



CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED

中港照相器材集團有限公司

(Stock Code 股份代號 : 1123)



2019/20

Annual Report 年度業績報告



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The Group has established over half a century, and has been confronted with the rapid development of technology, the fierce market competition and the uncertainty of the business environment. We are aware of the importance of corporate culture in the sustainable development and management of the Group as well as its indispensable guiding role. The management hopes to reshape the spirit of the entire corporate culture by establishing the corporate vision, mission and core values that can correspond to each other with the development of the Group, in order to support its long-term development.

集團成立跨越半世紀，面對科技日新月異的發展，市場激烈的競爭及營商環境的不確定性，我們意識到企業文化在集團持續發展及經營管理上的重要性，並擔當著不可缺少的導向作用。管理層希望透過建立與集團發展能夠互相呼應的企業願景、使命及核心價值去重塑整個企業文化精神，以配合其長遠的發展。

VISION 願景

To make where we
operate a better place

將我們長久以來
經營的環境變得
更加美好

MISSION 使命

To enhance the quality
of life of our customers
by providing quality
products and services

透過提供優質的
產品和服務去提升我們
顧客的生活質素

CORE VALUES

核心價值



Customer-centric 以顧客為中心

Other than being customer-centric and serving customers with excellent service standards, employees should also handle inter-departmental tasks in an efficient and positive manner.

除了以客為本，以超卓的服務標準服務客人外，同事們亦應以高效率及積極正面的態度處理部門間之工作往來。



Curious to Learn 追求學習好奇心

With the rapid development of the society today, we expect employees to keep up with the pace of change. The Group not only encourages employees to propose innovative working solutions to enhance competitiveness and create new values for themselves as well as the Group, but also focuses on professional knowledge training for employees and their personal potential development.

現今社會發展一日千里，期望同事們與時共進。集團除鼓勵同事提出創新工作方案，為自己及集團增強競爭力及創造新價值外，亦著重員工專業知識培訓及個人潛能發展。



Open-minded 思想開明

The Group encourages employees to have innovative thinking, take in more information and equip themselves, think outside the box and not get restricted by previous successes, in order to create more possibilities for the Group.

集團鼓勵同事發揮創新思維、多接受新資訊及裝備自己，突破盲點不被以往成功經驗框住，為集團創造更多可能性。



Collaborative 團隊合作精神

The success of an enterprise requires all employees to work together and make use of their strengths. Cooperation between departments and close interactions between employees are particularly important. The Group also actively promotes a harmonious and cooperative team spirit, guiding each employee to maximise their capacities in their teams.

企業的成功需全體同事上下一心發揮所長。部門間的合作及同事間的緊密互動尤其重要。集團亦積極推動和諧合作的團隊精神，助每位同事在其團隊中發揮最大功用。



Accountable 責任心

Employees should be responsible and have self-discipline for their job positions, perform their duties in a positive and earnest manner, work their best to endeavour for good results, in order to boost the continuous growth of the business of the Group and strive for excellence.

同事對所屬工作崗位需要負責及自律，以積極認真的態度履行職責，將自己的工作做到最好並爭取佳績，使集團業務不斷壯大，精益求精。



Honest with Open Communications 坦誠溝通

The Group is committed to building a corporate culture with barrier-free communication and mutual respect. The Group not only encourages employees to communicate, but also listens to their useful suggestions or opinions, hoping employees can understand and listen to each other with an open mind.

集團致力建構一個溝通無阻，並且互相尊重的企業文化。集團不單鼓勵同事溝通，亦樂於聆聽同事有用的建議或意見，盼望同事們互相理解並虛心聆聽。



Sustainable 可持續發展性

We will continue to create value together with the Group's shareholders, employees, customers and the social environment, and strive to create high-quality products and services to implement the corporate social responsibility spirit.

不論對集團股東、員工、顧客及至社會環境等持續地共同創造價值，致力創造優質的產品和服務，貫徹企業社會責任精神。

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Corporate Profile

公司概況

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

The Group has a long-established business partnership with FUJIFILM Japan, operating as the sole authorised distributor of FUJIFILM photography products in Hong Kong and Macau since 1968 and ASTALIFT skincare products in Hong Kong since 2010. The Group also operates retail businesses in Hong Kong, providing photofinishing and imaging solutions and products through its Fotomax retail chain and selling consumer electronics products and household electrical appliances under its AV Life, Life Digital and Wai Ming Electrical brand names. The Group further leverages its expertise in audio and visual (AV) products by delivering professional products to wholesalers and providing professional AV advisory and custom design and installation services to customers. In August 2015, the Group acquired a 49% stake in the Hong Kong operations of kikki.K, an international retail chain that sells premium Scandinavian-designed stationery, gifts and homeware products. Since July 2019, the Group has taken a new role providing imaging operations at Hong Kong Disneyland Resort with a view to bringing in new business in a field where it has great expertise. All these moves further enable us to provide customers with high-quality products and services suited to modern urban lifestyles.

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

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

集團與日本FUJIFILM為長久的業務夥伴，自1968年以來一直作為FUJIFILM攝影產品於香港及澳門的唯一認可經銷商經營，自2010年以來亦為其ASTALIFT護膚產品於香港的唯一認可經銷商。集團亦於香港經營零售業務，通過其快圖美零售連鎖店提供沖印及影像解決方案和產品，並以AV Life生活影音、Life Digital生活數碼及偉明電業品牌銷售消費電子產品及家用電器。集團進一步利用其於影音產品方面的專業知識，向批發商提供專業產品，並為顧客提供專業的影音顧問及訂製、設計及安裝服務。於2015年8月，集團收購kikki.K於香港業務49%的股權，kikki.K是一間銷售優質北歐設計文具、禮品及家居用品的國際零售連鎖店。自2019年7月，集團於香港迪士尼樂園渡假區擔當新角色提供影像業務，為在其專業知識豐富的領域帶來新業務。這一切進一步使我們能夠為客戶提供適合現代都市生活方式的優質產品及服務。

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

Five Years Financial Summary

五年財務摘要

Consolidated statement of financial position as at 31 March

於3月31日的綜合財務狀況表

		2020	2019	2018	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	38,582	77,192	81,712	68,325	74,717
Investment properties	投資物業	225,436	235,580	227,235	194,240	190,785
Right-of-use assets	使用權資產	101,507	–	–	–	–
Other non-current assets	其他非流動資產	12,528	13,815	12,867	13,745	12,870
		378,053	326,587	321,814	276,310	278,372
Current assets	流動資產					
Inventories	存貨	169,508	198,549	192,301	154,343	158,002
Contract assets, trade receivables, prepayments, deposits and other receivables	合約資產、貿易應收賬項、預付款項、按金及其他應收賬項	78,255	109,283	79,641	80,510	98,639
Amount due from an associate	應收一間聯營公司款項	–	–	29,105	21,825	10,169
Cash and bank balances	現金及銀行結餘	197,314	198,178	219,486	241,180	260,701
Other current assets	其他流動資產	232	–	10	618	765
		445,309	506,010	520,543	498,476	528,276
Current liabilities	流動負債	147,449	155,454	121,756	99,625	107,314
Net current assets	流動資產淨值	297,860	350,556	398,787	398,851	420,962
Total assets less current liabilities	資產總額減流動負債	675,913	677,143	720,601	675,161	699,334
Non-current liabilities	非流動負債	67,382	34,985	29,156	26,408	29,961
Equity attributable to owners of the Company	本公司擁有人應佔權益	607,073	640,423	690,309	646,900	668,309
Non-controlling interests	非控制性權益	1,458	1,735	1,136	1,853	1,064
Net assets/Total equity	資產淨值/權益總額	608,531	642,158	691,445	648,753	669,373

Consolidated Income Statement for the years ended 31 March

截至3月31日止年度的綜合收益表

		2020	2019	2018	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue	收益	880,298	959,045	929,839	852,510	886,668
(Loss)/profit before income tax	除所得稅前(虧損)/利潤	(36,054)	(44,122)	44,546	(19,095)	(65,846)
Income tax credit/(expense)	所得稅抵免/(開支)	4,335	(2,239)	(5,399)	448	(3,018)
Non-controlling interests	非控制性權益	2,626	(330)	(941)	(789)	(1,616)
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/利潤	(29,093)	(46,691)	38,206	(19,436)	(70,480)
Dividends	股息	–	–	–	–	–
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	(2.45)	(3.94)	3.22	(1.64)	(5.95)
		%	%	%	%	%
Debt to equity ratio	債務與資本比率	–	–	–	–	–
Return on equity	資金回報率	(4.79)	(7.29)	5.53	(3.00)	(10.55)
Dividend pay-out ratio	派息率	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Current ratio	流動比率	302.01	325.50	427.53	500.35	492.27

Information for Investors

投資者資料

LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited: 1123

上市及股份代號

香港聯合交易所有限公司：1123

SHARE INFORMATION

Board lot: 2,000 shares

Issued shares as at 31 March 2020: 1,185,318,349 shares

股份資料

買賣單位：2,000股

於2020年3月31日的已發行股份：1,185,318,349股

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記處

卓佳登捷時有限公司
香港灣仔
皇后大道東183號
合和中心54樓

FINANCIAL CALENDAR

Financial Year end

31 March 2020

Announcement of final results

24 June 2020

Closure of Register of Members – Annual General Meeting

11 – 14 August 2020
(both days inclusive)

Annual General Meeting

14 August 2020

財務日誌

財政年度完結

2020年3月31日

末期業績公告

2020年6月24日

暫停辦理股份過戶登記 – 股東週年大會

2020年8月11日至14日
(包括首尾兩日)

股東週年大會

2020年8月14日

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投資者關係聯絡資料及網站

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網站：www.chinahkphoto.com.hk

Events

活動

Fuji Photo Products Co., Ltd. ("FPP"), one of the subsidiaries of the Group, incorporated in 1968, is the sole agent to distribute FUJIFILM photography products in Hong Kong and Macau for many years. It has dominated the film photography market since the time of film, has been transforming and innovating for half a century, now achieving its leading position in the photography market. FPP has worked seamlessly with FUJIFILM Japan for half a century. It continued to release various products this year, taking the lead in the market.

1968年成立的富士摄影器材有限公司（「FPP」），集團其一附屬公司，多年來一直是FUJIFILM攝影產品在香港及澳門的獨家代理。自菲林時代已經雄霸菲林攝影市場，半世紀以來不斷轉型創新，成就至今在攝影市場上的龍頭地位。FPP與日本FUJIFILM合作無間半世紀，今年繼續於市場發佈不同產品，帶領市場。

Launch Conference for FP-Z5000, the Latest Ground-breaking Projector Developed by FUJIFILM FUJIFILM 全新研發劃時代投影機 FP-Z5000 發佈會

In January 2020, FUJIFILM officially launched FUJIFILM FP-Z5000, the world's first folded two-axial rotatable lens projector in Central, demonstrating multiple new functions of the projector. The event was joined by the press, making it a lively scene.

FUJIFILM於2020年1月份在中環正式發佈FUJIFILM FP-Z5000全球首創「折曲型雙軸旋轉鏡頭」投影機，現場設有多項投影機新功能示範，眾多傳媒到訪，場面熱鬧。



Mr. Stanley Sun, CEO of the Group, giving a speech during the event.

集團行政總裁孫道弘先生在活動中致辭。

FP-Z5000 is equipped with the world's first folded two-axial rotatable lens, which is developed using the most advanced FUJINON lens optical technology. Just by switching the lens up and down, or left and right without rotating the unit, the projection can be achieved in all directions, either on the wall and screen or on ceiling and floor.

FP-Z5000 配備世界上第一個使用最先進「FUJINON鏡頭」光學技術開發的「折曲型雙軸旋轉鏡頭」，通過將鏡頭上下左右切換，就可在不移動主機的情況下向不同方向投射，不僅可以在牆壁或屏幕上投影圖像，而且可以在天花板及地板上投影圖像。



The latest camera models and lenses from the GFX and X-Pro series were also displayed at the venue.

會場亦展示 GFX 及 X-Pro 系列最新型號相機及鏡頭。



FUJIFILM being the Official Photography and Imaging Products for Disneyland 10K Weekend 2019

FUJIFILM 成為 Disneyland 10K Weekend 2019 大會指定攝影及影像產品



FUJIFILM was the official photography and imaging products for Disneyland 10K Weekend 2019 held on 2-3 November 2019 to provide photography and photofinishing services for the athletes and capture the precious moments during the exercise, which was very welcomed.

FUJIFILM為2019年11月2-3日的Disneyland 10K Weekend 2019大會指定攝影及影像產品，並於會場為各運動健兒提供攝影及沖印服務，留下運動過程的珍貴一刻，深受歡迎！

Launch Conference for X100V, X-T200, Digital Cameras from the "X" series of FUJIFILM FUJIFILM X 系列數碼相機 X100V, X-T200 發佈會

FUJIFILM officially launched two new digital cameras from the "X" series, X100V and X-T200, in February 2020. Photos taken by various X-Photographers using the new cameras were exhibited. The vibrant event was visited by the press.

FUJIFILM 於2020年2月份正式發佈X系列2部全新數碼相機 X100V 及 X-T200，會場特別展出由多位X-Photographer以新相機呈現的攝影作品，眾多傳媒到訪，場面熱鬧。



Photos taken by X-Photographers using X100V and X-T200 were exhibited at the venue.
會場設有多位X-Photographer以X100V及X-T200拍攝的作品展覽。



The newly launched X-T200 comes in 3 colors.
X-T200 以三色系全新登場。



X100V is the fifth generation of the X100 series.
X100V是X100系列的第5代。

Launch Conference of mini LiPlay, the First FUJIFILM instax Hybrid Instant Camera

FUJIFILM instax 首部混合式即影即有相機 mini LiPlay 發佈會

The model was showing the first FUJIFILM instax hybrid instant camera.

模特兒展示FUJIFILM instax首部混合式即影即有相機。



instax launched the first hybrid digital and the lightest model of instant camera, mini LiPlay, in June 2019. The venue was divided into 5 themes, namely Travel, Food, Art, Fashion and Beauty, which diversifies the instax Era!

instax於2019年6月份推出首部混合式數碼、最輕巧的型號即影即有相機 mini LiPlay。會場以五個主題(旅遊、飲食、藝術、時裝、美容)作不同展區，令即影即有世代變得更多元化！

Launch Conference of mini Link, a New FUJIFILM instax Instant Printer

FUJIFILM instax 全新即影即有打印機 mini Link 發佈會



The press showed anticipation and appreciation for the new "Social Interaction" and "Video Print" functions at the conference.

傳媒於發佈會均對新功能「社交互動」及「視頻列印」表示期待及讚賞。

The model was showing the FUJIFILM instax mini Link, a new instax printer with interactive functions that comes in Ash White, Dusky Pink and Dark Denim.

模特兒展示FUJIFILM 全新互動功能即影即有打印機 instax mini Link，顏色有亮白、淡粉及靛藍。



FUJIFILM

Large Format Digital Camera

GFX 100

大片幅可換鏡頭
數碼相機 GFX 100

Jul 2019

The GFX100 is the latest Large Format interchangeable-lens digital camera in the GFX series. Equipped with a large format sensor with 102 million pixels and high-speed image processor X-Processor 4, it is the world's first large format digital camera with phase detection and intelligent high-speed AF. In terms of movie recording, GFX 100 is also the first camera of the same class to support image stabilization and 4K/30p video recording.

GFX系列最新型號Large Format可換鏡頭數碼相機FUJIFILM GFX 100，配備1億200萬像素大片幅感應器及高速影像處理器X-Processor 4，更是全球首部相位檢測智能高速自動對焦的大片幅數碼相機。拍片方面，GFX 100亦是同級首部支援影像防震功能及4K/30p影片拍攝功能。



Digital Camera X-Pro3

可換鏡頭數碼相機 X-Pro3

Oct 2019

X-Pro3 is the latest interchangeable lens digital camera. X-Pro3 comes in three different colors: Black, DURA Black and DURA Silver. Its camera body is made of titanium alloy, making it lighter and more durable.

最新型號X-Pro3 可換鏡頭數碼相機。X-Pro3 設有三種不同的機身色彩，分別為黑色、「DURA」黑色和「DURA」銀色。機身物料用上鈦合金作為材料，更輕更耐用。



Digital Camera X-A7

輕便型可換鏡頭
數碼相機 X-A7

Oct 2019

X-A7 camera features a 3.5-inch 16:9 high brightness LCD touchscreen. It weighs only 320g. The camera further improves the portrait mode, combined with the autofocus function detecting faces and eyes, enabling easy and accurate focus as well as smoothing and softening of the skin tone. At the same time, it supports 4K video recording.

X-A7機背採用3.5吋16:9 高發光度LCD觸控式顯示屏，重量僅為320g。相機更強化人像模式，結合臉部及眼部自動對焦功能，輕鬆準確對焦和柔美肌膚色調。同時亦可作4K影像拍攝。



Digital Compact Camera X100V

高級輕便型數碼相機 X100V

Feb 2020

X100V is the fifth generation of the X100 series, equipped with a newly designed 23mmF2 lens and adopting the latest generation of X-Trans™ CMOS 4 sensor and processing engine X-Processor 4. It features the uniqueness of FUJIFILM in color reproduction technology, which allows image visualization with ultra-high quality.

X100V是X100系列的第5代，配備全新設計的23mmF2鏡頭並採用最新一代的X-Trans™ CMOS 4感應器以及X-Processor 4處理器，結合富士獨特的色彩還原技術，呈現高品質的極致圖像。



Digital Camera X-T200

輕便型可換鏡頭
數碼相機 X-T200

Feb 2020

The compact digital camera X-T200 is also newly launched! It features a newly designed EVF, fast face detection for autofocus, and is capable of shooting 24.2 megapixels images at 8 FPS and recording 4K UHD videos, making your creation look great and professional.

