 沒有經營活動/ 中國	100%

Note:

- (a) Le Saunda (B.V.I.) Limited is held directly by the Company. All other subsidiaries are held indirectly.

附註：

- (a) Le Saunda (B.V.I.) Limited由本公司直接持有，而所有其他附屬公司均為間接持有。

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 DEFERRED INCOME TAXATION

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off the tax assets against the tax liabilities and when the deferred income taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deferred income tax assets	遞延所得稅項資產	55,332	54,302
Deferred income tax liabilities	遞延所得稅項負債	(24,757)	(27,869)
		30,575	26,433

Deferred income taxation is calculated in full on temporary differences under the liability method using the tax rates enacted or substantively enacted by the balance sheet date.

20 遞延所得稅項

當有法定權利可將遞延所得稅項資產與遞延所得稅項負債抵銷，而遞延所得稅涉及同一稅務機關，則可將遞延所得稅項資產與負債相抵銷。下列在綜合資產負債表內列賬的金額已計入適當的抵銷：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deferred income tax assets	遞延所得稅項資產	55,332	54,302
Deferred income tax liabilities	遞延所得稅項負債	(24,757)	(27,869)
		30,575	26,433

遞延所得稅項採用負債法就短暫時差於結算日已釐定或大致釐定的稅率計算。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	於年初	26,433	23,452
Credited to consolidated income statement (Note 12)	計入綜合損益表 (附註12)	4,134	2,950
Exchange realignment	匯率調整	8	31
At end of year	於年終	30,575	26,433

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

20 DEFERRED INCOME TAXATION (CONTINUED)

The movement on deferred income tax assets and liabilities are as follows:

20 遞延所得稅項(續)

遞延所得稅項資產及負債的變動如下：

	Unrealised profits on inventories		Tax losses		Revaluation of investment properties		Withholding tax on dividend for undistributed profits (Note a)		Others		Total	
	未變現庫存溢利		稅務虧損		投資物業重估		未分派溢利的股息預扣稅		其他		總計	
	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year (Charged)/credited to consolidated income statement	46,247	47,127	4,753	5,150	(9,717)	(10,656)	(18,152)	(19,430)	3,302	1,261	26,433	23,452
Exchange realignment	(3,681)	(1,171)	-	(622)	1,937	1,491	1,748	1,278	4,130	1,974	4,134	2,950
	381	291	256	225	(573)	(552)	-	-	(56)	67	8	31
At end of year	42,947	46,247	5,009	4,753	(8,353)	(9,717)	(16,404)	(18,152)	7,376	3,302	30,575	26,433

Note:

- (a) Pursuant to the Detailed Implementation Regulations for implementation of the Corporate Income Tax Law issued on 6 December 2007, withholding income tax of 10% shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. All dividends coming from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax. The Group did not accrue withholding income tax for a portion of the earnings of RMB300,650,000 (2019: RMB300,650,000) of its PRC subsidiaries because the Group does not have a plan to distribute these earnings from its PRC subsidiaries.

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. As at 29 February 2020, the Group had unrecognised tax losses of approximately RMB121,577,000 (2019: RMB121,935,000) to be carried forward against future taxable income.

附註：

- (a) 根據於二零零七年十二月六日頒佈的企業所得稅法實施條例，自二零零八年一月一日起，將對在中國成立的公司向其海外投資者宣派的股息徵收10%的預扣稅。倘中國與外國投資者所在司法權區訂有稅項條約，則可能適用較低預扣稅稅率。於二零零八年一月一日後來自中國公司所產生利潤的所有股息均須繳納預扣稅。由於本集團無計劃分派其國內附屬公司之部分盈利而未有計提之預扣所得稅之盈利為人民幣300,650,000元(二零一九年：人民幣300,650,000元)。

倘相關稅項利益有可能透過未來應課稅溢利變現，稅項虧損結轉將確認為遞延稅項資產。於二零二零年二月二十九日，本集團有未確認稅項虧損約人民幣121,577,000元(二零一九年：人民幣121,935,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

20 DEFERRED INCOME TAXATION (CONTINUED)

The expiry of unrecognised tax losses are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Tax losses without expiry date	無到期日之稅項虧損	100,687	96,837
Tax losses expiring in 5 years	五年內屆滿之稅項虧損	20,890	25,098
		121,577	121,935

20 遞延所得稅項(續)

未確認稅項虧損之到期日如下：

21 INVENTORIES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Raw materials	原材料	12,193	18,610
Work in progress	半製成品	7,831	11,055
Finished goods	製成品	290,098	317,246
		310,122	346,911
Less: Provision for impairment of inventories	減：存貨減值撥備	(37,029)	(21,467)
		273,093	325,444

21 存貨

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

22 TRADE RECEIVABLES, OTHER RECEIVABLES, AND DEPOSITS AND PREPAYMENTS

22 貿易應收賬項及其他應收賬項及按金及預付款項

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade receivables	貿易應收賬項	58,258	77,686
Less: loss allowance	減：虧損準備	(7,709)	(5,454)
		50,549	72,232
Other receivables	其他應收賬項	2,980	2,708
		53,529	74,940
Deposits	按金	13,149	18,735
Prepayments	預付款項	4,212	4,158
Value added tax receivables	應收增值稅項	29,132	27,210
		100,022	125,043
Presented as non-current assets	呈列為非流動資產	3,421	4,632
Presented as current assets	呈列為流動資產	96,601	120,411
		100,022	125,043