輕巧型數碼相機X-T200亦全新登場！該機身具有全新設計的EVF，快速臉部檢測自動對焦，能夠以8 FPS的速度拍攝2420萬像素的影像以及錄製4K UHD影片。將強大的專業級功能收藏於創作者的點觸之間。



instax mini LiPlay



Jun 2019

mini LiPlay is the first hybrid digital and the lightest model of instant camera in the instax series. Two new functions are added to the model. Firstly, it can convert sound recordings into QR codes and print on photos. Secondly, it supports remote shooting, which can be achieved by simply connecting your smartphone with Bluetooth, allowing you to capture a moment anytime and anywhere!

mini LiPlay 是instax系列裡面首部混合式數碼、最輕巧的型號即影即有相機。兩個新功能，以將聲音錄制轉換成QR code印在相片上面。另一新功能以遙距拍攝，只要以藍牙連接智能電話就可以遙距拍攝，助你隨時隨地影到靚相！

FUJIFILM instax

instax mini LINK



Oct 2019

In addition to the options of 27 photo frames, instant printer mini Link can also be used for video printing and can connect to up to five mobiles simultaneously for Party Print!

mini Link即影即有打印機除有27款相框選擇外，亦可作影片列印及可同時連接多達五部手機作Party Print！

instax mini Toy Story Instant film



instax mini Toy Story 即影即有菲林

Aug 2019

instax square Star-illumination Instant film



Jun 2019

beauty is a science ASTALIFT

D-UV Clear White Solution SPF50+ PA++++



Apr 2019

Product with the highest UV protection in the ASTALIFT series

The new exclusive "D-UV Guard+" formula effectively blocked UVA1 with the longest wavelength. The extendable sunscreen coats the cracks caused by facial expressions and movements during speeches and avoids UV penetration through the skin via the cracks.

ASTALIFT系列中最高級別防曬產品！

新獨家技術「D-UV Guard+」配方有效阻截最長波長紫外線UVA1，具延伸性的防曬可遮蓋因表情及說話時面部活動而做成的防曬裂縫，避免紫外線從裂縫侵入肌膚。

JELLY AQUARYSTA



Oct 2019

The ceramide in the new JELLY AQUARYSTA is of higher concentration and more penetrating. With the new botanical ingredient "uncaria gambir extract" and in the dual approach of "Supplementing from the outside" and "Re-building from the inside", the "foundation of skin" is restructured by the double ceramide, which gives beautiful strong skin with softness and firmness radiating from the inside and rebuilds youthful glowing skin with elasticity.

全新版JELLY AQUARYSTA啫喱保濕精華的細胞間脂質濃度更高、更滲透、加入植物新成分「鉤藤萃取」，《外補充》•《內重建》，以雙重細胞間脂質重整「肌膚之礎」，由內散發柔軟緊緻、美麗而強壯的肌膚，重建看得到的彈性、光澤、年輕肌。

Brand Advertisements Review

品牌廣告巡禮



beauty is a science

ASTALIFT



AVLife 生活影音



FOTOWORKS



Awards and Corporate Social Responsibility

獎項及企業社會責任

Awards

獎項



DCFeveer The Best Photographic Product Awards 2019 "Best Professional Digital Camera Awards – FUJIFILM GFX 100"
 DCFeveer最佳攝影器材大獎2019「最佳專業級數碼相機大獎 – FUJIFILM GFX 100」



"10th Your Choice @ Focus 2019 Hong Kong White Collar's Favourite Brand" by YourChoice Award 2019
 「第十屆Your Choice @ Focus 2019 年度香港白領最喜愛品牌大獎」YourChoice Award 2019

Corporate Social Responsibility

企業社會責任



The Group established the "Social Responsibility Team" in 2019, and visited Kwun Tong Methodist Social Service in December to express care for the families in need in Kwun Tong district, bringing Christmas joy and warmth to the society.

集團於2019年成立「社會責任團隊」- Social Responsibility Team，並於12月到訪循道衛理觀塘社會服務處，身體力行關心觀塘區所需要家庭，為他們帶來聖誕歡樂，場面熱鬧溫馨！

Greening For The Chest 2019/2020
 環保為公益計劃 2019/2020

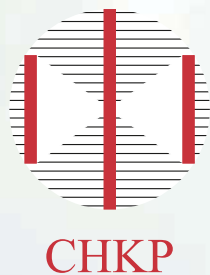


Chairman's Statement

主席報告

“We are confident that the qualities encapsulated in our Vision, Mission and Core Values will all be fundamental in helping us surge ahead once the current headwinds have eased.”

「我們堅信，只要目前的不明朗因素逐漸消除，我們的願景、使命及核心價值所蘊含的特質會成為助長我們邁步向前的要素。」



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

The Group has just completed one of the most challenging financial years in its history, with economic, political, social and public health problems all combining to deliver an unprecedented blow to businesses in Hong Kong and around the world. The severity of these challenges intensified as the year went on, but even by the outset, the on-going Sino-US trade dispute, equity market fluctuations and renminbi volatility had already created an inauspicious economic environment that dampened consumer sentiment and pulled down the Group's sales. Social unrest in Hong Kong acutely disrupted business from July 2019 onwards; this was followed by the arrival of coronavirus pandemic ("COVID-19") in January 2020, which led to travel restrictions, social distancing measures and job losses. All these events depressed spending and disrupted shopping habits further and further, leading to a major drop in the Group's sales in the last quarter.

This is the background against which many companies, both large and small, have struggled to survive. The Group is not immune to these challenges, but fortunately it has a number of qualities that have enabled it to adapt and ride out the storm. We benefit from having many globally renowned brand names in our product stable and a wide reputation for high-quality goods and services. We are in

集團剛渡過有史以來其中一個最具挑戰性的財政年度，不論經濟、政治、社會或公眾健康問題均互相疊加，為香港及全球業務帶來史無前例的衝擊。年內這些挑戰越趨嚴峻，即使在年初，持續不斷的中美貿易糾紛、股市波動和人民幣匯率波動已造成了不利的經濟環境，打擊消費者信心，拖累本集團銷售額。2019年7月以來，香港社會動盪令業務受到嚴重打擊；隨後在2020年1月，冠狀病毒大流行（「COVID-19」）導致旅遊限制、社交距離措施及職位流失。所有這些事件均壓抑消費，並進一步擾亂購物習慣，導致集團最後一季度的銷售額大幅下跌。

在此環境下，許多大型及小型公司均掙扎求存。面對這些挑戰，集團無法獨善其身，然而憑藉其眾多特質，集團能夠適應巨變，渡過難關。我們的產品線包含多個全球知名品牌，優質產品及服務享譽全球，有利公司發展。我們的財務狀況穩健，並擁有龐大而忠實的客戶群。我們與業主及供應

a solid financial position and have a large and loyal customer base. Our relationships with our landlords and suppliers are positive, and our loyal, hardworking staff have never flagged in their commitment. All these factors have provided us with a solid platform upon which to combat the economic downturn.

On a practical level, we have been continually reviewing and analysing our business performances and responding very quickly to market changes where appropriate. For example, we streamlined our retail store network by closing underperforming stores, moved fast to roll out trending, high-margin products, and directed more resources to our wholesale and online retail platforms and delivery services at a time when more and more customers have gone digital to shop.

In terms of cost control, we have taken a very stringent approach to keeping expenses down. The moment we recognised the deteriorating situation, we moved to embrace more cost-effective marketing strategies, and we sat down with landlords to discuss rental concessions or reductions for lease renewals. We also turned to our service providers to negotiate discounts. All of these moves have proven effective. In addition, we stepped up our stock and credit management efforts, working hard to clear aged stock and keep inventory levels reasonable. Special attention was placed on our receivables to ensure we could maintain a healthy cashflow.

To further manage costs, I and other senior personnel voluntarily agreed to take 20 per cent salary cuts from March 2020, while staff have been asked to take unpaid leave for between two and four days each month until the situation is under control. We are all in this together, and it is this sense of working together to find solutions that has always given the Group its strength.

Despite the downturn, we remain convinced of the value of new business opportunities. Our new imaging operations at Hong Kong Disneyland Resort, which began in July 2019, have been affected by the events of the year, especially after Hong Kong Disneyland closed for several months from 26 January 2020. Nevertheless, the business started strongly, and we believe that once the pandemic is under control, this business line will be able to contribute valuable revenue to the Group gradually.

Last year, the Group celebrated 50 years of achievement. This year, as we stepped into our second half-century, we felt the time was right to reshape our Group's Vision, Mission and Core Values, which we recently unveiled. The timing could not have been better, as these newly shaped aspirations have been crucial in helping us respond effectively to the difficult times we face. We are confident that the qualities encapsulated in our Vision, Mission and Core Values – such as focusing on our customers, embracing new ideas, improving people's lifestyles and enhancing our home here in Hong Kong – will all be fundamental in helping us surge ahead once the current headwinds have eased.

I would like to thank the many individuals and other stakeholders who have aided and supported us on our journey during the past year. Special thanks are also due to the Group's dedicated staff, who have made brave personal sacrifices to help us achieve our essential cost-cutting goals. With this support behind us, I am confident the Group can look forward to bright times ahead.

商的关系良好，忠誠勤奮的員工時刻投入工作。此等因素為我們提供堅實基礎，以應對經濟衰退。

實踐方面，我們已不斷審閱和分析業務表現，並適時迅速回應市場變化。例如，隨著愈來愈多客戶轉向數碼化消費，我們精簡零售店網絡，關閉表現欠佳的商店，迅速推出符合潮流、利潤高的產品，並投放更多資源於批發及線上零售平台和送貨服務。

成本控制方面，我們已採取非常嚴謹的方法以降低支出。當我們意識到情況惡化時，我們已採取更具成本效益的營銷策略，並與業主商討減租或降低續租租金。我們還向服務供應商協商尋求折扣。此等舉動均已取得成效。此外，我們加強庫存及信貸管理，積極清理陳舊庫存，把庫存量維持在合理水平。我們特別注視應收賬項，以確保能夠維持穩健的現金流。

為進一步管理成本，本人與其他高級管理人員自願從2020年3月起減薪20個百分點，同時要求員工每月無薪休假兩至四天，直到情況受控。我們攜手努力，共同尋找解決方案。這種精神一直賦予集團優勢。

儘管經濟低迷，我們仍然堅信新商機的價值。我們於香港迪士尼樂園度假區的新影像業務於2019年7月展開，該業務受到年內事件影響，而自香港迪士尼樂園於2020年1月26日起關閉數月後，影響尤其嚴重。儘管如此，該業務起步強勁，我們相信只要疫情受控，該業務線將逐步為集團帶來可觀收益。

去年，集團慶祝成立50週年。今年，隨著集團踏入下半個世紀，重塑集團最新宣佈的集團願景、使命及核心價值乃是適逢其時，這是由於這些新的抱負對我們有效應對眼前的困境至關重要。我們堅信，只要目前的不明朗因素逐漸消除，我們的願景、使命及核心價值所蘊含的特質，包括專注於客戶、接受新觀念、改善人們的生活方式以及改進香港家園等，會成為助長我們邁步向前的要素。

本人感謝各位及其他持份者在過去一年對集團的幫助和支持。特別感謝集團一眾敬業樂業的員工，為集團作出個人犧牲，協助集團實現關鍵的削減成本目標。有賴各位背後的支持，本人對集團邁向美好未來充滿信心。

Management Discussion and Analysis

管理層討論及分析

OVERALL REVENUE AND RESULTS

The events of the year under review – including the on-going Sino-US trade dispute, social unrest in Hong Kong and the global coronavirus pandemic (“COVID-19”) – have all had dramatic effects on Hong Kong and caused massive disruptions to its retail sector. This can be seen vividly from statistics issued by Hong Kong’s Census and Statistics Department on 5 May 2020, which showed that the value of total retail sales in March 2020 decreased by 42.0% compared with the same month in 2019. One reason for this has been the drying up of shoppers from the Mainland and elsewhere. Since January 2020, Hong Kong’s tourism numbers have gone into freefall as borders have closed and travel restrictions have been imposed. Statistics from the Hong Kong Tourism Board show that daily visitor arrivals in February 2020 fell to just 3,000 against 130,000 in the lead-up to the Lunar New Year holidays in January, while tourist numbers for March were down a remarkable 98.6% year on year.

These unprecedented events, combined with turbulence in equity markets and the volatility of the renminbi, cast a long shadow over consumer sentiment and actual spending and inevitably impacted the Group’s performance for the year. Overall, the Group’s consolidated turnover amounted to HK\$880 million for 2019/20, a drop of 8.2% from HK\$959 million last year. This fall in turnover can be tracked to weaker sales from July 2019 as the social movement in Hong Kong began to disrupt the mobility of local residents and affect retail sales across the board. Nevertheless, the Group was initially able to manage the situation well. It recorded only a 0.6% drop in sales for the first half of the year due to strong growth from its photofinishing and imaging segment, which mainly serves local residents, and additional revenue generated by its new imaging operations at Hong Kong Disneyland Resort. In addition, the Group’s efforts of recent years to develop its wholesale business and online retail platforms bore valuable fruit in the first half as these operations made strong contributions to help counterbalance the fall in retail store sales.

整體收益及業績

於回顧年度發生的事件，包括持續的中美貿易爭端、香港社會動盪及全球冠狀病毒大流行（「COVID-19」），皆對香港有重大影響，並令其零售業嚴重受挫。香港政府統計處於2020年5月5日公佈的統計清楚顯示，2020年3月的零售總銷售價值較2019年同月下跌42.0%。原因之一是來自內地及其他地區的消費者數量急跌。2020年1月以來，由於實施邊境關閉及旅遊限制，香港旅客人數直線下挫。香港旅遊發展局的統計顯示，每天到訪旅客在2020年2月跌至僅3,000人，對比1月臨近農曆新年假期有130,000人，而3月的旅客人數按年顯著減少98.6%。

這些前所未見的事件，加上股市動盪及人民幣的波動，對消費者情緒及實際消費造成陰霾，無可避免地影響集團今年的表現。整體而言，集團在2019/20年的綜合營業額為港幣8.80億元，較去年的港幣9.59億元下跌8.2%。營業額的下跌可追溯至自2019年7月起轉弱的銷售，這是由於香港的社會運動開始影響本地居民外出，全面影響零售銷售。然而，集團起初仍能妥善處理情況。憑著主要服務當地居民的沖印及影像服務分部的強勁增長，加上在香港迪士尼樂園度假區的新影像業務帶來額外收益，上半年的銷售額只錄得0.6%的降幅。此外，集團近年發展批發業務及網上零售平台的努力終於在上半年帶來豐碩成果，此等業務為抵銷零售店舖銷售額的下跌作出重要的貢獻。



However, October and November were marked by an acute escalation of social tensions as frequent confrontations and blocked transport routes severely compromised local residents' ability to shop. Like most other retailers, some of the Group's stores had to reduce their opening hours or even close temporarily. Although tensions eased somewhat towards the end of November, and the Christmas season boosted sales across all segments, the Group's revenue for the third quarter still fell by 4.9% year on year.

Many people were expecting an economic rebound in the first months of 2020. Instead, the COVID-19 outbreak in January hit China and then Hong Kong before going on to devastate the global economy. Locally, its first impact was the large-scale loss of mainland Chinese visitors and other tourists. Following that, Hong Kong tightened its own public health protection measures – suspending schools, social facilities and business activities, imposing global travel restrictions, and introducing tough social distancing measures. The result was a major dampening of consumer demand and loss of consumer confidence. Unsurprisingly, this directly affected the Group's various businesses, causing a year-on-year fall of 26.4% in sales for the last quarter, which in turn contributed to a decline of 8.2% in overall sales for the whole year. The Group's gross profit dropped by 10.2% to HK\$195 million as compared to HK\$217 million last year while the Group's gross profit margin remained steady at 22.2% (2019: 22.7%).

The drastic decline in sales and gross profit led to losses at some of the Group's retail stores. Therefore, in accordance with Hong Kong Accounting Standard 36, impairment losses of HK\$8.2 million was recorded for this year which apply to the Group's retail store assets (including property, plant and equipment and the right-of-use assets). The provision for impairment losses is a non-cash accounting treatment, and therefore has no impact on the Group's cash position for the year.

Setting aside the impairment losses and the decline in sales and gross profit, the Group's loss for the year was also exaggerated by the valuation loss recorded for the Group's investment properties following a weaker property market. The valuation loss recorded this year was HK\$3.6 million as against a valuation gain of HK\$8.9 million last year.

然而，10月及11月的社會緊張局勢急速升級，頻繁的衝突及交通路線受阻嚴重影響本地居民的購物能力。如大部分其他零售商，集團若干店舖必須縮短營業時間，甚至暫時關閉。雖然緊張局勢在11月底緩和，而且聖誕節刺激所有行業的銷售，但集團第三季度的收益仍按年下跌4.9%。

許多人曾預期經濟會於2020年首幾個月反彈。相反，1月的COVID-19爆發先打擊中國，再打擊香港，然後繼續重創全球經濟。就本地而言，其第一個影響是大規模失去中國內地訪客及其他遊客。隨後，香港收緊其公共衛生防護措施，包括停課、關閉社會設施、暫停商業活動、實施全球旅遊限制及嚴厲的保持社交距離措施。結果令消費者需求大幅下降及消費者喪失信心。這無疑直接影響集團的各項業務，導致最後一個季度銷售額按年下跌26.4%，從而造成全年整體銷售額下跌8.2%。集團的毛利較去年港幣2.17億元下降10.2%至港幣1.95億元，而集團的毛利率維持在22.2% (2019年：22.7%)。

銷售及毛利的急劇下降令集團部分零售店舖出現虧損。因此，根據香港會計準則第36號，本年度適用於集團零售店資產(包括物業、廠房及設備以及使用權資產)的減值虧損錄得港幣820萬元。減值虧損撥備為非現金會計處理方法，因此對集團本年度的現金狀況並無影響。

撇除減值虧損及銷售額及毛利下跌，由於房地產市場疲弱導致集團的投資物業錄得估值虧損，集團本年度的虧損亦被擴大。本年度的估值虧損錄得港幣360萬元，而去年則為估值收益港幣890萬元。



Net loss attributable to shareholders was HK\$29.1 million this year (2019: HK\$46.7 million, including an impairment loss on amount due from an associate of HK\$32.7 million). If the non-cash accounting treatment items including the impairment loss on property, plant and equipment and right-of-use assets of HK\$8.2 million this year and the impairment loss on amount due from an associate of HK\$32.7 million last year, as well as the valuation differences of investment properties of both current and last year as mentioned above were excluded, the net loss attributable to shareholders would have been HK\$17.3 million for the year and HK\$22.9 million for last year.

In response to the downtrend of sales and gross profit, the Group had taken a very stringent approach to keeping expenses down. Total expenses for the year was down by 4.6% or HK\$11.7 million as compared to last year. These cost-control measures included a reduction in marketing and advertising expenses, which was achieved by reducing TV advertising and instead adopting lower-cost promotional and marketing initiatives such as customer-focused seminars and direct product promotions via social media. In addition, the Group closed six underperforming stores under the Wai Ming Electrical and Fotomax brands and focused instead on maximising returns through its wholesale and online platforms. Other cost-saving initiatives included reviewing product performances and placing greater emphasis on more profitable, high-margin items, and negotiating with landlords, service providers and business partners for rental and fee concessions and discounts.

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

MERCHANDISING

Photographic Products

The Group's digital camera and lenses segment was the hardest-hit of all its business units this year as demand for non-essential and luxury items became one of the first victims of the economic downturn. With a 16.5% drop in sales of digital cameras and lenses in the first half of the year, sales were already weak. However, the decline grew steeper in the second half of the year as the social movement escalated and tourist numbers fell, which further dampened consumer sentiment. In addition, the restrictions on outbound travel from Hong Kong since the outbreak of COVID-19 had an impact on demand for cameras, since travellers commonly purchase high-quality cameras to record their overseas holiday experiences. Sales dropped 40.4% in the second half of the year, contributing to a full-year decrease of 28.5%.

The timing of this year's product launches exacerbated the decline in sales. In the first half of the year, there were fewer new product launches compared with the previous year. By contrast, two premium models were introduced in the second half of the year: the FUJIFILM X-Pro3 in October 2019, aimed at the premium mirrorless digital camera market; and the FUJIFILM X100V in February 2020, targeted at the premium compact digital camera market. Unfortunately, these exceptional cameras only became available at the height of the social unrest and the response to COVID-19, respectively. In addition, our reduced spending on marketing activities meant that these new models had to be promoted in a much more low-key manner than usual. Consequently, digital camera models such as these, which normally would have attracted strong interest, were not as prominent in the public eye.

本年度股東應佔淨虧損為港幣2,910萬元(2019年：港幣4,670萬元，包括應收一間聯營公司款項的減值虧損港幣3,270萬元)。如不計非現金會計處理項目包括本年度物業、廠房及設備以及使用權資產之減值虧損港幣820萬元、去年應收一間聯營公司款項之減值虧損港幣3,270萬元以及上文所提及之本年度及去年之投資物業估值差額，本年度股東應佔淨虧損則為港幣1,730萬元，而去年則為港幣2,290萬元。

因應銷售及毛利的下跌趨勢，集團已採取非常嚴謹的方法以降低支出。本年度開支總額與去年相比下降4.6%，即港幣1,170萬元。此等成本控制措施包括減少電視廣告及採用較低成本的促銷及市場推廣方式，例如以客戶為中心的研討會及透過社交媒體進行直接產品促銷，從而節省市場推廣及廣告開支。此外，集團關閉六間偉明電業及快圖美品牌旗下表現欠佳的店舖，並專注於透過其批發及網上平台以提高回報。其他節省成本措施包括審視產品表現及著重高利潤，高毛利產品，及與業主、服務供應商及業務夥伴商討租金及費用優惠和折扣。

董事會不建議就本年度派發任何末期股息。

產品銷售

攝影產品

由於非必要及奢侈品最先受經濟衰退影響，集團的數碼相機及鏡頭分部是今年各業務單位中最受打擊的分部。上半年的數碼相機及鏡頭銷售額下跌16.5%，當時的銷售已經轉弱。但社會活動升溫及遊客數目下跌加重打擊消費者情緒，因此，下半年的銷售跌幅進一步擴大。再者，因旅客普遍會購買高質素的相機記錄海外假期，故自COVID-19爆發後從香港出境的旅遊限制亦對相機需求有所影響。銷售額在下半年減少40.4%，導致全年銷售額下跌28.5%。

今年產品發佈的時機令銷售額跌幅進一步加劇。在上半年的新產品發佈比去年少。相反，兩個高階型號產品在下半年推出：於2019年10月推出的FUJIFILM X-Pro3主打高階無反數碼相機市場；而於2020年2月推出的FUJIFILM X100V則針對高階小型數碼相機市場。可惜這些優質相機分別在社會動盪高峰及COVID-19期推出。此外，由於營銷活動開支減少，代表著這些新型號需以遠較平常低調的方式推廣。因此，向來引起關注的這些數碼相機型號在公眾眼前未見突出。

In May 2019, the Group launched its star product, the FUJIFILM GFX100. This advanced, large-format sensor camera for professionals retails for approximately US\$10,000 and has won high praise from reviewers and overseas users. Despite the already dampened economic environment and increasing social tensions in Hong Kong, market demand for this product was strong and its sales was satisfactory given the adverse circumstances. In addition, two entry-level cameras were launched during the year, the FUJIFILM X-A7 and FUJIFILM X-T200. These models further enriched the entire FUJIFILM digital camera product line, creating a spectrum of products from entry level to professional to suit every photography enthusiast.

Sales of instant cameras and film fell 17.3% year on year. The decrease was relatively evenly distributed across both halves of the year, with sales dropping 16.2% in the first half of the year and 18.5% in the second half of the year. Parallel-imported products have remained a drag on the market, although the appreciation of the yen, particularly in the first half of the year, helped bridge the gap with the competition.

New instax cameras launched this year included the instax mini LiPlay, a mini film printer and camera, and the mini LINK, a mini film printer that produces real instax prints plus the ability to print multiple images together in "fun mode", a print-from-video feature and motion control function. The difficult social environment meant that promotional activities for these products assumed a relatively low profile this year. However, the worldwide trend for instant photos products remains strong, and the Group believes that carefully targeted promotions focusing on the uniqueness of its new products should further boost sales down the track.

Skincare Products

The Group's skincare business started slowly with first-half of the year sales dropping 8.2% year on year, which was partly due to a weak retail environment caused by the beginning of the social unrest in Hong Kong. However, the Group put together a series of strong promotional packages for the Christmas season and followed this up with free deliveries of online orders from February 2020 in response to the pandemic. These initiatives, along with new product launches, helped improve sales in the second half of the year for a full-year drop of just 5.5%.

The Group's skincare business is largely online, which was beneficial in countering both the social unrest and the social distancing of the pandemic as consumers increasingly moved to online shopping. During the year, the percentage of online sales to total sales of this segment rose a further 5.7% over last year to a record high of 53.9%. Meanwhile, sales at consignment counters fell 5.7% to 28.3% of total sales, which was largely due to department stores having to close early or even shut completely at the height of the social tensions.

於2019年5月，集團推出明星產品FUJIFILM GFX100。這部面向專業人士的高階大幅面感應器相機的零售價約為10,000美元，並獲評論人及海外用家高度讚美。儘管香港的經濟環境疲弱，社會緊張局勢加劇，但市場對此產品的需求仍然強勁，而其銷售額亦在這不利情況下表現令人滿意。另外，年內還推出兩款入門級相機，FUJIFILM X-A7及FUJIFILM X-T200。這些型號進一步豐富整個FUJIFILM數碼相機產品線，打造一系列由入門級別至專業水平的產品，滿足每個攝影愛好者的要求。

即影即有相機及菲林的銷售額按年下跌17.3%。該下跌平均分佈在上下半年，上半年銷售額下跌16.2%，下半年銷售額下跌18.5%。雖然日圓升值，尤其是上半年的升值，有助收窄與競爭對手的差距，但平行進口產品仍然拖累市場。

今年新推出的instax相機包括instax mini LiPlay及mini LINK，instax mini LiPlay是迷你菲林打印機兼相機，而mini LINK亦是迷你菲林打印機，除了可打印instax相片外，更可以「歡樂模式」打印數張圖像、具有影片打印功能及動態控制功能。嚴峻的社會環境令這些產品在今年的宣傳活動相對低調。但全球即影即有相片產品的趨勢仍然強勁，集團相信謹慎地針對新產品獨特性的宣傳應可在將來進一步促進銷量。

護膚產品

集團的護膚業務起步緩慢，上半年銷售按年下跌8.2%，部分由於香港社會動盪起初造成零售環境疲弱。然而，集團在聖誕節推出一系列強勁優惠組合，緊接其後因應疫情，自2020年2月起為網上訂單提供免費送貨。連同新產品發佈，這些措施幫助提升下半年的銷售額，以致全年僅下跌5.5%。

集團的護膚業務大部分為網上業務，面對社會動盪及疫情引起的保持社交隔離措施，顧客逐漸轉到網上購物，對網上業務十分有利。年內，線上銷售額佔此分部的總銷售額的百分比較去年進一步上升5.7%，錄得歷史高位的53.9%。同時，專櫃的銷售額下跌5.7%，佔總銷售額28.3%，主要由於社會局勢處於最緊張時百貨公司須提早關門，甚至完全停業。

Product success stories included the Group's Collagen Drinks series, which continued to perform well and was the segment's number one bestseller during the year. Another strong-selling product series was the D-UV Clear White Solution SPF50+ PA++++ sunblock launched in April 2019. This product as well as White Essence Infil both received boosts after being named the "No.1 2019 Grand Prix Whitening Technology" by MAQUIA, the influential Japanese beauty and fashion magazine. Another big seller was Jelly Aquarysta, which was upgraded with the world's smallest* "w human-type nano ceramide", which has reinforced penetrating and moisturising functions.

A number of marketing and promotional activities carried out during the year helped maintain steady sales and capture public interest in the Group's beauty and skincare range. These included special promotions for star items, a drive to recruit new members to the ASTALIFT membership programme and the offer of free delivery on orders placed during the pandemic period. We also focused on social media engagement to win new customers, for example by offering samples to those who registered and subscribed via Facebook Messenger – a move that enabled us to increase our Facebook interactions.

Consumer Electronic Products and Household Appliances

This business is divided into a retail arm, which contributed 63.7% of segment sales this year, and a wholesale arm, which contributed 36.3%. One underperforming retail store under the Wai Ming Electrical brand was closed during the year. As at the end of March 2020, the Group was operating 13 retail stores under the AV Life, Life Digital and Wai Ming Electrical names. Overall, retail sales for the segment fell 8.1% year on year. Like-for-like store sales remained steady with only a slight drop of 0.1% even there were challenges from social unrest and pandemic this year as the products sold in the stores are mostly essential household appliances.

Demand for essential household appliances such as household TVs and audio systems, refrigerators, washing machines and air conditioners was not significantly affected by the social unrest and the pandemic, even though store opening hours had to be shortened. Customers were generally willing either to visit a store in a safer location or move their shopping activity online. The steady sales can also be attributed to the Group's long-term efforts to build strong reputations for its brands. Group brands are now widely known as trusted specialists in high-end consumer electronic products and household appliances, with stores that feature knowledgeable and well-trained staff, highly professional visual and audio testing environments, and helpful and effective merchandise displays. However, sales at the Group's Life Digital store at IFC were more significantly affected because most of the items sold there are non-essential, high-end products, and the customer base tends to be mostly expats and tourists, visits by whom fell dramatically over the year.

成功產品案例包括集團的骨膠原美肌飲系列，該系列持續表現良好，為年內此分部銷量第一的產品。另一個暢銷產品系列是於2019年4月推出的亮白全效防曬霜SPF50+ PA++++。此產品與亮白精華素被日本具影響力的美容時尚雜誌MAQUIA評為「2019美白技術大獎第一名」。另一大賣的產品是啫喱保濕精華，以世界最細*的「人類型納米細胞間脂質」升級，可加強滲透及保濕功效。

年內舉辦的數個市場推廣及宣傳活動有助維持穩定的銷售額，並吸引公眾對集團美容及護膚範疇的興趣。其中包括皇牌產品的特別推廣、ASTALIFT會員計劃招募新會員活動，及在疫情期間提供免費送貨。我們亦專注於使用社交媒體來取得新顧客，例如向通過Facebook Messenger登記及訂閱的顧客提供試用裝，此舉有助我們增加Facebook上的互動。

消費電子產品及家用電器

此業務分為零售部門及批發部門，分別佔本年度分部銷售的63.7%及36.3%。年內，偉明電業品牌旗下一間表現欠佳的零售店結業。於2020年3月末，集團以AV Life生活影音、Life Digital生活數碼及偉明電業之名稱經營13間零售店。整體而言，此分部的零售額按年下降了8.1%。由於店內銷售的產品主要是必需的家用電器，即使面對本年度的社會動盪及疫情帶來的挑戰，相同店舖銷售額保持穩定，只輕微下跌0.1%。

儘管店舖的營業時間有所縮短，家用電視及音響系統、雪櫃、洗衣機及冷氣機等家用電器的需求並未因社會動盪及疫情而顯著受到影響。客戶通常願意光顧地點較為安全的店舖或轉為網上購物。穩定的銷售額亦可以歸因於集團長期以來致力為其品牌建立良好聲譽。集團品牌現時因作為高端消費電子產品及家用電器的可靠專家而廣為人知，其店舖有具備相關知識及訓練有素的員工、專業的影音測試環境，及實用有效的商品展示。然而，集團位於國際金融中心的Life Digital生活數碼店舖的銷售卻大受影響，此乃由於此店大多數出售的商品均為非必需高端產品，並且客戶群主要傾向外國人及遊客，而店舖年內的到訪人次急劇下降。

* FUJIFILM Japan Research Result as of 2 July 2019
日本FUJIFILM於2019年7月2日的研究結果

The Group's long-planned online shopping platform, avlife.com.hk, had its soft launch in July 2019 and its full launch in November 2019. The timing was good as it came just when consumers started moving toward online shopping, a trend that grew even stronger when the pandemic struck in early 2020. This trend also benefitted the Group's wholesale business, which increased its sales to its wholesales customers which sell their products via various online platforms such as Price.com. Because of these developments, wholesale sales for this segment were up by 28.2% year on year. To keep momentum going, the Group took on new staff to manage the wholesale and online sales platforms to ensure that price adjustments are made on time and that customer enquiries and after-sales services are delivered effectively.

The Group continued to roll out new models in response to market changes and developments, and to increase the variety of its product ranges in order to tap into the needs of an ever-more-diverse customer base. New highlight items introduced during the year included Samsung and LG 8K OLED TVs, which were supported by successful large-scale marketing events.

B-to-B Commercial and Professional Audio and Visual ("AV") Products

The Group has worked hard to build its B-to-B branding of commercial and professional AV products in recent years, and this year it revamped its website. As a result of these efforts, the Group has now emerged as one of the leading providers of B-to-B services for commercial and professional AV products in Hong Kong. The segment achieved a sales increase of 5.4% for the first half of the year, but like many others, it was soon impacted by the social unrest in Hong Kong and the outbreak of COVID-19, both of which caused many AV solutions projects to be put on hold as businesses dealt with the aftereffects. Overall, the segment ended the year with a year-on-year drop of 4.2% in sales.

Key products sold within the segment were projectors, monitors and LED TVs. Hospitality TV sales rose 52.1%, mainly due to a rush of sales in the first half as hotels quickly embraced this innovation. Sales of frame TVs fell 49.8%, reflecting gradually declining demand following the strong buzz generated by their launch two years ago. Commercial TV sales fell 15.5% while monitor sales rose 3.5%.

Projectors remained the number one seller in the segment at 27.1% of total sales, although sales fell 9.6% as compared to last year as other advanced LED display technologies continued to take over the functions once offered by traditional projectors. The Group has been addressing this technology shift by carefully managing stock to avoid accumulating older items, and it has been quick to roll out new models as they come onto the market. In January 2020, the Group was granted the distributorship rights for the FUJIFILM PROJECTOR FP-Z5000, an innovative new model that can be set up in areas with space constraints that a conventional projector cannot. It can also throw images in directions where other projectors are unable. It offers powerful benefits for a market like Hong Kong, where operators typically have to work with small spaces. Launched late in the year, the Group expects to see encouraging results from this important new model in the coming year.

集團籌備已久的網上購物平台avlife.com.hk於2019年7月試業，並於2019年11月正式啟用。這個時機剛好遇上在2020年初疫情來襲時消費者開始轉向網上購物，令此趨勢增長更強。集團的批發業務亦從此趨勢中受惠，由於集團的批發客戶於各網上平台上銷售產品，例如Price.com，故集團向這些網上批發商的銷售亦有所增長。鑒於這些發展，此分部的批發銷售額按年上升28.2%。為保持增長動力，集團聘請新的員工管理批發與網上銷售平台，確保適時調整售價及有效處理顧客問題及售後服務。

集團持續推出新型號以應對市場變化及發展，及增加產品範疇的種類，以迎合日益多元化的顧客群需求。年內新增重點產品包括三星及LG 8K OLED電視，這些產品均有成功的大規模營銷活動作支援。

企業對企業商用及專業影音(「影音」)產品

集團近年致力建立其於商用及專業影音產品企業對企業之品牌，今年重組了其網站。憑著這些努力，集團現已晉升為香港領先的企業對企業服務供應商之一，提供商用及專業影音產品。此分部在上半年有5.4%的銷售增長，但與其他分部一樣，不久後就被香港的社會動盪及COVID-19爆發影響，兩者均導致多項影音解決項目因各業務處理後續反應而暫停。整體上，此分部的按年銷售額下跌4.2%。

此分部內主要銷售的產品有投影機、顯示器及LED電視。款客電視的銷售額上升52.1%，主要由於酒店迅速接納此新產品，令上半年的銷售急升。畫框電視的銷售額減少49.8%，反映自兩年前推出後熱烈的反應已逐漸減退，需求日漸下降。商用電視的銷售額下跌15.5%，而顯示器的銷售額則上升3.5%。

儘管其他先進LED顯示技術繼續取代傳統投影機曾提供的功能而導致按年銷售減少9.6%，但投影機仍是此分部的銷量第一，佔總銷售額的27.1%。為應對這技術轉變，集團已經謹慎管理庫存，以免囤積舊貨品，並在新型號推出市面時迅速推出。在2020年1月，集團獲得FUJIFILM投影機FP-Z5000的分銷權，該创新型號可設置在傳統投影機無法做到的狹小空間。該型號亦可將影像投射到其他投影機無法做到的方向。其對香港等市場提供強大優勢，因為營運商一般須在較小的空間工作。由於在今年推出較遲，集團預計此重要新型號在來年將可見令人鼓舞的成果。

A website revamp during the year gave the segment a more prominent public face. The Group also carried out a targeted eDM campaign to expand its potential client database. In addition, the Group collaborated with respected dealers to promote high-potential products. One such event was a seminar organised in conjunction with Tom Lee Music in May 2019 to promote Roland video switcher and mixer products to resellers. In January 2020, a major product launch event for the breakthrough FUJIFILM PROJECTOR FP-Z5000 attracted many potential customers.