The Group's concessionaire sales through department stores are generally collectible within 30 to 60 days. The carrying amounts of trade and other receivables approximate their fair values. There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

本集團於百貨商場之特許銷售款項一般可於發票日起30至60天內收回。貿易應收賬項及其他應收賬項之賬面值與其公平值相若。由於本集團客戶眾多，故貿易應收賬項並無信貸風險集中情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 TRADE RECEIVABLES, OTHER RECEIVABLES, AND DEPOSITS AND PREPAYMENTS (CONTINUED)

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

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current to 30 days	即期至30天	39,905	61,588
31 to 60 days	31天至60天	7,037	6,312
61 to 90 days	61天至90天	2,967	1,999
Over 90 days	超過90天	640	2,333
		50,549	72,232

Trade receivables are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	50,502	72,083
HK\$	港元	44	146
MOP	澳門元	3	3
		50,549	72,232

22 貿易應收賬項及其他應收賬項及按金及預付款項(續)

報告期末，減值後之貿易應收賬項之賬齡按發票日期分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current to 30 days	即期至30天	39,905	61,588
31 to 60 days	31天至60天	7,037	6,312
61 to 90 days	61天至90天	2,967	1,999
Over 90 days	超過90天	640	2,333
		50,549	72,232

貿易應收賬項以下列貨幣列賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	50,502	72,083
HK\$	港元	44	146
MOP	澳門元	3	3
		50,549	72,232

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

22 TRADE RECEIVABLES, OTHER RECEIVABLES, AND DEPOSITS AND PREPAYMENTS (CONTINUED)

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The loss allowance recognised as at 29 February 2020 is RMB7,709,000 (2019: RMB5,454,000). Information about the impairment of trade receivables and group's exposure to credit risk and foreign currency risk can be found in note 3.1(b) to the consolidated financial statements.

22 貿易應收賬項及其他應收賬項及按金及預付款項(續)

本集團採用香港財務報告準則第9號之簡化方法計量預期信貸虧損，使用所有貿易應收賬項以整個存續期作預期虧損準備。於二零二零年二月二十九日，確認了虧損準備人民幣7,709,000(二零一九年：人民幣5,454,000)。關於貿易應收賬項之資訊及本集團之信貸風險及外匯風險，請查閱綜合財務報表附註3.1(b)。

23 CASH AND BANK BALANCES AND PLEDGED BANK DEPOSIT

23 現金及銀行結餘及已抵押銀行存款

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash at bank and on hand	銀行現金及手持現金	325,164	280,924
Bank deposits with initial term no more than three months (<i>Note (a)</i>)	期限少於三個月的 銀行存款(附註(a))	147,691	274,672
Bank deposits with initial term over three months (<i>Note (b)</i>)	期限逾三個月的 銀行存款(附註(b))	35,700	35,000
Cash and bank balances	現金及銀行結餘	508,555	590,596
Pledged bank deposit	已抵押銀行存款	719	665
		509,274	591,261
Less: Term deposits with initial term over three months (<i>Note (b)</i>)	減：期限逾三個月的 定期存款(附註(b))	(35,700)	(35,000)
Pledged bank deposit (<i>Note (c)</i>)	已抵押銀行存款 (附註(c))	(719)	(665)
Cash and cash equivalents	現金及等同現金項目	472,855	555,596

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 CASH AND BANK BALANCES AND PLEDGED BANK DEPOSIT (CONTINUED)

The cash and bank balances are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	364,120	318,039
US\$	美元	124,705	223,232
HK\$	港元	17,829	47,298
Other currencies	其他貨幣	2,620	2,692
		509,274	591,261

Note:

- (a) The effective interest rate on short-term bank deposits and term deposits was 1.91% (2019: 1.95%) per annum; these deposits have a maturity ranging from 29 to 91 days (2019: 7 to 90 days).
- (b) The effective interest rate on bank deposits with initial term over three months was 1.92% (2019: 1.88%) per annum; these deposits have a maturity ranging from 182 to 183 days (2019: 181 to 182 days).
- (c) Bank deposit of RMB719,000 (2019: RMB665,000) has been pledged as rental deposits for a subsidiary of the Company.

The effective interest rate on pledged bank deposit was 1.94% per annum (2019: 2.30%).

- (d) The Group's cash and bank balances denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.
- (e) The carrying amounts of cash and bank balances approximate their fair values.