SERVICING

Photographic and Technical Services

Fotomax sales dropped 8.6% year on year, but as with other areas of the Group's business, this was once again a tale of two halves. In fact, Fotomax enjoyed a satisfactory performance, achieving 3.4% growth in the first half of the year despite the social disruptions since July, which forced some stores to close periodically. However, the social unrest became more intense in the third quarter – severely disrupting transport and shopping, and the outbreak of COVID-19 in January 2020 had a severe impact on Fotomax sales, dragging them to a record low. The suspension of schools and businesses significantly reduced demand for document solution and ID photo-taking services, while travel restrictions and social distancing measures brought photofinishing and ID photo sales to a standstill. Unsurprisingly, total sales for the third quarter and fourth quarter fell 7.9% and 34.8% respectively year on year.

Despite this, the Group's Fotomax ID photo-taking services (which contributed 36.2% of the total sales of this segment) performed relatively well over the course of the year. Overall ID photo-taking sales were comparable with those of last year, falling just 0.4%. This was driven in particular by Fotomax's strong reputation for high-quality offerings, including its popular professional photo-taking rooms. In the important period leading up to Christmas, ID photo-taking sales were up 14.6% year on year before dropping 47.0% in the final quarter.

Demand for photofinishing services dropped as outdoor activities and travel declined in the second half of the year, with year-on-year sales falling 15.3% by value and 24.9% by volume. The fall in print volume was primarily due to the social unrest and pandemic, which caused decreases of 27.0% in the third quarter and 38.1% in the fourth. However, the Group's document solution, DocuXpress, continued to perform strongly and expand its market share due to its high quality and easy accessibility through the Fotomax store network. Overall DocuXpress sales for the year registered an increase of 3.7%; excluding the fourth quarter, overall DocuXpress sales saw around 10.5% growth compared to last year. However, the effects of COVID-19 on schools and students, who are key DocuXpress customers, caused sales to fall by 15.6% in the fourth quarter and dragged down overall results for the year.

年內的網站改造令此分部的公眾形象更亮眼。集團亦展開針對性電郵推廣活動，以擴展潛在的顧客數據庫。此外，集團與知名經銷商合作，推銷高潛力的產品。其中一項活動是於2019年5月與通利琴行合辦的座談，向分銷商推廣Roland影片切換台及混合器產品。於2020年1月，為創新產品FUJIFILM投影機FP-Z5000舉辦的大型產品發佈活動吸引了眾多潛在顧客。

服務

攝影及技術服務

快圖美的銷售按年下跌8.6%，但與集團其他業務領域一樣，這表現亦是好壞參半。儘管自7月起出現社會動盪，迫使部分商店短期關閉，但事實上快圖美有不錯的表現，在上半年有3.4%增長。但第三季度社會動盪越發激烈，嚴重影響交通及購物，而2020年1月的COVID-19爆發對快圖美的銷售有重大打擊，拖累業績到歷史低位。學校停課及業務停擺令文件解決方案及證件相片拍攝服務需求大幅下降，而旅遊限制及社交隔離使沖印和證件相片銷售停滯不前。不出所料，第三季度和第四季度的總銷售額按年分別下跌7.9%及34.8%。

雖然如此，集團的快圖美證件相片拍攝服務（佔此分部總銷售額36.2%）在全年表現相對良好。整體證件相片拍攝銷售額與去年相比只下跌0.4%。這特別歸功於快圖美提供優質產品的口碑，包括其大受歡迎的專業拍攝室。直至聖誕節的重要期間，證件相片拍攝銷售額按年提升14.6%，直到第四季度才下跌47.0%。

下半年的戶外活動及旅遊減少，使沖印服務需求下跌，按年銷售價值下跌15.3%，數量則下降24.9%。打印數量下降主要由於社會動盪和疫情，令第三及第四季度的數量分別下跌27.0%及38.1%。儘管如此，集團的DocuXpress文件解決方案既高品質又能善用快圖美店舖網絡方便使用的優勢，因此表現保持強勁，並擴大市場佔有度。DocuXpress全年整體銷售額錄得3.7%的增加；除第四季度外，DocuXpress整體銷售額與去年相比錄得10.5%增長。然而，COVID-19對學校及學生（作為DocuXpress主要顧客）的影響令第四季度的銷售下跌15.6%，拖累全年整體業績。

Demand for imaging gift items – which are non-essential purchases for most – was generally weak throughout the year, especially when consumers began tightening their belts as the year went on. Overall sales dropped 13.5% year on year. Sales were particularly affected by a significant 30.8% drop in the fourth quarter, which is traditionally a peak season for the sale of New Year's and Valentines' Day imaging items. Paper gift items such as personalised calendars and notebooks decreased 20.2% and other gift items declined 4.1% year on year. Sales of the always-popular photobooks fell 10.9%.

During the year, Fotomax closed eight underperforming stores and opened three new ones in promising locations for a total of 58 stores as at the end of March 2020. Full-year like-for-like store sales showed a drop of 1.9%.

Some of the Group's normal promotional and marketing activities were postponed during the year in light of the social tensions. However, the Group proceeded with its regular seasonal promotions with licensed characters and continued to collaborate with renowned online platforms like HKTVmall and HOKO Buy on promotional sales.

In July 2019, the Group took on a 65% majority shareholding stake in a new venture providing imaging operations at Hong Kong Disneyland Resort, including Hong Kong Disneyland and its related hotels and facilities. Full details were given in the Interim Report 2019. Under normal circumstances, we would expect this venture to perform well, harnessing synergies with the Group's high-end photo-taking and photofinishing experiences and providing a new outlet to promote its FUJIFILM and Fotomax brands. Unfortunately, after a good start, the business was severely affected by the social unrest in Hong Kong and the coronavirus pandemic. Visitors to the resort began to fall from July onwards as social tensions increased, Mainland tourists dwindled and group tours from the Mainland were curtailed. The outbreak of COVID-19 was even more damaging, causing Hong Kong Disneyland to close temporarily from 26 January 2020. Operations resumed on 18 June 2020, but in light of expectations that it may take some time before the park attendance returns to normal, the Group anticipates that its imaging operations there will require patience before they begin to deliver results as hoped.

Professional AV Advisory and Custom Design and Installation Services

Although the performance of this segment slowed in this year compared to the rapid expansion of previous years, it nevertheless achieved solid sales growth of 8.5% during the first half of the year. The outbreak of COVID-19 since January 2020, however, delayed many projects at a time that is traditionally peak season for project completions, typically lasting up to the end of March. This was due to factors such as tightened budgets by customers – especially in the hotel and commercial sectors – the suspension of deliveries of products and parts from mainland China due to the lockdown there, and the temporary closure of offices that made on-site work impossible. As a result, usually strong fourth-quarter sales dropped 51.3% compared to the same period last year and caused full-year sales to decline 18.2%. The Group expects that some of the delayed projects will be resumed once the pandemic is under control.

影像禮品需求對大多數人並非必要消費，故全年表現普遍疲弱，尤其消費者在年內持續緊縮花費。整體銷售額按年下跌13.5%。銷售額在第四季度尤其受到影響，大幅下跌30.8%，該季度一向為新年及情人節影像產品的銷售旺季。紙類禮品的銷售，例如個人化年曆及筆記簿，和其他禮品同比分別下跌了20.2%及4.1%。向來大受歡迎的相冊銷售額下降10.9%。

年內，快圖美關閉八間表現欠佳的店舖，並在有潛力的地點開設三間新店，截至2020年3月底共有58間店舖。全年同類店舖的銷售額下跌1.9%。

年內，集團部分正常的營銷及推廣活動因社會緊張局勢而推遲。但集團仍定期進行授權卡通人物的季度推廣，並繼續與知名網絡平台如香港電視HKTVmall及HOKO Buy合作推出推廣促銷。

於2019年7月，集團在一間新公司擁有65%主要股權，該公司於香港迪士尼樂園度假區，包括香港迪士尼樂園及其相關酒店和設施提供影像操作服務。詳情已載於2019年中期報告內。在一般情況下，我們預計此公司表現良好，利用集團的高端攝影及沖印經驗的協同作用，及提供新場所推廣FUJIFILM及快圖美品牌。可惜繼良好的開端後，該業務受到香港社會動盪及冠狀病毒疫情的嚴重影響。因社會緊張局勢加劇，內地遊客及旅行團銳減，導致到訪度假區的遊客數目從7月開始減少。COVID-19爆發造成更大的破壞，令香港迪士尼樂園自2020年1月26日起暫時關閉。雖然在2020年6月18日已恢復營運，但鑒於預期需要一段時間樂園人流才會回復正常，集團預計其在樂園內的影像操作業務需要耐心才可實現預期的業績。

專業影音顧問及訂製、設計及安裝服務

雖然此業務的表現於本年度較往年的快速擴展有所放緩，但於上半年仍錄得8.5%的穩健銷售增長。然而COVID-19自2020年1月爆發，令多個於這個傳統項目完成的旺季（一般持續至三月）中的項目被延期。此乃由於各因素，例如客戶預算縮緊（尤其是酒店業和商界）、來自中國的產品及零件因當地封鎖而暫停交付及暫時關閉辦公室導致現場工作無法完成，因此，一向強勁的第四季度銷售額較去年同期下跌51.3%，以致全年銷售額下跌18.2%。集團預期部分延遲的項目將在疫情受控後重啟。

OUTLOOK

In the near term, the economic outlook for Hong Kong is full of uncertainties. Until the pandemic is fully under control, both locally and worldwide, it is impossible to be sure how the economy will respond. But as announced by the Financial Secretary of the HKSAR on 29 April 2020, the real GDP growth forecast for Hong Kong in 2020 had been revised down to a range of -4% to -7% in view of the severe global economic impact of the coronavirus. Although there are signs of COVID-19 easing in Hong Kong, the future effects of this cannot be predicted with confidence until an effective vaccine has been developed and approved. In addition, although the social unrest of 2019 has taken a backseat due to the pandemic, it has not disappeared. These factors mean that it is likely business in Hong Kong will remain difficult in the short term, with prospects of a deep economic recession and a significant deterioration of the labour market on the horizon.

The Group's advantages are its reputation for high quality as well as its diversified products and services. The Group expects sales to rise again once the pandemic is under control. Its new imaging operations at Hong Kong Disneyland Resort promise to generate additional revenue. At the same time, demand for its AV solutions should resume – first in the non-commercial sector, as the Government seeks to stimulate the economy by injecting resources into infrastructure.

With its solid experience and stable financial background, the Group remains optimistic in this difficult time. It believes it can and will overcome the current headwinds, and it has a clear direction in mind to do so. It will lean on its core values, seek to enhance its focus on improving profitability, become more customer-centric and achieve operational excellence at every level.

One major strategy for enhancing its core values of customer-centric focus and service excellence is to embrace the online shopping model while at the same time providing more tailor-made services to customers. The Group plans to devote more resources to the development of an effective online shopping platform in response to the change of shopping patterns. To enhance online user-friendliness and the customer experience, it will revamp its Fotomax website in 2020/21 to provide users with a more attractive layout and better ordering flow, along similar lines to the successful AV Life website revamp that took place in November 2019. The Group will prioritise the security and encryption of personal data so that consumers can be fully confident about shopping on its websites. It will explore ways to improve its pre-sales and after-sales services – such as by enabling customers to communicate directly with salespersons about their product needs via online chat or WhatsApp messaging – to create an even more personalised and hassle-free shopping experience. The database of existing customers will also be studied for ways to develop more customer-centric products and services that can further enhance consumers' lifestyles.

展望

短期內，香港的經濟前景仍充滿不確定性。在本地及全球疫情徹底受控之前，我們無法確定經濟走向。但如香港特別行政區財政司司長於2020年4月29日所公告，由於冠狀病毒嚴重影響全球經濟，香港於2020年的預期實質國內生產總值增長已下調至-4%至-7%。儘管在香港COVID-19已有放緩跡象，但直至成功開發有效疫苗及疫苗獲批之前，我們仍未能可靠預測未來的影響。此外，2019年的社會動盪雖因疫情而稍作喘息，但事情尚未完結。此等因素意味著香港的業務在短期內仍可能遇上種種難關，預計經濟或會即將出現嚴重衰退，而勞動力市場亦會顯著惡化。

本集團的優勢在於高品質信譽及多元化的產品及服務。本集團預期一旦疫情受到控制，銷售額將再次上升，其於香港迪士尼樂園渡假區的新影像業務亦有望帶來額外收益。同時，隨著政府希望藉著投放資源於基礎設施以刺激經濟，非商業領域亦應首先恢復影音解決方案需求。

憑藉豐富的經驗及穩健的財務背景，本集團於此艱難時刻仍保持樂觀，且相信其有能力克服目前的不利因素，並已有明確的發展方向。本集團將依託其核心價值，著力提升盈利能力，以客戶為中心，並在各個層面實現卓越營運。

本集團以客戶為中心及提供卓越服務為核心價值，而其中一項提升此核心價值的主要策略是採納網上購物模式，與此同時，為客戶提供更多度身訂造的服務。本集團計劃投放更多資源發展有效的網上購物平台，以應對購物模式轉變。為提升網上方便性及顧客體驗，集團將參考其於2019年11月重整的AV Life生活影音網站，於2020/21年重新設計快圖美網站，為顧客提供更吸引的版面及更好的訂購流程。集團將優先處理個人資料保安及加密，務求使客戶對在集團網站上購物充滿信心。集團將探索不同方式改善售前及售後服務，例如讓客戶透過網上對話或WhatsApp訊息與銷售人員直接溝通，表達他們對產品的需要，締造更個人化及方便的購物體驗。集團將研究現有客戶的資料庫，尋求發展更以客為本的產品及服務的途徑，藉此令客戶的生活方式更添豐富。

The Group is committed to maintaining its forward momentum, and it will continue to explore new, high-potential product and business opportunities that offer good long-term growth prospects. In this aim, it is supported by its long-established relationship with FUJIFILM Japan – one of the world's great product innovators, especially in the areas of digital products and imaging. In January 2020, the Group was awarded the distributorship rights for the innovative FUJIFILM PROJECTOR FP-Z5000 in Hong Kong. Projectors are used widely by theatres, offices and educational institutions. They also offer applications for digital signage at commercial facilities, product promotion in business showrooms, and design projection at art galleries and museums, which has recently led to increased demand. In Hong Kong, there is a need for projectors that can be used for effective advertising within limited spaces, utilising walls and ceilings alike. The features of the FP-Z5000 are very well suited to Hong Kong's small spaces, which is why the Group believes the projector will receive a warm reception and help the Group expand even more into this huge market. Meanwhile, with capital expenditure in the commercial sector expected to fall as businesses tighten their belts, the Group's AV custom design and installation segment plans to focus on more non-commercial tenders and maintenance contracts.

The Group has a number of exciting new products under different segments that are due to be rolled out in the coming year, which it believes have strong potential even in a weaker market. A number of new cameras are in the pipeline, including the FUJIFILM X-T4, due to be launched in the first quarter, which offers in-body stabilisation, faster shooting, improved autofocus and a larger battery compared to the already very capable FUJIFILM XT-3. New skincare products to be launched include new D-UV Clear Aqua Day Serum and White Emulsion, a skin protection product that also provides valuable skincare effects. The Group will also explore the possibility of collaborating with various external online sales platforms to expand its sales channels, especially for promotional items and special packages.

The Group believes it has arrived at its optimal number of stores, both for maintaining a good balance between cost and return and maximising brand presence. It expects to keep its total number of stores at 58 for Fotomax, and 13 for the AV Life, Life Digital and Wai Ming Electrical brands combined. However, management will continue to analyse individual store performances carefully and adjust store strategies appropriately. In the coming year, the Group plans to close its AV Life store at IFC and replace it with a store at the prestigious Prince's Building nearby. Occupying a larger space at a much lower cost, the new Prince's Building store will tap into the property's affluent clientele with a first-class operation featuring a professional showroom displaying high-end AV products such as the Bowers & Wilkins audio systems. Elsewhere, upon lease renewal at every one of its stores, the Group will continue to negotiate with landlords for the best possible deals to ensure the best returns for its stores.

集團致力維持增長動力，並將持續探索嶄新及潛力巨大的產品及商機，為集團帶來良好的長期增長前景。集團藉著與日本FUJIFILM的長久合作關係達至這個目標。日本FUJIFILM是全球優質產品的創新先鋒之一，其在數碼產品及影像領域尤其出眾。於2020年1月，集團獲授創新的FUJIFILM投影機FP-Z5000的香港經銷權。投影機廣泛使用於劇場、辦公室及教育機構，也應用在商業設施以提供數碼標牌，在營商陳列室中提供產品促銷，以及在美術館和博物館中進行設計投影，因此，投影機近期的需求增加。在香港，我們需要能夠在牆壁和天花板等有限空間進行有效廣告宣傳的投影機。FP-Z5000配備的功能非常適合香港狹小的空間，因此，集團認為投影機將會受到市場熱烈歡迎，並有助集團進一步拓展此龐大市場。此外，由於預期商業活動的資本支出會隨著業務收緊而下降，因此，集團的影音訂製、設計及安裝分類計劃將重點投放於更多非商業活動的招標及保養合約。

來年集團將推出各種不同分類的新產品，相信即使市場疲弱，此等產品仍極具潛力。大量新款相機正籌備得如火如荼，其中包括FUJIFILM X-T4，將於第一季度推出。與功能強大的FUJIFILM XT-3相比，FUJIFILM X-T4可提供內置防震、更高速的快門拍攝，改善自動對焦及備有更耐用的電池。即將推出的新護膚產品包括全新D-UV水漾防曬日間精華和亮白乳液，為肌膚提供出色的護膚效果。集團還將探索與各個外部網絡銷售平台合作的可能性，以擴大其銷售渠道，特別是促銷品及優惠套裝的銷售渠道。

集團相信其已達到最佳店舖數目，既能在成本與回報之間保持良好的平衡，又能將之發揮最大的品牌影響力。集團預期將維持一共58間快圖美店舖，而AV Life生活影音、Life Digital生活數碼及偉明電業品牌將合共維持13間店舖。然而，管理層將繼續仔細分析各店舖的表現，並適當調整店舖策略。來年，集團計劃關閉AV Life生活影音國金店，並將設店舖在鄰近高級地段的太子大廈作為取代。新店舖設於太子大廈，以更低成本佔據更大空間。店舖將以一流的營運方式吸納該物業的富裕客戶群，並專門設置專業陳列室，以展示Bowers & Wilkins音響系統等高端影音產品。除此之外，本集團將在其各店舖續租時，繼續與業主商討尋求最佳交易方案，以確保店舖取得最大回報。

Some short-term sacrifices have been necessary to ensure the Group remains in a position to ride out the storm. Believing in the need to lead by example, top management have voluntarily offered to take a 20% cut in their salaries until the situation becomes more stable. Staff have also been asked to contribute to the Group's future wellbeing by taking between two and four days of unpaid leave each month. In addition to these internal cuts, the Group is negotiating hard with landlords, suppliers and various service providers to achieve rental and fee discounts. Meanwhile, the Group is reviewing workflows and identifying and removing unnecessary expenses. These stringent, proactive cost control efforts are collectively contributing to a stronger, leaner, more efficient business.

CORPORATE CULTURE

This year, the Group reviewed its stated corporate vision, mission and core values as a way of sharpening its identity and giving it even greater focus on what it aims to achieve in the years ahead.

Vision	To make where we operate a better place.
Mission	To enhance the quality of life of our customers by providing quality products and services
Core Values	Customer-centric; curious to learn; open-minded; collaborative; accountable; honest with open communications; sustainable

Backing these ideals is an existing corporate culture that emphasises strong, transparent and accountable governance, including regular, independent reviews. In line with our core values of being 'customer-centric' and 'collaborative', we remain committed to developing and maintaining positive, human-centred relationships with all our stakeholders, including business partners, suppliers, customers and staff.

STAFF DEVELOPMENT AND TRAINING

In this fast-changing world, the Group believes in the importance of training and skills-updating at every level, from management to retail staff and administrative support. This year, the Group commissioned an external business consultant to carry out an alignment exercise for management and other senior personnel to ensure that the Group's revamped vision, mission and core values were fully understood and implemented. Internally, essential training was provided at various levels, including technical training on new accounting standards, product training, and soft skills training. Business evaluation and analysis training was also provided for managers. Some staff were encouraged to sign up for relevant classes run by external providers through fee sponsorships. More details of staff development and training can be found in the Environmental, Social and Governance ("ESG") Report on pages 45 and 46.

為確保集團有能力渡過難關，我們亦已作出一些必要的短期犧牲。高級管理層認為有必要以身作則，因此主動提出減薪20%，直至情況逐漸穩定為止。為集團未來的福祉設想，我們還要求員工每月無薪休假兩至四天。除內部削減之外，集團也奮力向業主、供應商及各類服務供應商進行商談，以取得租金及費用折扣。同時，集團正在檢討工作流程，並辨識及減去不必要的開支。此等嚴謹、積極的成本控制舉措共同引領業務變得更強大、更精簡、更高效。

企業文化

今年，本集團檢討所陳述的企業願景、使命及核心價值，藉此突顯其特性，使其更專注於未來數年的目標。

願景	將我們長久以來經營的環境變得更加美好
使命	透過提供優質的產品和服務去提升我們顧客的生活質素
核心價值	以顧客為中心；追求學習好奇心；思想開明；團隊合作精神；責任心；坦誠溝通；可持續發展性

現有的企業文化強調穩健、透明及可靠的管治，包括定期獨立的檢討，以支持這些理念。貫徹我們「以顧客為中心」及「團隊合作精神」的核心價值，我們持續致力於與所有持份者發展及保持正面及以人為本的關係，包括業務夥伴、供應商、客戶及員工。

員工發展及培訓

在瞬息萬變的世界，集團深信由管理層，至零售員工及行政支援，各階層的培訓及技能提升至為重要。今年，集團委聘了外部業務顧問對管理層及其他高級人員進行調整練習，以確保集團改進的願景、使命及核心價值得到充分理解及實施。對內，集團為各階層員工提供必要的培訓，包括新會計準則的技術培訓、產品培訓及軟技能培訓。經理亦獲提供業務評估及分析的培訓。集團鼓勵部分員工透過費用贊助報名參加由外部供應商開辦的相關課程。有關員工發展及培訓的更多詳情載於環境、社會及管治報告第45及46頁。

SOCIAL RESPONSIBILITY

In last year, the Group set up an Environmental, Social and Governance (“ESG”) Committee, headed by the Chief Operating Officer. The remit of the ESG Committee is to support the Board of Directors in executing ESG plans that will benefit the Group’s stakeholders. Areas that the ESG Committee will specifically consider include use of resources, environmental protection and conservation, employment, health and safety, development and training, labour standards, supply chain management, product responsibility, anti-corruption measures and community investment.

During the year, the Group set up a Social Responsibility (SR) Team. The SR Team is designed to better coordinate the activities of the Group’s volunteer team, which commits resources to community charity and social care events. During the year, the SR Team collaborated with Kwun Tong Methodist Social Service Center to host a Christmas party for approximately 80 children from low-income groups and their families, bringing warmth and happiness to this vulnerable part of the community during the festive season. More details of the Group’s community investment initiatives can be found in the ESG Report on pages 49 and 50.

社會責任

去年，集團成立了環境、社會及管治委員會，由首席營運總監帶領。環境、社會及管治委員會的職責是協助董事會執行有利集團持份者的環境、社會及管治計劃。環境、社會及管治委員會將特別考慮的範疇包括資源運用、環保及保育、僱傭、健康與安全、發展與培訓、勞工準則、供應鏈管理、產品責任、反貪污措施及社區投資。

年內，集團成立了一支社會責任團隊。社會責任團隊旨在加強協調集團義工隊的活動，義工隊致力於投放資源到社區慈善及關懷活動方面。年內，社會責任團隊與循道衛理觀塘社會服務處合作，為80名來自低收入組別的兒童及其家人舉辦聖誕派對，在充滿節日氣氛的季節為社區弱勢人士帶來溫暖及快樂。有關本集團社區投資措施的更多詳情載於環境、社會及管治報告第49及50頁。

Executive Directors' Information

執行董事資料

DR. SUN TAI LUN DENNIS CHAIRMAN

Dr. Sun Tai Lun Dennis, BBS, JP, aged 69, was appointed as an Executive Director of the Company on 6 July 1994 and was then appointed as the Chairman of the Company on 31 March 1996. He is responsible for the overall management and strategic business development of the Group. He joined the management team of the Group in 1976 and has over 40 years of experience in the photographic products industry. Dr. Sun is currently a member of the nomination committee and a member of the remuneration committee of the Company.

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

Dr. Sun is the Honorary President of The Hong Kong Management Association. He is also an independent non-executive director of Hanison Construction Holdings Limited (Stock Code: 896), a company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Dr. Sun was awarded the Bronze Bauhinia Star in 1999 and appointed Justice of the Peace in 2002.

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

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

Mr. Sun Tao Hung Stanley, aged 42, was appointed as an Executive Director and the Deputy Chairman of the Company and Chief Executive Officer of the Group on 1 April 2006. He joined the Group in 2005 and is currently responsible for the supervision of the overall marketing and sales areas as well as the Group's business development. He is also the Managing Director of Fuji Photo Products Co., Ltd., one of the subsidiary companies of the Group. Prior to joining the Group, Mr. Sun has worked in Fuji Photo Film Co., Ltd., both in Japan and the United States of America, where he conducted marketing work for their imaging business. Mr. Sun holds a Bachelor of Science degree and a Master of Business Administration degree from Cornell University, Ithaca, New York, USA. He is the elder son of Dr. Sun Tai Lun Dennis, Chairman and an Executive Director of the Company, and the elder brother of Mr. Sun Tao Hsi Ryan, an Executive Director of the Company and the Chief Operating Officer of the Group.

孫大倫博士 主席

孫大倫博士，BBS，JP，現年69歲，於1994年7月6日獲委任為本公司之執行董事，且其後於1996年3月31日獲委任為本公司主席。彼負責集團的整體管理及策略業務發展事宜。彼於1976年加入集團管理層，並於照相產品業累積超過40年經驗。孫博士現為本公司提名委員會成員及薪酬委員會成員。

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

孫博士為香港管理專業協會榮譽主席，亦為興勝創建控股有限公司(股份代號：896)(一間於香港聯合交易所有限公司(「聯交所」)上市的公司)獨立非執行董事。孫博士於1999年獲頒銅紫荊星章，更於2002年獲委任為太平紳士。

孫博士擁有美國奧克拉荷馬州大學藥劑學博士學位及美國 Southern California University for Professional Studies 工商管理博士學位，亦是香港城市大學榮譽院士及香港城市大學 Beta Gamma Sigma 分會榮譽會員。彼是前任公司榮譽主席兼創辦人孫建業先生之子。孫博士是本公司執行董事兼副主席及集團行政總裁孫道弘先生以及本公司執行董事兼集團首席營運總監孫道熙先生之父親。

孫道弘先生 副主席及行政總裁

孫道弘先生，現年42歲，於2006年4月1日獲委任為本公司執行董事兼副主席及集團行政總裁。孫先生於2005年加入集團，現時負責監督整體市場推廣及銷售範疇與集團業務發展。孫先生亦為集團之其中一間附屬公司—富士攝影器材有限公司之董事總經理。在加入集團前，彼曾分別於日本富士及其美國分公司任職，專責影像業務之市場推廣事宜。孫先生擁有美國康奈爾大學理學士學位及工商管理碩士學位。彼是本公司主席及執行董事孫大倫博士之長子，亦是本公司執行董事及集團首席營運總監孫道熙先生之胞兄。

MR. SUN TAO HSI RYAN
CHIEF OPERATING OFFICER

Mr. Sun Tao Hsi Ryan, aged 38, was appointed as an Executive Director of the Company on 1 April 2018. He was also appointed as Chief Operating Officer of the Group on 1 April 2019, responsible for the Group's operation management, particularly in IT and logistics sectors. Mr. Sun graduated from Widener University, Pennsylvania, USA with double degrees in Accounting Business Administration and Hospitality Management. Besides, he had spent 3 years in a military academy in his high school years. Mr. Sun is a member of The Y. Elites Association ("YEA") and a vice president of the Business Development Research Association in YEA. He is also the chairman of Raimondi Alumni Association. Mr. Sun is currently a managing director of Fotomax (F.E.) Limited, a subsidiary of the Group.

Mr. Sun is the second son of Dr. Sun Tai Lun Dennis, the Chairman and an Executive Director of the Company, and the younger brother of Mr. Sun Tao Hung Stanley, an Executive Director and the Deputy Chairman of the Company and the Chief Executive Officer of the Group.

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

Ms. Chan Wai Kwan, Rita, aged 42, was appointed as an Executive Director of the Company and Chief Financial Officer of the Group with effect from 1 April 2019. Ms. Chan is the Company Secretary of the Group. Ms. Chan joined the Group in 2005 and is currently responsible for financial reporting, tax and investment advisory, company secretarial matters as well as corporate resources management. Prior to joining the Group, Ms. Chan had worked in one of the "Big 4" accounting firms in Hong Kong for 6 years. She has over 15 years of professional experiences in auditing, accounting and financial management. Ms. Chan holds a Bachelor of Business Administration (Honours) degree in Professional Accountancy from The Chinese University of Hong Kong. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and a graduate of its 2018 Financial Controllershship Programme.

孫道熙先生
首席營運總監

孫道熙先生，現年38歲，於2018年4月1日獲委任為本公司執行董事。彼於2019年4月1日獲委任為集團首席營運總監，負責集團之營運管理，特別是資訊科技及物流領域。孫先生畢業於美國賓夕法尼亞州威得恩大學，擁有工商管理會計系學士及酒店管理系學士雙學位。此外，彼於其中學時期曾於美國一所軍事學府修業3年。孫先生為香港菁英會會員，並擔任該會工商發展研究會之副主席。彼亦為高主教校友會會長。孫先生現為集團附屬公司快圖美(遠東)有限公司之董事總經理。

孫先生是本公司主席兼執行董事孫大倫博士之次子，亦是本公司執行董事、副主席及集團行政總裁孫道弘先生之胞弟。

陳蕙君女士
首席財務總監及公司秘書

陳蕙君女士，現年42歲，於2019年4月1日獲委任為本公司之執行董事及集團首席財務總監。陳女士為集團之公司秘書。陳女士於2005年加入集團，現正負責財務報告、稅務及投資諮詢、公司秘書事宜以及企業資源管理。於加入集團以前，陳女士曾於香港一家「四大」會計師事務所工作六年。彼擁有超過十五年核數、會計及財務管理之專業經驗。陳女士擁有香港中文大學專業會計(榮譽)工商管理學士學位。彼為香港會計師公會資深會員並為其2018年度財務總監課程之畢業生。

Non-executive Director's Information

非執行董事資料

MR. FUNG YUE CHUN STEPHEN

Mr. Fung Yue Chun Stephen, aged 44, was appointed as the Non-executive Director of the Company on 8 April 2015. He is currently a member of the audit committee of the Company. Mr. Fung joined the Fung Group in 2001. He is the founder and CEO of Fung Kids Fashion (Holding) Limited, overseeing the children's apparel, footwear and accessories retailing business. He has extensive experience in the retail industry and holds positions as a director of Fung Retailing Limited, a director of Toys "R" Us Asia and a director of Suhyang Networks Co., Ltd. Starting from 2019, Mr. Fung has been appointed as the Fung Group's China President, representing the interests of the Fung Group in China and driving growth in this critical market.

Prior to joining the Fung Group, Mr. Fung gained his experiences by working in an internet incubator and a private equity company in New York. He was also the Vice President of Portfolio Management at Aetos Japan, an asset management firm that focuses on real estate assets. Mr. Fung graduated from Boston College with a Bachelor of Arts degree in Economics and holds an MBA degree of the International University of Japan.

馮裕津先生

馮裕津先生，現年44歲，於2015年4月8日獲委任為本公司非執行董事，亦為本公司審核委員會成員。馮先生於2001年加入馮氏集團，彼為利童服飾(控股)有限公司的創辦人及行政總裁，掌管其兒童服裝、鞋類及配飾零售業務。彼於零售行業擁有豐富經驗，現亦為馮氏零售集團有限公司、玩具「反」斗城亞洲及Suhyang Networks Co., Ltd.董事。自2019年起，馮先生獲委任為馮氏集團中國區總裁，代理馮氏集團於中國的產權並推動該關鍵市場的增長。

在加入馮氏集團前，馮先生透過在一間互聯網孵化中心及一間在紐約的私募基金公司工作獲得經驗。彼亦是Aetos Japan(一間專注於房地產資產的資產管理公司)的組合管理副總裁。馮先生畢業於波士頓學院，擁有經濟學文學士學位，及擁有日本國際大學工商管理碩士學位。

Independent Non-executive Directors' Information

獨立非執行董事資料

MR. LI KA FAI DAVID

Mr. Li Ka Fai David, aged 65, was appointed as an Independent Non-executive Director of the Company on 15 September 2004. He is currently the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of the Company. Mr. Li is currently the senior advisor of SHINEWING (HK) CPA Limited. He is a fellow of The Association of Chartered Certified Accountants, UK.

Mr. Li is an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of Cosmopolitan International Holdings Limited (Stock Code: 120), an independent non-executive director, a member of the audit committee, a member of the nomination committee and the chairman of the remuneration committee of China Merchants Port Holdings Company Limited (Stock Code: 144), an independent non-executive director, a member of the audit committee and a member of the remuneration committee of AVIC International Holding (HK) Limited (Stock Code: 232), an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of Goldlion Holdings Limited (Stock Code: 533), an independent non-executive director and the chairman of the audit committee of Shanghai Industrial Urban Development Group Limited (Stock Code: 563), an independent non-executive director and the chairman of audit committee of Wai Yuen Tong Medicine Holdings Limited (Stock Code: 897) and an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and the chairman of the remuneration committee of CR Construction Group Holdings Limited (Stock Code: 1582), which are all listed on the Stock Exchange.

MR. LIU HUI ALLAN

Mr. Liu Hui Allan, aged 63, was appointed as an Independent Non-executive Director of the Company on 28 June 2007. He is currently a member of the audit committee of the Company. Mr. Liu graduated from the Beijing University of International Business and Economics and the Westminster University of United Kingdom. Mr. Liu has over 30 years of experience in foreign direct investments in China, especially in the consumer and retail sectors. He was formerly the president of The China Retail Fund LDC, a direct investment fund he founded in 1996, co-sponsored by American International Group. Mr. Liu has also been a partner of the private equity business of PAG, a Pan Asian asset management group managing US\$20 billion. Mr. Liu is currently serving as a partner of an US asset management company, Versant Group and its Asia chairman.