23 現金及銀行結餘及已抵押銀行存款(續)

現金及銀行結餘以下列貨幣列賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	364,120	318,039
US\$	美元	124,705	223,232
HK\$	港元	17,829	47,298
Other currencies	其他貨幣	2,620	2,692
		509,274	591,261

附註：

- (a) 短期銀行存款及定期存款的實際利率為每年1.91% (二零一九年：1.95%)；該等存款到期日介乎29至91日 (二零一九年：7至90日)。
- (b) 期限逾三個月的定期存款的實際利率為每年1.92% (二零一九年：1.88%)；該等存款到期日介乎182至183日 (二零一九年：181至182日)。
- (c) 銀行存款人民幣719,000元 (二零一九年：人民幣665,000元) 已抵押作本公司的一間附屬公司的租賃按金。

有抵押銀行存款的實際利率為每年1.94% (二零一九年：2.30%)。

- (d) 本集團以人民幣為單位的現金及銀行結餘乃儲存於中國的銀行。兌換該等以人民幣為單位的結存為外幣及匯出中國境外時須遵守中國政府頒佈的外匯管制規則及規例。
- (e) 該等現金及銀行結餘之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

24 NOTES TO CONSOLIDATED CASH FLOW STATEMENTS

24 綜合現金流量表附註

(a) Reconciliation of loss before income tax to net cash generated from operations:

(a) 除所得稅前虧損與經營業務產生之現金淨額對賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cash flow from operating activities	經營業務活動之現金流量		
Loss before income tax	除所得稅前虧損	(21,274)	(13,439)
Adjustments for:	調整：		
Exchange difference	匯兌差額	7,457	4,531
Fair value losses on investment properties	投資物業的公平值虧損	-	6,909
Depreciation of property, plant and equipment	物業、機器及設備折舊	25,348	32,851
Depreciation of right-of-use assets	使用權資產折舊	25,042	-
Loss on write off/disposal of plant and equipment	撇銷／出售機器及設備虧損	8,869	3,725
Gain on early termination of lease payments	提前終止租賃合約付款收益	(220)	-
Gain on disposal of property, right-of-use assets/land use right and investment property	出售物業、使用權資產／土地使用權及投資物業收益	(5,643)	(4,214)
Amortisation of land use rights	土地使用權攤銷	-	791
Impairment losses on trade receivables, net	貿易應收賬項減值虧損，淨額	2,255	5,454
Impairment losses/(write back of impairment) on inventories	存貨減值虧損／(減值撥回)	14,114	(409)
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	9,974	-
Impairment loss on right-of-use assets	使用權資產減值虧損	11,946	-
Finance income, net	淨財務收入，淨額	(6,890)	(11,508)
		70,978	24,691
Changes in working capital:	營運資金變動：		
— Inventories	— 存貨	39,007	7,265
— Trade and other receivables	— 貿易應收賬項及其他應收賬項	19,198	30,857
— Deposits and prepayments	— 按金及預付款項	3,878	5,883
— Trade payables and other payables	— 應付貿易賬項及其他應付賬項	(31,924)	(20,759)
Net cash generated from operations	經營業務產生之現金淨額	101,137	47,937

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 NOTES TO CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

(b) Reconciliation of disposal of property, right-of-use assets/land use right and investment property:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proceeds from disposal	出售款項	70,500	6,000
Net book amount of investment property	投資物業賬面淨值	(54,000)	-
Net book amount of property, plant and equipment	物業、機器及設備賬面淨值	(364)	(339)
Net book amount of right-of-use assets (2019: land use right)	使用權資產賬面淨值 (二零一九：土地 使用權)	(507)	(956)
Land appreciation tax expenses and other relevant tax expenses	土地增值稅項及 其他相關稅項 expenses	(9,986)	(525)
Exchange differences	匯兌差額	-	34
Gain on disposal of property, right-of-use assets/land use right and investment property	出售物業、使用權 資產／土地使用權 及投資物業收益	5,643	4,214

(c) Reconciliation of write off/disposal of plant and equipment:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proceeds from disposal	出售款項	2,139	-
Net book amount	賬面淨值	(11,008)	(3,725)
Loss on write off/disposal of plant and equipment	撇銷／出售機器及 設備虧損	(8,869)	(3,725)

24 綜合現金流量表附註(續)

(b) 出售物業、使用權資產／土地使用權及投資物業對賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proceeds from disposal	出售款項	70,500	6,000
Net book amount of investment property	投資物業賬面淨值	(54,000)	-
Net book amount of property, plant and equipment	物業、機器及設備賬面淨值	(364)	(339)
Net book amount of right-of-use assets (2019: land use right)	使用權資產賬面淨值 (二零一九：土地 使用權)	(507)	(956)
Land appreciation tax expenses and other relevant tax expenses	土地增值稅項及 其他相關稅項 expenses	(9,986)	(525)
Exchange differences	匯兌差額	-	34
Gain on disposal of property, right-of-use assets/land use right and investment property	出售物業、使用權 資產／土地使用權 及投資物業收益	5,643	4,214

(c) 撇銷／出售機器及設備對賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Proceeds from disposal	出售款項	2,139	-
Net book amount	賬面淨值	(11,008)	(3,725)
Loss on write off/disposal of plant and equipment	撇銷／出售機器及 設備虧損	(8,869)	(3,725)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

25 TRADE PAYABLES, OTHER PAYABLES AND CONTRACT LIABILITIES

25 應付貿易賬項、其他應付賬項及合約負債

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade payables	應付貿易賬項	11,435	19,203
Other payables	其他應付賬項	55,564	65,762
Value added tax payables	應付增值稅項	9,785	11,598
Contract liabilities (Note)	合約負債(附註)	8,557	9,815
		85,341	106,378

The credit periods granted by suppliers are generally ranged from 7 to 60 days. The ageing analysis of the trade creditors at the end of reporting period, based on invoice date is as follows:

供應商提供之信貸期一般為7至60天。報告期末，應付貿易款項之賬齡按發票日期分析如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current to 30 days	即期至30天	7,993	9,637
31 to 60 days	31天至60天	2,110	5,706
61 to 90 days	61天至90天	449	1,909
91 to 120 days	91天至120天	367	803
Over 120 days	超過120天	516	1,148
		11,435	19,203

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

25 TRADE PAYABLES, OTHER PAYABLES AND CONTRACT LIABILITIES (CONTINUED)

The carrying amounts of trade payables approximate their fair values and are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	11,349	17,441
US\$	美元	75	1,224
EUR	歐元	6	499
HK\$	港元	5	39
		11,435	19,203

Note:

The following table shows the amount of the revenue recognised in the current reporting period relates to contract liabilities balance at the beginning of the year.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	年初合約負債餘額已計入收益確認內	3,116	N/A 不適用

25 應付貿易賬項、其他應付賬項及合約負債(續)

應付貿易賬項賬面值與公平值相若，並以下列貨幣列賬：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	11,349	17,441
US\$	美元	75	1,224
EUR	歐元	6	499
HK\$	港元	5	39
		11,435	19,203

附註：

下表顯示了在本報告期確認的收入金額與於年初相關合約負債的餘額。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	年初合約負債餘額已計入收益確認內	3,116	N/A 不適用

26 SHARE CAPITAL

		26 股本			
		2020 二零二零年		2019 二零一九年	
		Number of ordinary shares	Share capital HK\$'000	Number of ordinary shares	Share capital HK\$'000
		普通股數目	股本 千港元	普通股數目	股本 千港元
Ordinary shares of HK\$0.10	普通股0.10港元				
Authorised:	法定股本：				
At the beginning of year and at the end of year	年初及年末	1,000,000,000	100,000	1,000,000,000	100,000
		2020 二零二零年		2019 二零一九年	
		Number of ordinary shares	Share capital RMB'000	Number of ordinary shares	Share capital RMB'000
		普通股數目	股本 人民幣千元	普通股數目	股本 人民幣千元
Issued and fully paid:	已發行及繳足股本：				
At the beginning of year and at the end of year	年初及年末	705,895,060	59,979	705,895,060	59,979

27 SHARE OPTIONS

At a special general meeting of the Company held on 22 July 2002, the shareholders of the Company approved the adoption of the share option scheme (the "Scheme"), pursuant to which the directors may grant options to eligible persons (as defined under the Scheme) to subscribe for shares in the Company in accordance with the terms of the Scheme. The number of shares in respect of which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company as at the date of shareholders' approval. The aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share options schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

27 購股權

本公司於二零零二年七月二十二日舉行的股東特別大會上，本公司股東批准及採納購股權計劃（「計劃」）；據此，董事可向合資格人士（定義見計劃）授予購股權，該等人士可根據計劃條款認購本公司股份。計劃可授予的購股權所涉股份數目不得超過股東批准當日本公司已發行股本的10%。因行使計劃或本公司任何其他購股權計劃全部已授予但尚未行使購股權而發行的股份總數，不得超過本公司不時已發行股本的30%。

27 SHARE OPTIONS (CONTINUED)

Each share option under the Scheme entitles the holder to subscribe for one share of HK\$0.10 each in the Company at a price, which is to be determined by the Board of Directors provided always that it shall be at least the higher of: (i) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange for the date of offer of grant (which is deemed to be the date of grant if the offer for the grant of an option is accepted by the eligible person), which must be a business day; and (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of grant.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2020 二零二零年		2019 二零一九年	
		Average exercise price per share 每股平均 行使價 (HK\$) 港元	Number of share options 購股權數目 (thousands) 千份	Average exercise price per share 每股平均 行使價 (HK\$) 港元	Number of share options 購股權數目 (thousands) 千份
At beginning of year	年初	2.185	1,625	2.899	3,260
Lapsed	已失效	-	-	2.185	(535)
Lapsed	已失效	-	-	4.300	(1,100)
At end of year	年終	2.185	1,625	2.185	1,625

The Group has no legal or constructive obligation to repurchase or settle the options in cash. For the year ended 28 February 2019, 535,000 shares at an adjusted exercise price of HK\$2.185, and 1,100,000 shares at an adjusted exercise price of HK\$4.300 were lapsed.

27 購股權(續)

計劃下的每份購股權賦予持有人權利，按由董事會釐定的價格認購一股本公司每股面值0.10港元的股份，惟規定該價格須不少於：(i) 授予日期(合資格人士接納購股權當日視為授予日期，且必須為營業日)當日股份在聯交所每日報價表所示的收市價，及(ii) 授予購股權當日前五個營業日股份在聯交所每日報價表的平均收市價兩者的較高者。

尚未行使的購股權數目及其相關加權平均行使價變動如下：

本集團並無法律或推定責任以現金購回或清償購股權。截至二零一九年二月二十八日止年度，每股調整行使價為2.185港元之535,000份購股權及每股調整行使價為4.300港元之1,100,000份購股權已失效。

27 SHARE OPTIONS (CONTINUED)

27 購股權(續)

		(Adjusted) Exercise price per share (調整) 每股行使價 (HK\$) 港元	Number of share options as at 29 February 2020 二零二零年 二月二十九日 購股權數目 (thousands) 千份	(Adjusted) Exercise price per share (調整) 每股行使價 (HK\$) 港元	Number of share options as at 28 February 2019 二零一九年 二月二十八日 購股權數目 (thousands) 千份
Expiry date at: 9 July 2022 (Note (a))	到期日: 二零二二年七月九日 (附註(a))	2.185	1,625	2.185	1,625

Note:

- (a) Become exercisable from a range of dates between 10 July 2014 and 10 July 2016 and expiring on the 10th anniversary from date of grants of 10 July 2012.