李家暉先生

李家暉先生，現年65歲，於2004年9月15日獲委任為本公司獨立非執行董事。彼現為本公司審核委員會主席、提名委員會成員及薪酬委員會成員。李先生現為信永中和(香港)會計師事務所有限公司之高級顧問。彼為英國特許公認會計師公會資深會員。

李先生為四海國際集團有限公司(股份代號：120)獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員；招商局港口控股有限公司(股份代號：144)獨立非執行董事、審核委員會成員、提名委員會成員及薪酬委員會主席；中國航空工業國際控股(香港)有限公司(股份代號：232)獨立非執行董事、審核委員會成員及薪酬委員會成員；金利來集團有限公司(股份代號：533)獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員；上海實業城市開發集團有限公司(股份代號：563)獨立非執行董事及審核委員會主席；位元堂藥業控股有限公司(股份代號：897)獨立非執行董事及審核委員會主席，以及華營建築集團控股有限公司(股份代號：1582)獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會主席，該等公司均於聯交所上市。

劉暉先生

劉暉先生，現年63歲，於2007年6月28日獲委任為本公司獨立非執行董事。彼現為本公司審核委員會成員。劉先生畢業於北京對外經濟貿易大學及英國西敏寺大學。劉先生在外資直接於中國投資方面(特別是消費及零售業)擁有逾30年經驗。劉先生曾任The China Retail Fund的總裁，該基金於1996年成立並為彼與美國國際集團共同保薦的國際直接投資基金。劉先生亦曾擔任PAG私募股權業務的合夥人，該機構為管理200億美元資產的泛亞資產管理集團。目前彼為Versant集團(一間美國資產管理公司)的合夥人及其亞洲區主席。

DR. WONG CHI YUN ALLAN

Dr. Wong Chi Yun Allan, GBS, MBE, JP, aged 69, was appointed as an Independent Non-executive Director of the Company on 28 October 1997. He is currently the chairman of the nomination committee, the chairman of the remuneration committee and a member of the audit committee of the Company. Dr. Wong is the chairman, an executive director and the group chief executive officer of VTech Holdings Limited (Stock Code: 303), a company listed on the Stock Exchange, and he cofounded in 1976. Dr. Wong holds a Bachelor of Science degree in Electrical Engineering from The University of Hong Kong, a Master of Science degree in Electrical and Computer Engineering from the University of Wisconsin and an Honorary Doctorate of Technology from The Hong Kong Polytechnic University. He is the deputy chairman and an independent non-executive director of The Bank of East Asia, Limited (Stock Code: 23), a company listed on the Stock Exchange. He retired as an independent non-executive director of MTR Corporation Limited (Stock Code: 66), a company listed on the Stock Exchange, on 20 May 2020. He resigned as an independent non-executive director of Li & Fung Limited (the shares of which were withdrawn from the listing on the Stock Exchange on 27 May 2020) with effect from 28 May 2020.

黃子欣博士

黃子欣博士，GBS，MBE，JP，現年69歲，於1997年10月28日獲委任為本公司獨立非執行董事。彼現為本公司提名委員會主席，薪酬委員會主席及審核委員會成員。黃博士為偉易達集團((股份代號：303)，一間於聯交所上市之公司)主席、執行董事及集團行政總裁，彼於1976年聯席創立偉易達集團。黃博士持有香港大學電機工程系理學士學位、麥迪遜威斯康辛大學電機及電腦工程理學碩士學位及獲香港理工大學頒授榮譽科技博士學位。彼為東亞銀行有限公司((股份代號：23)，一間於聯交所上市之公司)副主席及獨立非執行董事。彼已於2020年5月20日退任香港鐵路有限公司((股份代號：66)，一間於聯交所上市之公司)獨立非執行董事。彼自2020年5月28日辭任利豐有限公司(其已於2020年5月27日撤銷股份於聯交所之上市地位)獨立非執行董事。

Environmental, Social and Governance Report

環境、社會及管治報告

MESSAGE FROM THE CHAIRMAN

For over half a century, the mission of China-Hongkong Photo Products Holdings Limited (the "Group") has always been to serve our customers with excellent service standards and inspiring them to own a better lifestyle through our products and services. Our vision of making the place where we operate a better place is deeply rooted in our company ethos, and evident across our efforts.

We are aware of the importance of corporate culture in the sustainable development and management of the Group, and also play an indispensable guiding role. This year, we have rebuilt our vision, mission and core values that can echo each other to reshape the spirit of the entire corporate culture to match the long-term development of the Group.

At the same time, we believe environmental, social and governance policy is a key element in the development of the Group's sustainable development. While the Group creates value for the society and the environment, it also benefits the Group and allows long-term sustainability. We continue to strengthen our communication with our employees, partners, shareholders, suppliers and the community to develop business strategies with greater effectiveness and meeting the anticipations of our stakeholders on social and environmental performance.

ABOUT THIS REPORT

The Group is pleased to present its sixth Environmental, Social and Governance ("ESG") Report (the "Report"). The Report details the Group's ESG policies, measures, and performance. Through reporting to stakeholders on sustainable development performance, the Group aims at attaining transparency and responsibility of information disclosure and increased public confidence; at the same time helping stakeholders better understand the Group's sustainability progress and development direction.

SCOPE OF REPORTING

This Report details the ESG performances of the Group for the financial year 2019/20 (1 April 2019 to 31 March 2020) (the "Reporting Period"), which runs consistent with the Annual Report of the Group. The Group provides exceptional, premium products and services in its specialised fields of photography and imaging solutions, skincare products, as well as consumer and professional electronic products and installation services across multiple sectors and industries. The Group adopted the materiality principle in the planning and preparation of the Report. Unless otherwise stated, the Report focuses on the retail and distribution businesses which represent the majority of the Group's environmental and social impacts.

There was no significant change in the scope of this Report from that of 2018/19.

ESG APPROACH AND STRATEGY

The Group's ESG philosophy is to ensure environmental and social interests are promoted while the Group seeks to create long-term value for stakeholders that grows in tandem with the Group's business and sustainable development. Therefore, the Report is released annually by the Group for public review. Besides, since last year, the Group established the ESG Committee, comprising members of senior management and chaired by the Group's Chief Operating Officer, is able to instil a culture of ESG awareness and promote ESG practices across the Group.

主席致辭

半個多世紀以來，中港照相器材集團有限公司(「集團」)的使命一直是以超卓的服務標準服務客人及透過我們的產品和服務激勵顧客擁有更好的生活方式。將我們長久以來經營的環境變得更加美好的願景植根於公司的精神，並通過我們的努力體現出來。

我們意識到企業文化對集團持續發展及管理的重要性，並擔當著不可缺少的導向作用。今年，我們重建願景、使命及核心價值，三者互相呼應，重塑整個企業文化的精神，以配合集團的長遠發展。

同時，我們深信環境、社會及管治政策是集團可持續發展的重要發展元素。集團為社會及環境創造價值，這亦同時使集團受益，達至長遠持續發展。我們持續加強與員工、合作夥伴、股東、供應商及社區的溝通，以制定更有效的業務策略，以及符合持份者對我們在社會及環境方面的預期。

關於本報告

集團欣然提呈其第六份環境、社會及管治報告(「本報告」)。本報告詳述集團的環境、社會及管治政策、措施及表現。透過向持份者報告可持續發展表現，集團旨在達致透明及負責任的資訊披露，並提高公眾的信心；同時協助持份者更了解集團的可持續發展進程及發展方向。

報告範圍

本報告詳述集團於2019/20財政年度(2019年4月1日至2020年3月31日)(「報告期間」)的環境、社會及管治表現，與集團年報報告期一致。集團在攝影及影像解決方案、護膚產品以及消費及專業電子產品及安裝服務的專業領域為多個界別及行業提供卓越的優質產品及服務。集團於規劃及編製本報告時採用了重要性原則。除另有指明外，本報告重點關注零售及分銷業務，相當於大部分集團對環境及社會的影響。

本報告的範圍與2018/19年相比並無重大變動。

環境、社會及管治方針及策略

集團的環境、社會及管治理念乃確保環境及社會利益得以促進，同時集團致力為持份者締造配合集團業務增長及可持續發展的長遠價值。因此，集團每年公佈本報告以供公眾查閱。此外，自去年起，集團已成立環境、社會及管治委員會，由高級管理層成員組成，並由集團首席營運總監擔任主席，能夠於集團內灌輸環境、社會及管治意識文化並推廣環境、社會及管治實踐。

REPORTING PRINCIPLES

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

1. Materiality:

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

2. Quantitative:

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

3. Balance:

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

4. Consistency:

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

STAKEHOLDER ENGAGEMENT

The Group believes that effective feedback from stakeholders not only contributes to the comprehensive and impartial evaluation of the ESG performance but also improves its performance based on the feedback. On this ground, the Group engages in regular communication with stakeholders in an open, honest, and positive manner through a variety of channels, including survey and regular engagement sessions. Besides, the Group shares the latest information with stakeholders through the Group’s website.

The Group will continue to maintain communication with stakeholders, collect opinions from stakeholders through different forms and improve ESG performance. This year the Group identified stakeholders’ expectation on the social aspects, encompassing employment, health & safety, labour standards, supply chain management, product responsibility and anti-corruption. These key considerations aligned with the Group’s guiding principles and values have been further addressed in the Report.

A. Environment

The nature of the Group’s business is local retail and distribution businesses which do not emit significant discharges, such as nitrogen oxides, sulphur oxides, and respirable suspended particulates or any significant volume of hazardous or non-hazardous waste. Hence, the impact on the environment is limited. However, the Group considers it equally important to shoulder the responsibility in the context of caring for the environment. In addition to complying to all applicable local

報告原則

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

1. 重要性：

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

2. 量化：

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

3. 平衡：

本報告須不偏不倚地呈報集團在環境、社會及管治方面的表現，避免可能會不恰當地影響報告讀者決策或判斷的選擇、遺漏或呈報格式。

4. 一致性：

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

持份者參與

集團相信，持份者的有效反饋不僅有助全面而中肯地評估環境、社會及管治方面的表現，集團亦可根據反饋改善其表現。因此，集團通過多種溝通渠道，例如調查及定期參與會議，以公開、誠實及積極的態度與持份者進行定期的溝通。此外，集團亦透過集團的網站與持份者分享最新資訊。

集團將繼續與持份者保持溝通，並透過不同形式收集持份者的意見，改善環境、社會及管治表現。本年度，集團已識別持份者於社會方面的期望，涵蓋僱傭、健康與安全、勞工準則、供應鏈管理、產品責任以及反貪污。這些主要考慮因素與集團的指導原則及價值觀一致，並已於本報告內進一步詳述。

A. 環境

集團的業務性質主要為本地零售及分銷業務，該等業務不會排放大量排放物(例如氮氧化物、硫氧化物及可吸入懸浮粒子)或任何大量有害或無害廢物。因此，對環境造成的影響有限。然而，集團認為在保護環境的大前提下，肩負責任同樣重要。除遵守所有適用的當地環境法律及法規外，集團努力提高能源效益，於

environmental laws and regulations, the Group strives for enhanced energy efficiency and reduced carbon emissions within its work premises. The following are some of the initiatives on environmental conservation.

1. Greenhouse Gas Emissions

The Group has established internal guidelines to promote its environmental policy. By developing specific environmental guidelines for retail and office operations, the Group systematically integrates the use of resources and management of emissions into day-to-day operations.

The Group's greenhouse gas emissions ("GHG Emission") come from fuel consumed by the Group's vehicles for distribution to shops and customers. During the Reporting Period, the Group owns 5 trucks which are certified with EURO VI standard and emit less GHG, as well as practising operational protocols to ensure the effective use of vehicles.

工作場所減少碳排放。以下為有關環境保護的若干措施。

1. 溫室氣體排放

為推廣集團之環保政策，集團已制定內部指引。透過建立有關零售及辦公室運作的具體環保指引，集團有系統地將資源使用及排放物管理融入日常營運。

集團的溫室氣體排放來源為集團用作派送至店舖及客戶的車輛所消耗的燃料。於報告期間，集團擁有5輛符合歐盟六期標準並排放較少溫室氣體的貨車，以及執行運作程序以確保有效使用車輛。

Type of Air Emissions 廢氣排放類型	Emission Source 排放來源	Emission (in tonnes) 排放量 (以噸計)	
		2019/20	2018/19
SOx 硫氧化物	Vehicles fuel consumption 車輛消耗燃料	0.30	0.37
NOx 氮氧化物	-ditto- 同上	195.48	262.37
PM 懸浮粒子	-ditto- 同上	4.25	25.39

Table 1 – Air Emissions during the Reporting Period

表1 – 報告期間的廢氣排放量

Scope of GHG Emissions 溫室氣體排放範圍	Emission Source 排放來源	Emission (in tonnes of CO ₂ e) 排放量 (以噸二氧化碳當量計)		Intensity (Emission/Employee) 密度 (排放量/僱員)		Total Emission (in percentage) 總排放量 (以百分比計)	
		2019/20	2018/19	2019/20	2018/19	2019/20	2018/19
Scope 1 範圍1							
Direct Emission 直接排放	Vehicles Fuel Consumption 車輛消耗燃料	48.37	59.89	0.09	0.13	3.8%	4.5%
Scope 2 範圍2							
Indirect Emission 間接排放	Electricity 電力	1,219.00	1,233.60	2.31	2.60	94.8%	94.0%
Scope 3 範圍3							
Other Indirect Emission 其他間接排放	Paper Waste 廢棄紙張	18.23	19.49	0.03	0.04	1.4%	1.5%
Total 總計		1,285.6	1,312.98	2.43	2.77	100%	100%

Table 2 – Green House Gas Emissions during the Reporting Period

表2 – 報告期間的溫室氣體排放量

The total GHG generated by the Group during the Reporting Period was approximately 1,290 tonnes (2018/19: 1,310) of carbon dioxide equivalent (tCO₂e), with an intensity of approximately 2 tonnes per employee of carbon dioxide equivalent (2018/19: 3 tonnes), comprising of fuel consumption by the Group's vehicles, electricity, as well as paper waste.

於報告期間，集團產生的溫室氣體總量約為1,290噸(2018/19年：1,310噸)二氧化碳當量，密度約為每名僱員2噸(2018/19年：3噸)二氧化碳當量，包括集團的車輛消耗燃料、電力以及廢棄紙張。

2. Energy Consumption and Conservation

The Group continues to replace physical servers into general virtual servers, which has reduced considerable energy consumption. In addition, the Group encourages employees to turn off idle electrical appliances and equipment and turn off lighting and air conditioning when leaving the workplace. The Group prefers using low-power electrical appliances or products and avoids using unnecessary high-power equipment. In addition, the Group performs various sustainable procurement measures to advocate green product awareness. For instance, choosing computers which are easy to upgrade, recycle and contain low levels of contaminating metals (cadmium, lead and mercury).

The Group is also concerned about carbon emissions caused by business travel and has introduced a number of measures in this regard, including giving preference to local suppliers, centralised management of vehicle use, and making good use of modern communication tools to interact with business partners.

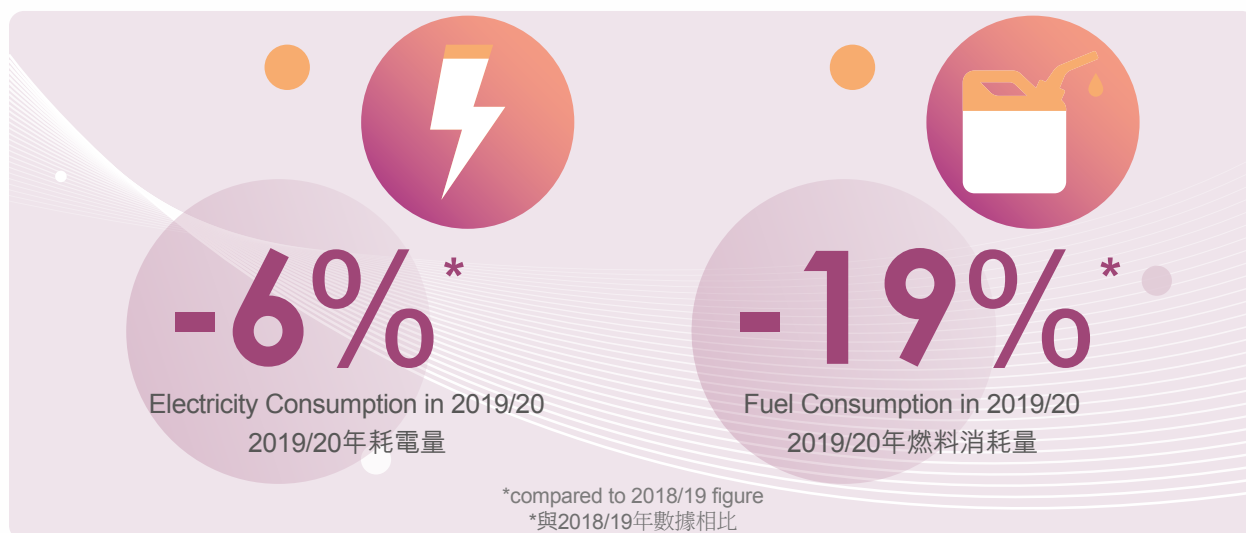
During the Reporting Period, total electricity consumption from the Group's operation was approximately 2,101,400 kWh (2018/19: 2,233,570 kWh), approximately 3,990 kWh per employee (2018/19: 4,710 kWh), in addition to the total fuel consumption by the Group's vehicles was approximately 18,330 litres (2018/19: 22,690 litres), with an intensity of approximately 30 litres per employee (2018/19: 50 litres per employee).