For the year ended 29 February 2020, no amount was recognised and included in “employee benefit expenses” (2019: Nil).

28 RETIREMENT BENEFIT OBLIGATIONS

The Group operates a defined benefit pension plan in Hong Kong based on employee pensionable remuneration and length of service.

The amounts, included in trade and other payables (Note 25), recognised in the balance sheet are determined as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Present value of defined benefit obligations	界定福利責任現值	123	154
Liability in the consolidated balance sheet	於綜合資產負債表的負債	123	154

附註:

- (a) 可於由二零一四年七月十日起至二零一六年七月十日期間予以行使，並於授出日期二零一二年七月十日起計滿10周年之日屆滿無效。

截至二零二零年二月二十九日止年度，並無購股權獲確認，並已計入「僱員福利開支」內(二零一九年：無)。

28 退休福利責任

本集團根據僱員退休薪酬及服務年期於香港推行界定福利退休金計劃。

已確認於資產負債表的其他應付賬項(附註25)的金額如下:

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**28 RETIREMENT BENEFIT OBLIGATIONS
 (CONTINUED)**

The movement in the present value of defined benefit obligations over the year is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初	154	232
Interest cost	利息	1	3
Current service cost	現服務成本	4	5
Payment	支付	(67)	(622)
Actuarial losses	精算虧損	23	524
Exchange difference	匯兌差額	8	12
At end of year	年終	123	154

The amounts recognised in the consolidated income statement are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest cost included in staff costs	計入員工成本之利息	1	3

28 退休福利責任(續)

年內，界定福利責任現值的變動如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At beginning of year	年初	154	232
Interest cost	利息	1	3
Current service cost	現服務成本	4	5
Payment	支付	(67)	(622)
Actuarial losses	精算虧損	23	524
Exchange difference	匯兌差額	8	12
At end of year	年終	123	154

於綜合損益表確認的金額如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest cost included in staff costs	計入員工成本之利息	1	3

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28 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The principal actuarial assumptions used were as follows:

28 退休福利責任(續)

主要的精算假設應用如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Discount rate	折現率	0.93%	1.78%
Future salary increase rate	未來薪酬增加比率	3.00%	4.70%

29 RESERVES

29 儲備

		Share premium	Capital redemption reserve	Exchange translation reserve	Statutory reserves	Contributed surplus (Note (a))	Retained earnings	Capital reserve	Revaluation reserve	Employee Share-based compensation reserve	Other reserve	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 March 2019	於二零一九年三月一日	88,982	145	(40,691)	47,145	217,546	766,512	4,812	11,070	20,101	115	1,115,737
Initial application of HKFRS16	首次應用香港財務報告準則第十六號	-	-	-	-	-	(2,987)	-	-	-	-	(2,987)
Restated at 1 March 2019	於二零一九年三月一日經重列	88,982	145	(40,691)	47,145	217,546	763,525	4,812	11,070	20,101	115	1,112,750
Comprehensive income	全面收入	-	-	-	-	-	(30,519)	-	-	-	-	(30,519)
Loss for the year	年內虧損	-	-	-	-	-	(30,519)	-	-	-	-	(30,519)
Other comprehensive income	其他全面收入	-	-	23,714	-	-	-	-	-	-	-	23,714
Currency translation differences	匯兌差額	-	-	23,714	-	-	-	-	-	-	-	23,714
Retirement benefit obligation	退休福利責任	-	-	-	-	-	-	-	-	-	(23)	(23)
Transfer of gain on disposal of investment property at fair value	轉移投資物業公平值出售收益	-	-	-	-	-	11,070	-	(11,070)	-	-	-
Transaction with owners	與擁有人之交易	-	-	-	-	-	-	-	-	-	-	-
Share option scheme	購股權計劃	-	-	-	-	-	-	-	-	-	-	-
- share option lapsed	- 購股權失效	-	-	-	-	-	-	-	-	-	-	-
Dividends	股息	-	-	-	-	(214,470)	-	-	-	-	-	(214,470)
At 29 February 2020	於二零二零年二月二十九日	88,982	145	(16,977)	47,145	3,076	744,076	4,812	-	20,101	92	891,452
Representing:	代表：	-	-	-	-	-	-	-	-	-	-	-
2020 proposed dividend	二零二零年建議股息	-	-	-	-	-	-	-	-	-	-	-
Others	其他	-	-	-	-	-	-	-	-	-	-	891,452
		-	-	-	-	-	-	-	-	-	-	891,452

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29 RESERVES (CONTINUED)

29 儲備(續)