2. 能源消耗及節約

集團繼續將實體伺服器替換為通用虛擬伺服器，大幅降低能源消耗。此外，集團鼓勵僱員關閉閒置之電器和設備，以及在離開工作區域時關閉照明和空調。集團優先採用低耗電電器或產品，並避免使用非必要的高耗能設備。此外，集團採取多項可持續採購措施，提倡綠色產品。例如，選購易於升級、回收及有毒金屬(鎘、鉛和汞)含量低的電腦硬件。

集團亦關注差旅帶來的碳排放並積極推行多項措施，包括優先選用本地供應商、集中管理車輛使用，以及善用現代化通訊工具與業務夥伴進行溝通。

於報告期間，集團於營運過程的總用電量約為2,101,400千瓦時(2018/19年：2,233,570千瓦時)，密度約為每名僱員3,990千瓦時(2018/19年：4,710千瓦時)，另外，集團車輛的總燃料耗用量約為18,330公升(2018/19年：22,690公升)，密度約為每名僱員30公升(2018/19年：50公升)。



Resources 資源	Unit 單位	Consumption 消耗量		Intensity (Consumption/Employee) 密度(消耗量/僱員)	
		2019/20	2018/19	2019/20	2018/19
Electricity 電力	kWh 千瓦時	2,101,404.00	2,233,571.77	3,987.48	4,712.18
Water 水	m ³ 立方米	566.03	1,166.26	1.07	2.46
Fuel 燃料	L 公升	18,325.29	22,689.70	34.77	47.87

Table 3 – Resources Consumption during the Reporting Period

表3 – 報告期間的資源消耗量

3. Mitigation of Waste

The Group adheres to the principles of waste management and strives to properly handle and dispose of waste generated from business activities. For instance, the Group applies the principle of “Waste Reduction at Source” to mitigate waste generation. Chemical waste is collected and processed by licensed chemical waste collectors, while other wastes such as photographic paper, paper, metal foil, fluorescent tubes, photocopier cartridges and batteries, are collected and processed by waste recyclers.

In 2019/20, the Group continued to pursue new ways of mitigating waste. The Group launched “Instant film box recycling program” with The Boys’ Brigade to raise awareness among customers and encourage action. Customers are entitled to HK\$1 discount to a new film box when they return every instant film box. The recyclables are stored at The Boys’ Brigade before being transferred to recyclers.

During the Reporting Period, there were approximately 90 tonnes of hazardous waste (2018/19: 120 tonnes) and 4 tonnes (2018/19: 4 tonnes) of non-hazardous waste discharged from the Group’s operation. The annual emission intensity of hazardous and non-hazardous waste was 0.2 tonne (2018/19: 0.3 tonne) and 0.01 tonne (2018/19: 0.01 tonne) per employee respectively.

3. 減少廢棄物

集團堅持廢棄物管理原則，並致力妥善處理及處置來自業務活動所產生的廢棄物。例如，集團以「從源頭減少廢棄物」為原則減少產生廢棄物。化學廢棄物由持牌化學廢棄物收集商收集及處理，而相紙、紙張、金屬薄片、光管、影印機墨盒及電池等其他廢棄物則由廢棄物回收商收集及處理。

於2019/20年度，集團繼續尋求減少廢棄物的新方法。集團與香港基督少年軍一同推出「即影即有菲林盒回收計劃」，以提高客戶減少廢棄物的意識並鼓勵採取行動。回收菲林盒的客戶購買新菲林時可享受有每盒扣減港幣1元的優惠。回收品將存放於香港基督少年軍，其後轉運往回收商。

於報告期間，集團於營運過程排放約90噸有害廢棄物(2018/19年：120噸)及4噸無害廢棄物(2018/19年：4噸)。有害及無害廢棄物的年度排放密度分別為每名僱員0.2噸(2018/19年：0.3噸)及0.01噸(2018/19年：0.01噸)。

Type of Waste 廢棄物類型	Emission Source 排放來源	Amount of Waste (in tonnes) 廢棄物量(以噸計)		Intensity (Emission/Employee) 密度(排放量/僱員)	
		2019/20	2018/19	2019/20	2018/19
Hazardous waste 有害廢棄物	Photofinishing Solution 沖印服務	89.79	123.66	0.17	0.25
Non-hazardous waste 無害廢棄物	General Operation 一般營運	3.80	4.06	0.01	0.01
Total 總計		93.59	127.72	0.18	0.26

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

表4 – 報告期間的有害及無害廢棄物產生量

4. Reduction of Water Usage

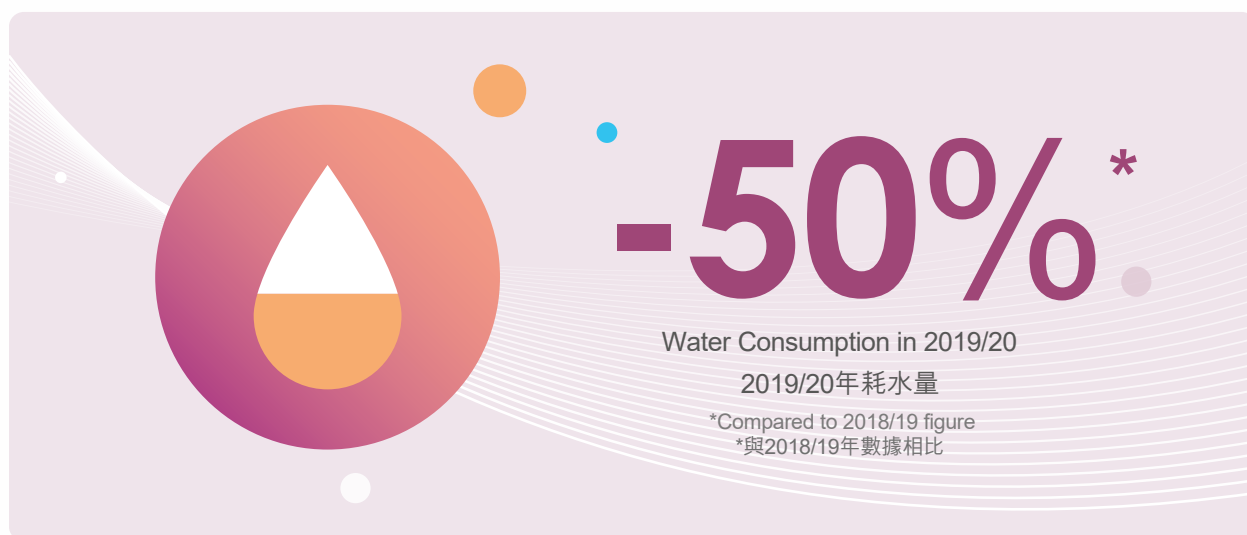
Sustainable and responsible use of water resources is a major global issue. The Group is aware that water shortage, excessive demand and overuse of water can cause serious problems. Due to its business nature, the Group does not use or discharge significant amount of water.

Compared to last reporting period, water consumption has decreased by around 50% to approximately 570 cubic metres (2018/19: 1,170 cubic metres) with an intensity of 1 cubic metre (2018/19: 2 cubic metres) per employee. The significant reduction was caused by updated methodology in measuring water consumption, thus the figures relating thereto could be measured more precisely. The Group will closely monitor water usage and continue to educate employees to promote water-saving awareness.

4. 減少用水

可持續地和負責任地使用水資源是重大的全球性問題。集團意識到水源短缺、過度需求及用水過度會造成嚴重問題。由於其業務性質，集團並無使用或排放大量水。

與去年報告期間相比，耗水量下跌50%至約570立方米(2018/19年：1,170立方米)，密度為每名僱員1立方米(2018/19年：2立方米)。顯著減少乃由於更新了測量耗水量的方法，因此，可以更精準地測量相關數據。集團將密切監察用水情況，並繼續教育員工以提高節水意識。



5. Use of Packaging Materials

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

The Group promotes the minimum use of packaging materials in all business activities. During the Reporting Period, approximately 850 tonnes (2018/19: 920 tonnes) of packaging materials were used, including carton box (approximately 610 tonnes; 2018/19: 550 tonnes), bubble bag (approximately 210 tonnes; 2018/19: 340 tonnes) and plastic wrap (approximately 30 tonnes; 2018/19: 30 tonnes).

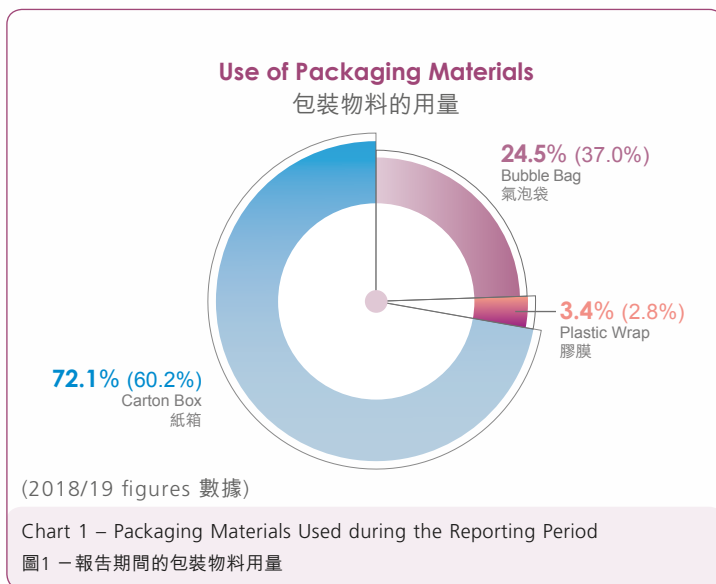
In 2019/20, the Group reviewed the procedure and adjusted the design of packaging materials. At shop level, staff will advise customers to minimise use of plastic bags while at logistic level, strings are used for delivery and pick-up instead of using plastic bags. The Group has also adopted degradable materials in purchasing plastic bags.

5. 包裝物料的用量

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

集團在所有業務活動推廣盡量少用包裝物料。於報告期間，所用的包裝物料約為850噸(2018/19年：920噸)，包括紙箱(約610噸；2018/19年：550噸)、氣泡袋(約210噸；2018/19年：340噸)及膠膜(約30噸；2018/19年：30噸)。

於2019/20年度，集團已審查程序並已調整包裝材料的設計。於商店層面，工作人員會建議客戶盡量減少使用塑料袋；而於物流層面，運送及提貨則使用繩子代替塑料袋。集團於購買塑料袋時亦會選擇可降解材料。



6. *The Environment and Natural Resources*

As a socially responsible enterprise, protecting nature and the environment has become an integral part of the Group's corporate culture. The Group constantly looks for ways to maximise benefits with minimal resource consumption and environmental impact and continue to strive for sustainable development.

In addition, the Group continuously identifies, assesses, and manages potential adverse impacts on the environment, and strives to maintain a balance between industry development and ecological environment for long-term sustainable development. When reviewing its business strategies and planning for future business development, the Group will take environmental protection and conservation of natural resources into consideration. Since its business involves no manufacturing or production activities, the Group does not have a significant impact on the environment and natural resources.

7. *Climate Change*

The Group mainly operates in Hong Kong and has identified typhoon as the major threat from the increasing climate change. Given this, the Group has developed mitigation measures to reduce the adverse impact caused by typhoons on employees and properties. For instance, the Group conducts regular inspection on windows under the Government's mandatory window inspection scheme. The Group has also purchased insurance to transfer possible losses caused by natural disasters and reduce the risk of casualties and property losses. At shop level, notices are sent before typhoon for lifting up inventories and adopting sufficient glasses protection.

B. **Social**

The Group reckons that employees are the most valuable assets and have a critical impact on the quality of the Group's products and services. They are also the cornerstone for sustainable corporate development.

The Group strives to build a safe, healthy, fair, and non-discriminative work environment and maintain a harmonious relationship with employees, so as to bring together all employees to promote the long-term sustainable development of the Group.

6. **環境及自然資源**

身為有社會責任感的企業，保護大自然及環境已成為集團企業文化不可或缺的一部分。集團時刻在尋求方法，在消耗最少資源及對環境造成最小影響的情況下爭取最大的收益，並繼續努力實現可持續發展。

此外，集團致力維護產業發展與生態環境間之平衡，追求長期持續發展，並持續識別、評估和管理對環境潛在的不良影響。於檢討其業務策略及規劃未來業務發展時，集團會考慮環境保護及自然資源保護。由於其業務不涉及製造或生產活動，因此集團對環境及自然資源並無重大影響。

7. **氣候變化**

集團主要於香港營運，並已將颱風認定為氣候變化加劇的主要威脅。有鑑於此，集團已製定緩解措施以減少颱風對員工及物業造成的不利影響。例如，集團根據政府的強制驗窗計劃定期檢查窗戶。集團亦購買保險，以轉移自然災害可能造成的損失，並減少人員傷亡及財產損失之風險。於商店層面，颱風前會通知升高存貨以及採取足夠的玻璃保護措施。

B. **社會**

集團認為員工是最寶貴的資產，對集團產品及服務的質量具有至關重要的影響，更是公司可持續發展的基石。

集團致力建立安全、健康、公平及無歧視的工作環境，並與僱員保持和諧關係以凝聚全體僱員，促進集團的長遠可持續發展。

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

1. Respect the Employee

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

2. Aspire to Perfection

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

3. Serve the Community

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

4. Contribute to the Society

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

1. Employment and Labour Standards

The Group is convinced that equal employment relations can improve employee satisfaction, which in turn helps retain and motivate outstanding talents and thus promotes the Group's business development. As such, the Group is committed to providing a fair and safe work environment with equal opportunities to staff and embracing diversity regardless of nationality, race, religion, gender, age, physical abilities, pregnancy, or family status. Fairness, honesty, and integrity are emphasised in the process of recruitment, dismissal, and promotion as part of the principle of equal opportunity.

The Group revises policies and procedures regarding anti-discrimination, recruitment and promotion, dismissal, and rest period regularly. During the Reporting Period, the Group strictly observes the employment regulations, relevant policies and guidelines of the relevant jurisdictions where it operates, including the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong).

集團的社會政策堅守以下原則：

1. 尊重僱員

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

2. 追求完美

向客戶提供最高質素的产品之餘，鼓勵所有僱員提供最佳服務，追求卓越。

3. 服務社區

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

4. 為社會貢獻

鼓勵所有員工通過參與社會福利活動履行促進社會繁榮的義務，並遵守法律。

1. 僱傭及勞工準則

集團深信平等的僱傭關係可提高員工滿意度，從而保留和激勵優秀人才，加快集團的業務發展。因此，集團致力向員工提供公平而安全的工作環境，並包容多元化，為不同國籍、種族、宗教、性別、年齡、體能、懷孕狀況或家庭背景的員工提供平等機會。基於平等機會的原則，集團在招聘、解僱及晉升的過程中，均十分強調公平、誠信及正直等價值。

集團定期修訂有關反歧視、招聘和晉升、解僱和休息時間的政策和程序。於報告期間，集團嚴格遵守經營所在相關司法管轄區的僱傭規例、相關政策及指引，包括僱傭條例(香港法例第57章)及僱員補償條例(香港法例第282章)。

2. Labour Rights and Welfares

The Group strives to establish harmonious labour relationships and a happy working environment. Therefore, the Group attaches great importance to the physical and psychological health of the employees. Acknowledging a good work-life balance can improve employees' work performance, the Group does not force employees to work overtime. The Group provides employees with various welfare and benefits. Employees are entitled to a discretionary performance bonus, mandatory provident fund, medical welfare and hospital allowance, various types of paid leaves (marriage, study and examination, compensation, paternity, maternity, birthday leave and funeral leaves) in addition to annual leave and sick leave. Details are set out in the Staff Handbook to ensure transparency of information on the employees' responsibilities and rights. The Group's essential policies and procedures are also included in the Staff Handbook which is in line with the internal management policy. This policy is developed in accordance with the applicable laws and regulations related to labour standards.

On the other hand, the Group continually reforms and improves its employee compensation policies and systems and fully considers increasing employee compensation in tandem with the Group's performance, in an effort to ensure that employees are rewarded fairly based on their contribution. The Group endorses a comprehensive performance appraisal system under which promotion opportunities and salary adjustments are based on individual work performance. Based on this equitable principle, the system successfully motivates employees and promotes the realisation of self-value.

As at the end of the Reporting Period, there were 527 employees (2018/19: 474) in the Group's workforce. The majority of the Group's employees locate in Hong Kong with around 80% are full-time employees.

There were no non-compliance cases noted in relation to labour standards laws and regulations during the Reporting Period.