		Share premium	Capital redemption reserve	Exchange translation reserve	Statutory reserves	Contributed surplus (Note (a))	Retained earnings	Capital reserve	Revaluation reserve	Employee Share-based compensation reserve	Other reserve	Total
		股份溢價	資本贖回儲備	外匯換算儲備	法定儲備	繳入盈餘 (附註(a))	保留溢利	資本儲備	重估儲備	僱員股份報酬儲備	其他儲備	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 March 2018	於二零一八年三月一日	88,982	145	(60,609)	47,145	265,522	792,069	4,812	11,070	22,576	639	1,172,351
Comprehensive income	全面收入											
Loss for the year	年內虧損	-	-	-	-	-	(28,032)	-	-	-	-	(28,032)
Other comprehensive income	其他全面收入											
Currency translation differences	匯兌差額	-	-	19,918	-	-	-	-	-	-	-	19,918
Retirement benefit obligation	退休福利責任	-	-	-	-	-	-	-	-	-	(524)	(524)
Transaction with owners	與擁有人之交易											
Share option scheme	購股權計劃											
- share option lapsed	- 購股權失效	-	-	-	-	-	2,475	-	-	(2,475)	-	-
Dividends	股息	-	-	-	-	(47,976)	-	-	-	-	-	(47,976)
At 28 February 2019	於二零一九年二月二十八日	88,982	145	(40,691)	47,145	217,546	766,512	4,812	11,070	20,101	115	1,115,737
Representing:	代表:											
2019 proposed dividend	二零一九年建議股息											210,428
Others	其他											905,309
												1,115,737

Note:

(a) Statutory reserves represent enterprise expansion and general reserve funds set up by subsidiaries established and operated in the PRC. As stipulated by regulation in the PRC, the subsidiaries are required to appropriate to statutory reserves an amount of not less than 5% or 10% of the amount of profit after income tax of respective the PRC subsidiaries, calculated based on the PRC accounting standards. Should the accumulated total of the statutory reserves reach 50% of the registered capital of the PRC subsidiaries, the subsidiaries will not be required to make any further appropriation. Pursuant to relevant the PRC regulations, the general reserve fund may be used to make up losses or to increase the capital of the corresponding subsidiaries whilst the enterprise expansion fund may be used to expand the corresponding subsidiaries' production operations or to increase the capital of the corresponding subsidiaries.

附註:

(a) 法定儲備指於中國成立及經營的附屬公司所建立的企業拓展及一般儲備基金。按中國規定所訂定，附屬公司須向法定儲備供款，金額不少於按中國會計準則計算各中國附屬公司的除所得稅後溢利的5%或10%。倘法定儲備累積總額達中國附屬公司註冊股本的50%，附屬公司將無須再作出供款。根據有關中國規定，一般儲備基金可用作填補虧損或增加相關附屬公司的資本，而企業拓展基金則可用作擴充各附屬公司的生產業務或增加相關附屬公司的資本。

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30 COMMITMENTS

(a) Capital commitments

Contracted but not provided for, in respect of — purchase of property, plant and equipment

已訂約但未撥備的資本承擔 — 有關購買物業、機器及設備

30 承擔

(a) 資本承擔

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
	656	704

(b) Commitments under operating leases

(i) The Group, as lessee, had future aggregate minimum lease payments under non-cancellable operating leases.

From 1 March 2019, the Group has recognised right-of-use assets for these leases, except for short-term, see Note 2.2 and Note 17 to the consolidated financial statements for further information.

(b) 經營租約承擔

(i) 本集團根據不可撤銷經營租約須支付的未來最低租金總額如下。

自二零一九年三月一日起，除短期租賃外，本集團已確認租賃租約為使用權資產。詳細資訊，請查閱綜合財務報表附註2.2及附註17。

		2019 二零一九年 RMB'000 人民幣千元
Land and buildings:	土地及樓宇：	
Not later than one year	少於一年	43,179
Later than one year and not later than five years	超過一年但不超過五年	24,476
Over five years	超過五年	2,080
		69,735

The above operating lease commitments include commitments for fixed rent only. Rentals payable in some cases may include an additional rent, calculated according to gross revenue which is in excess of the fixed rent.

上述經營租約承擔僅包括固定租金承擔。在若干情況下，應付租金除固定租金外，尚有按總收入計算的附加租金。

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30 COMMITMENTS (CONTINUED)

(b) Commitments under operating leases (Continued)

- (ii) The Group, as lessor, had future aggregate minimum rental receivables under non-cancellable operating leases as follows:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Land and buildings: 土地及樓宇:		
Not later than one year 少於一年	87	81
Later than one year and not later than five years 超過一年但不超過五年	40	127
	127	208

30 承擔(續)

(b) 經營租約承擔(續)

- (ii) 本集團根據不可撤銷經營租約須收取的未來最低租金總額如下:

31 FINANCIAL INSTRUMENTS BY CATEGORY

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<i>Financial assets at amortised cost</i> 金融資產按攤銷成本列賬		
Trade and other receivables 貿易應收賬項及其他應收賬項	53,529	74,940
Deposits 按金	13,149	18,735
Pledged bank deposits 已抵押銀行存款	719	665
Cash and bank balances 現金及銀行結餘	508,555	590,596
	575,952	684,936
<i>Financial liabilities at amortised cost</i> 金融負債按攤銷成本列賬		
Trade and other payables 應付貿易賬項及其他應付賬項	66,056	82,359
Lease liabilities 租賃負債	32,359	-
	98,415	82,359

31 財務工具分類

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32 BANKING FACILITIES AND GUARANTEES

The banking facilities made available to subsidiaries of the Group are as follows:

		2020 二零二零年		2019 二零一九年	
		Available facilities 可用額度 RMB'000 人民幣千元	Facilities utilised 已動用額度 RMB'000 人民幣千元	Available facilities 可用額度 RMB'000 人民幣千元	Facilities utilised 已動用額度 RMB'000 人民幣千元
Banking facilities granted to subsidiaries of the Group	向本集團附屬公司授出的銀行融資額度	135,851	780	171,000	2,421

As at 29 February 2020, RMB86,000 (2019: RMB1,764,000) and RMB694,000 (2019: RMB657,000) of the facilities were utilised for commercial letters of credit and bank guarantee respectively.

32 銀行融資及擔保

可供本集團附屬公司動用的銀行融資額度如下：

於二零二零年二月二十九日，已分別動用人民幣86,000元(二零一九年：人民幣1,764,000元)及人民幣694,000元(二零一九年：人民幣657,000元)的融資額度為商業信用狀及銀行擔保。

33 RELATED PARTY TRANSACTIONS

(a) Related parties

As at 29 February 2020, Stable Gain Holdings Limited held 31.94% (2019: 31.94%) equity interest in the Company as the single largest shareholder.

33 有關連人士的交易

(a) 有關連人士

於二零二零年二月二十九日，Stable Gain Holdings Limited持有本公司31.94%(二零一九年：31.94%)的股本權益，為單一最大股東。

**33 RELATED PARTY TRANSACTIONS
(CONTINUED)**

(b) Transactions with related parties

Significant transactions with related parties and companies, which were carried out in the normal course of the Group's business, are summarised as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Rental expenses charged by:	已付的租金開支：		
— a related party (Note (i))	— 一位有關連人士 (附註(i))	-	1,166

(i) During the year ended 28 February 2019, the Group rented a shop located in Macau from Mr. Lee, a substantial shareholder and non-executive director of the Company, as a retail outlet in Macau.

(c) Key management compensation

The directors are considered key management of the Group.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	6,529	6,254
Employer's contributions to retirement scheme	僱主退休金計劃供款	50	61
		6,579	6,315

33 有關連人士的交易(續)

(b) 與有關連人士的交易

與有關連人士及公司進行的主要交易乃於本集團日常業務中進行，現概述如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Rental expenses charged by:	已付的租金開支：		
— a related party (Note (i))	— 一位有關連人士 (附註(i))	-	1,166

(i) 截至二零一九年二月二十八日止年度，本集團向本公司主要股東兼非執行董事李先生租用一間位於澳門的店舖作為澳門的零售門市。

(c) 主要管理層酬金

董事視為本集團之主要管理層。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	6,529	6,254
Employer's contributions to retirement scheme	僱主退休金計劃供款	50	61
		6,579	6,315

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34 BALANCE SHEET AND RESERVE OF THE COMPANY

(a) Balance sheet of the Company

ASSETS	資產
Non-current assets	非流動資產
Interests in subsidiaries	於附屬公司之權益
Current assets	流動資產
Other receivables	其他應收賬項
Cash and bank balances	現金及銀行結餘
Total assets	總資產
EQUITY	權益
Capital and reserves attributable to the owners of the Company	本公司權益持有人應佔股本及儲備
Share capital	股本
Reserves	儲備
Total equity	總權益
LIABILITIES	負債
Current liabilities	流動負債
Accruals	應計費用
Total liabilities	總負債
Total equity and liabilities	權益及負債總值

34 本公司資產負債表及儲備

(a) 本公司資產負債表

Note 附註	As at 29 February 2020 於二零二零年 二月二十九日 RMB'000 人民幣千元	As at 28 February 2019 於二零一九年 二月二十八日 RMB'000 人民幣千元
	418,290	393,873
	226	215
	2,030	1,716
	2,256	1,931
	420,546	395,804
	59,979	59,979
(b)	359,577	334,954
	419,556	394,933
	990	871
	990	871
	420,546	395,804

The balance sheet of the Company was approved by the Board of director on 25 May 2020 and was signed on its behalf.

本公司之資產負債表已於二零二零年五月二十五日獲董事會批准，並由下列人士代表簽署。

James Ngai
倪雅各
Chairman
主席

Chui Kwan Ho, Jacky
徐群好
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

34 BALANCE SHEET AND RESERVE OF THE COMPANY (CONTINUED)

(b) Reserve movement of the Company

34 本公司資產負債表及儲備(續)

(b) 本公司儲備變動

		Share premium	Capital redemption reserve	Exchange translation reserve	Contributed surplus	Retained earnings	Employee share-based compensation reserve	Total
		股份溢價	資本贖回儲備	外匯換算儲備	繳入盈餘	保留溢利	僱員股份報酬儲備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 March 2019	於二零一九年三月一日	88,982	145	(30,475)	226,319	29,882	20,101	334,954
Comprehensive income	全面收入							
Profit for the year	年內溢利	-	-	-	-	239,093	-	239,093
Transactions with owners	與擁有人之交易							
Share option scheme	購股權計劃							
- share option lapsed	- 購股權失效	-	-	-	-	-	-	-
Dividends	股息	-	-	-	(214,470)	-	-	(214,470)
At 29 February 2020	於二零二零年二月二十九日	88,982	145	(30,475)	11,849	268,975	20,101	359,577
Representing:	代表:							
2020 proposed dividend	二零二零年建議股息							-
Others	其他							359,577
								359,577
At 1 March 2018	於二零一八年三月一日	88,982	145	(30,475)	274,295	26,475	22,576	381,998
Comprehensive income	全面收入							
Profit for the year	年內溢利	-	-	-	-	932	-	932
Transactions with owners	與擁有人之交易							
Share option scheme	購股權計劃							
- share option lapsed	- 購股權失效	-	-	-	-	2,475	(2,475)	-
Dividends	股息	-	-	-	(47,976)	-	-	(47,976)
At 28 February 2019	於二零一九年二月二十八日	88,982	145	(30,475)	226,319	29,882	20,101	334,954
Representing:	代表:							
2019 proposed dividend	二零一九年建議股息							210,428
Others	其他							124,526
								334,954

35 EVENTS OCCURRING AFTER THE REPORTING DATE

After the year end date, the Group decided to cease its footwear production (the “Cessation”) in the Shunde Factory. Since May 2020, the Group has outsourced all its footwear production to external subcontractors in order to improve the Group’s inventory management and costs control. As a result of the Cessation, one-off redundancy costs of approximately RMB36 millions would be incurred, of which RMB29 millions were booked in the first quarter of financial year 2020/21. The redundancy costs were calculated based on the applicable local labour laws and regulations. After the Cessation, certain area within the Shunde Factory continues to be used as warehouse and office of various departments.

35 報告日後事項

於年結日後，本集團決定停止在順德工廠生產其鞋履產品（「停止生產」）。自二零二零年五月起，本集團將其所有鞋類生產外判給第三方工廠，以便集團改善庫存管理及成本控制。因停止生產，將產生一次性終止僱員合同的賠償約人民幣36,000,000元，其中人民幣29,000,000元在二零二零／二一財政年度第一季度入賬。此終止僱員合同賠償是根據當地適用的勞動法律及法規計算得出。停止生產後，順德工廠若干地方繼續用作倉庫及個別部門的辦公室。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

RESULTS OF THE GROUP

本集團之業績

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Revenue	收益	736,387	908,784	1,130,560	1,365,545	1,621,414
Operating (loss)/profit	經營(虧損)/溢利	(28,164)	(24,947)	85,530	124,088	169,492
Finance income, net	財務收入·淨額	6,890	11,508	8,239	4,006	8,858
Share of profit of a Joint Venture	所佔合營企業溢利	-	-	74	423	376
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(21,274)	(13,439)	93,843	128,517	178,726
Income tax expense	所得稅支出	(9,046)	(13,889)	(33,600)	(52,113)	(54,999)
(Loss)/profit for the years	年內(虧損)/溢利	(30,320)	(27,328)	60,243	76,404	123,727
(Loss)/profit attributable to:	應佔(虧損)/溢利:					
– owners of the Company	– 本公司權益持有人	(30,519)	(28,032)	59,676	74,977	122,073
– non-controlling interest	– 非控股權益	199	704	567	1,427	1,654
		(30,320)	(27,328)	60,243	76,404	123,727

ASSETS AND LIABILITIES OF THE GROUP

本集團之資產及負債

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Investment properties, property, plant and equipment and land use rights	投資物業、物業、機器及設備及土地使用權	129,973	230,108	244,224	258,683	264,757
Right-of-use assets	使用權資產	37,969	-	-	-	-
Interest in Joint Venture	於合營企業之權益	-	-	-	35,156	34,733
Long-term deposits and prepayments	長期按金及預付款項	3,421	4,632	5,898	7,105	8,961
Interest in and amount due from an available-for-sale financial assets	於可供出售財務資產之權益及應收款項	-	-	-	-	-
Deferred income tax assets	遞延所得稅項資產	55,332	54,302	53,538	55,283	69,813
Net current assets	流動資產淨值	774,490	924,993	969,207	998,622	978,632
		1,001,185	1,214,035	1,272,867	1,354,849	1,356,896
Total equity	總權益	961,704	1,186,166	1,242,781	1,320,455	1,312,521
Deferred income tax liabilities	遞延所得稅項負債	24,757	27,869	30,086	34,394	44,375
Lease liabilities	租賃負債	14,724	-	-	-	-
		1,001,185	1,214,035	1,272,867	1,354,849	1,356,896

INVESTMENT PROPERTY 投資物業

Location 地點	Type 類別	Tenure 佔用性質
Shop Nos. 5 & 6, 215-217 Qi Sha Road, Block 1, Hao Jing Hua Yuan, West District, Shi Qi Zhen, Zhongshan, Guangdong Province, People's Republic of China 中華人民共和國 廣東省中山市 西區岐沙路215-217號 豪景花園一幢5及6號舖	Shop 商舖	Medium lease 中期租約





le saunda holdings ltd.
萊爾斯丹控股有限公司



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