2. 勞工權利與福利

集團盡力建立和諧的勞工關係及愉快的工作環境。因此，集團非常著重員工的身心健康。取得良好的工作與生活平衡可改善僱員的工作表現，故集團並無強迫僱員加班。集團為員工提供各種福利待遇。僱員有權享有酌情表現花紅、強制性公積金、醫療福利和醫院津貼、年假和病假以外的各類帶薪休假(婚假、學習及考試假、補假、侍产假、產假、生日假和恩恤假)。有關僱員責任及權利之詳情載於《員工手冊》，以確保資訊透明度。《員工手冊》亦載有集團重要的政策及程序，符合內部管理政策。政策乃根據與勞工標準相關的適用法律及法規制定。

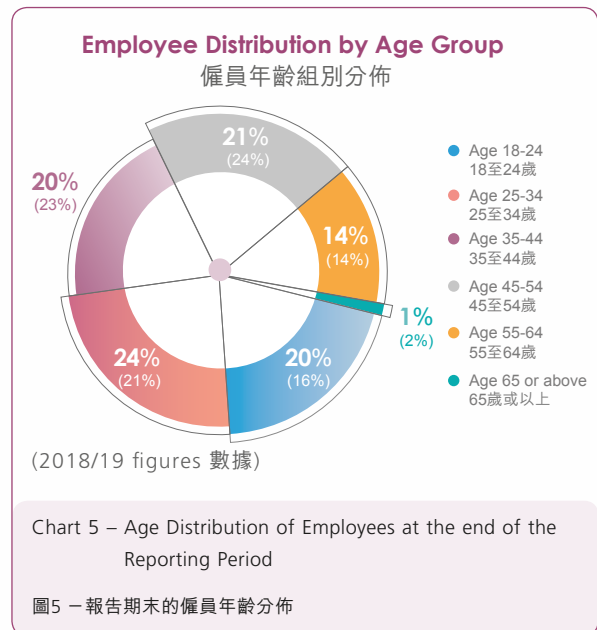
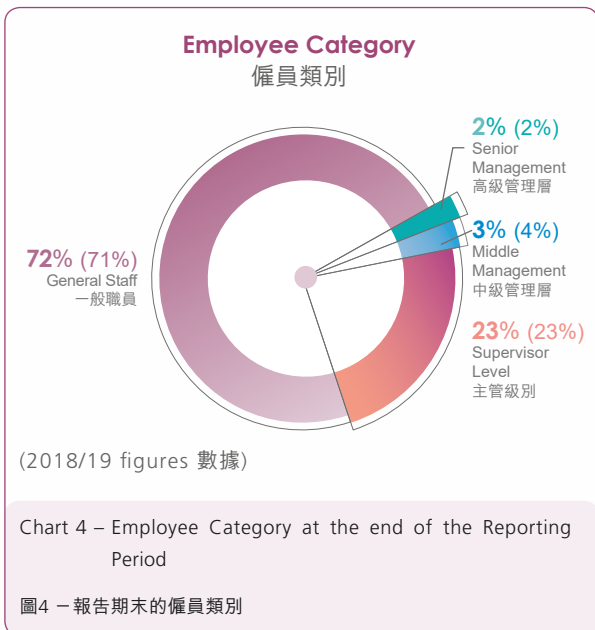
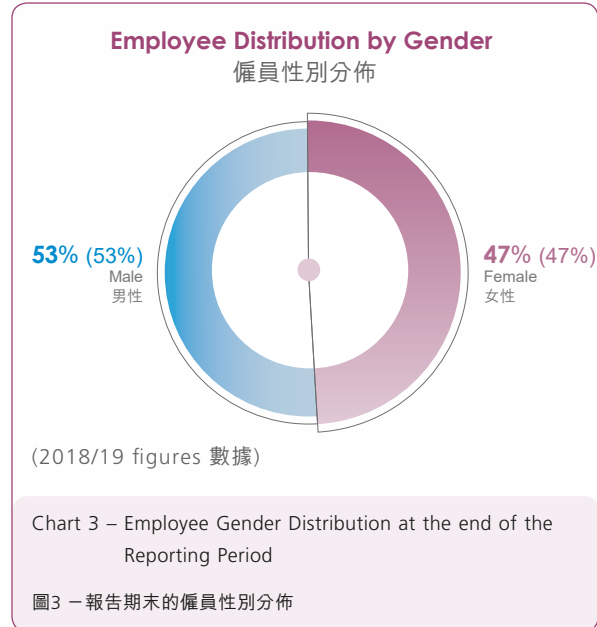
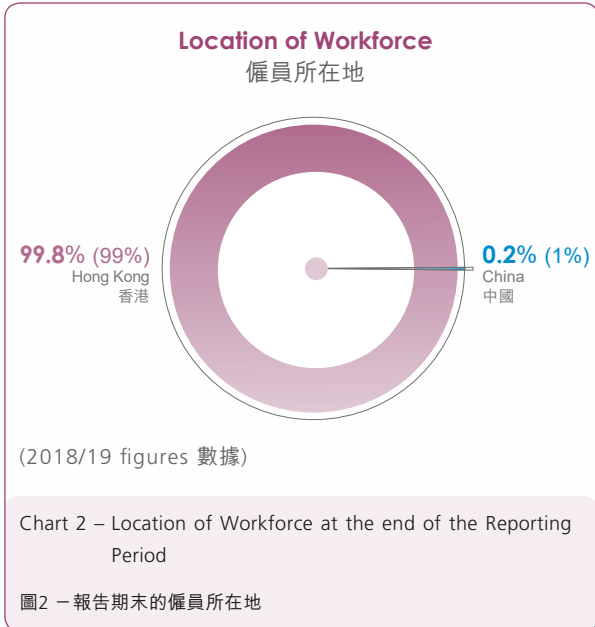
另一方面，集團不斷改革和完善員工薪酬政策及制度，根據集團的業績充分考慮員工薪酬增長，以確保僱員根據其貢獻獲得公平報酬。集團支持完善的表現評核制度，根據個別工作表現調整晉升機會及薪金。基於這一公平原則，該制度成功激勵員工，促進自我價值的實現。

於報告期間末，集團有527名僱員(2018/19年：474名)。集團的大部分僱員均位於香港，約80%為全職僱員。

於報告期間，概無發現有關不遵守勞工標準法律及法規的情況。

The employee compositions are illustrated as follows:

僱員組成如下：



Employee Turnover Rate by Gender
按性別劃分的僱員流失比率

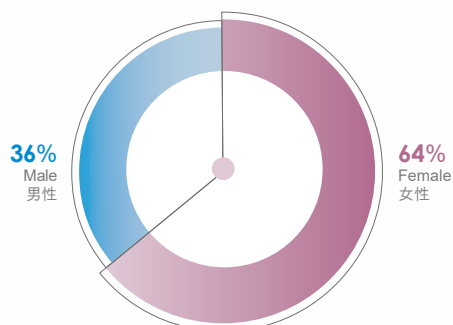


Chart 6 – Employee Turnover Rate by Gender during the Reporting Period

圖6 – 報告期間的按性別劃分的僱員流失比率

Employee Turnover Rate by Age Group
按年齡組別劃分的僱員流失比率

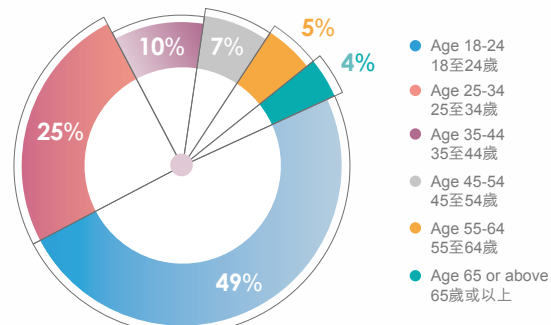


Chart 7 – Employee Turnover Rate by Age Group during the Reporting Period

圖7 – 報告期間的按年齡組別劃分的僱員流失比率

3. Employee Health and Safety

The Group values the health and well-being of every employee. The Group has established safety measures and procedures recommended by the Labour Department and Occupational Safety and Health Council.

On 11th March 2020, the World Health Organization (WHO) declared the novel coronavirus (“COVID-19”) outbreak as pandemic. The safety and security of customers, employees, and other stakeholders are at top priority. On the ground, the Group has implemented measures based on guidance received from government authorities in order to help prevent the spread and infection of COVID-19. For instance, the Group provided hand sanitizers in offices, warehouses and shops, enhanced environmental disinfection by installing auto air refreshers at toilets, provided masks to staff in need etc.

The Group requires employees to strictly comply with the safety policy and guidelines which specify workflows, various safety measures and guidance as well as employees’ responsibilities for their health and safety at the workplace. In the daily operations of the Group, the risk of work injury mainly arises from manual handling operations. In order to protect the safety and health of employees and to minimise the risk involved, the Group advocates safe manual handling operations through the provision of satisfactory working conditions, good working practices, proper use of mechanical aids and protective devices, adequate safety and health information, and sufficient safety training.

3. 僱員健康和安

集團重視每一名員工的健康與福祉。集團已按勞工處和職業安全健康局的建議，制定安全措施及程序。

於2020年3月11日，世界衛生組織(世衛)宣佈新冠病毒(「COVID-19」)爆發為全球大流行。客戶、僱員及其他持份者的安全及保障對集團至為重要。因此，集團已根據政府機構提供的指引落實措施，以協助預防COVID-19的感染和傳播。例如，集團在辦公室、倉庫及店鋪提供消毒洗手液，在洗手間安裝自動空氣清新器以加強環境消毒，及為有需要的員工提供口罩等。

集團要求僱員嚴格遵守安全政策及指引，當中訂明工作流程、各種安全措施及指引，以及僱員於工作場所對健康及安全的責任。在集團的日常營運中，工傷風險主要來自體力處理操作。為了保障僱員的安全和健康，盡量減少相關風險，集團通過提供理想的工作條件、良好的工作實踐、正確的機械輔助設備和保護裝置用法、充足的安全和健康資訊以及足夠的安全培訓，倡導安全的體力處理操作。

During the Reporting Period, the Group found no case of violation of laws and regulations related to occupational safety and health, nor did it receive any complaints about work conditions. Also, there were no work-related deaths (2018/19: none) and there were 90.5 days lost day due to work injuries during the Reporting Period. The Group strictly follows the relevant legislations in Hong Kong including the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) and the Factories and Industrial Undertakings (Safety Officers and Safety Supervisors) Regulations (Chapter 59Z of the Laws of Hong Kong).

4. Development and Training

The Group recognises the importance of skilled and professionally trained employees to its business growth and future success. Therefore, the Group encourages them to participate in personal development and training and has developed a staff training policy with a complete set of training measures, which specifies the management responsibilities of the person in charge of training in each department, and provides corresponding training courses for employees to continuously increase their working knowledge and skills.

Collaborating with a professional institute, the Group launched the new internal program for management levels in 2019/20. The program aims at empowering managerial staff on communication and leadership skills, as well as focusing on the Group's vision, mission and core values.

During the Reporting Period, the Group provided 2,410 hours for employee training (2018/19: 1,558 hours). The following is an overview of the wide ranges of training schemes.

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

於報告期間，集團並未發現任何違反職業安全及健康相關法律及法規的情況，亦未接獲任何有關工作條件的投訴。此外，於報告期間，並無因工傷死亡個案(2018/19年：無)，而因工傷損失的日數為90.5天。集團嚴格遵循香港相關法律，包括職業安全及健康條例(香港法例第509章)及工廠及工業經營(安全主任及安全督導員)規例(香港法例第59Z章)。

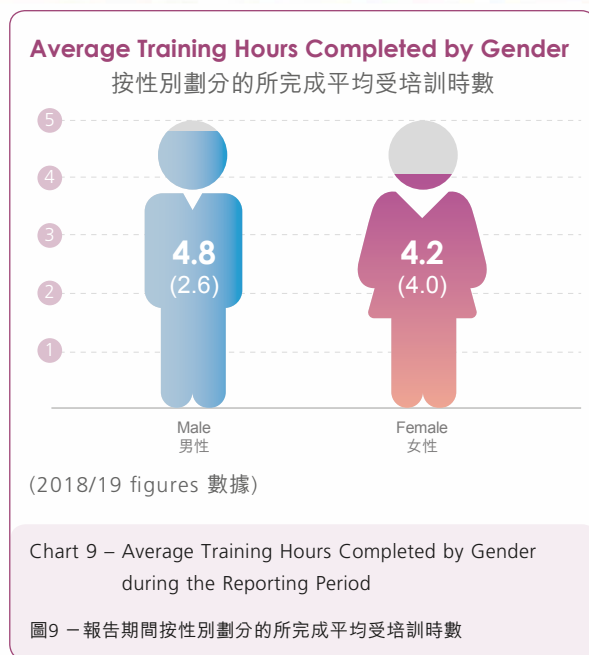
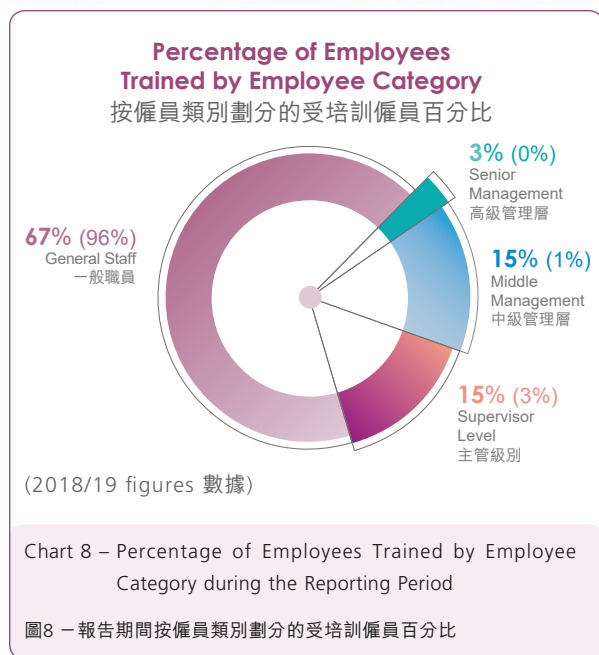
4. 發展及培訓

集團認為具備專業培訓之員工為帶領業務增長及未來成功的關鍵。因此，集團鼓勵員工參與個人發展及培訓，並制定了員工培訓政策，擁有完整的培訓體系，當中訂明各部門培訓負責人的管理職責，為員工提供相應的學習及培訓課程，以持續增強員工的工作知識和技能。

集團與一所專業機構合作，於2019/20年推出為管理層級別而設的新內部計劃。該計劃旨在增強主管人員的溝通及領導能力，並著重於集團的願景、使命及核心價值。

於報告期間，集團提供約2,410小時員工培訓(2018/19年：1,558小時)。以下為多種培訓計劃的概述。

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



During the Reporting Period, the Group has rebuilt its vision, mission and core values and launched the internal training program to align this concept among colleagues. As such, compared with last year, the Group's total training hours had resulted in a significant increase.

於報告期間，集團重塑其願景、使命及核心價值，並推出內部培訓計劃，以在同事之間貫徹此理念。因此，與去年相比，集團的培訓總時數顯著增加。

5. Supply Chain Management

The Group emphasises promoting good communication and cooperation to jointly maintain the quality and safety of products and services. The Group implements supplier management system in accordance with internal guidance which governs the management of suppliers. Based on multiple aspects such as quality and price, environmental protection, labour practices, suppliers are chosen to subject to screening and evaluation procedures among the suppliers.

Moreover, to ensure suppliers' capability in quality assurance, safety and environmental responsibility, the Group carries out regular quality assessments on suppliers' overall capabilities. The Group will sign agreements with key suppliers to regulate their product quality, environmental and safety performance. To protect the rights and interests of customers and comply with social standards and norms, suppliers selected by the Group must be legitimate companies in compliance with business registration regulations.

During the Reporting Period, the Group has 702 active suppliers¹.

6. Green Procurement

The Group has ethical and environmental expectations for delivering goods and services. In 2019/20, the Group continued to work with customers, partners and suppliers to further sustainability by focusing on managing risk and improving performance in the supply chain, adopting standards and best practices, and providing sustainable design, manufacturing, product and packaging options. The Group formulated policies and measures, including a policy that gives priority to the procurement of green products, such as furniture made with chipboard, photocopiers and printer with energy efficiency labels, recyclable laser printer cartridges and recycled paper folders.

5. 供應鏈管理

集團強調促進良好的溝通與合作，協力維護產品與服務的質量和安全。集團根據內部指引實施供應商管理系統以規管供應商的管理。供應商的選擇乃根據品質和價格、環保及勞工常規等多方面進行篩選和評估程序。

此外，為確保供應商在品質保證、安全和環境責任等方面的能力，集團定期評估供應商的整體能力。集團會跟主要供應商簽訂協議以規範其產品品質、環保及安全表現。而集團所選用的供應商須屬於符合商業登記規例的合法公司，以保障客戶的權益及符合社會準則規範。

於報告期間，集團有702個活躍供應商¹。

6. 綠色採購

集團在交付商品和服務方面抱有對道德和環境的期望。於2019/20年，集團持續與客戶、合作夥伴及供應商合作，透過專注於管理風險、提高供應鏈績效、採用標準及最佳做法以及提供可持續設計、製造、產品和包裝選項，以加強可持續性。集團制定了政策及措施，包括優先採購以木屑膠合板製造的傢俱、附貼能源效益標籤的影印機及打印機、可循環再用的鐳射打印機墨盒及再造紙文件夾等綠色產品的政策。

¹ An active supplier is identified as its goods, materials, or services have a significant impact on the Group.
活躍供應商指其商品、材料或服務對集團有重大影響。

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

Customers

The Group promotes environmental protection to the customers. Refills are available for some products in the skincare segment. In order to avoid hazardous damage to the environment, electronic waste from electronic products and household appliances segment is delivered to recyclers for further processing before disposal.

Partners

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

Supply Chain

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

Green Building

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

7. Product Responsibility

Delivering Quality Products and Services

With the mission of "to enhance the quality of life for our customers by providing quality products and services", the Group is committed to providing high-quality products and services and guarantees that they are in line with industry standards and sustainability requirements. The Group also pursues to meet higher criteria all the time. As such, the Group has established internal policies and procedures for the production and sales of products to ensure compliance with all applicable laws and regulations. During the Reporting Period, the Group received a total of 61 complaints about products, all of which have been followed up and handled; there was no product subject to recalls for safety and health reasons.

集團幫助客戶採購具可持續性產品之方法包括：

客戶

集團向客戶推廣環保。護膚產品業務分部產品推出替換裝。為避免對環境造成危害，電子產品和家用電器分部的電子廢棄物會交予回收商作進一步處理後棄置。

合作夥伴

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

供應鏈

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

綠色建築

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

7. 產品責任

提供優質產品及服務

秉持「透過提供優質的產品和服務去提升我們顧客的生活質素」的使命，集團致力提供高質量的產品及服務，並確保其符合行業標準及可持續發展要求。集團亦一直致力達致更高標準。因此，集團已制定產品生產及銷售的內部政策及程序，以確保符合所有適用法律及法規。於報告期間，集團一共收到61宗有關產品的投訴，全部已獲跟進及處理；概無產品因安全及健康理由而需回收。

Customer Data Protection

New laws are taking effect across the globe to regulate the collection, use, retention, disclosure and disposal of personal information. At the same time, the rate of cyber-attacks, data breaches and unauthorised use of personal data is growing exponentially. In view of this, the Group applied the new data encryption on websites to enhance protection on customer's data in 2019/20. The new technology applied Secure Sockets Layer (SSL) certificate on the Group's websites. As such, Transport Layer Security (TLS) encryption have been enabled to better protect data during the transmission. Besides, TLS encryption is also implemented to ensure all network traffic running over a secured channel.

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

8. Anti-Corruption

The Group is committed to maintaining the integrity of its corporate culture. On this ground, the Group sets out the relevant policies and guides the employees to abide by the code of conduct. The code of conduct provides a clear definition of the provision and acceptance of interests, such as gifts and souvenirs, and ways to deal with conflicts of interest. Also, the Group established and implements an internal integrity system to strengthen the integrity of employees in governance practices.

The Group also established a whistle-blowing policy that ensures any internal or external stakeholder can raise any issue. Employees are encouraged to contact the internal audit team directly at any time to seek guidance in sensitive situations or to report the suspicious case. The internal audit team will investigate possible violations in any suspicious case.

During the Reporting Period, the Group complied with the relevant laws and regulations regarding anti-corruption and money laundering and had no concluded legal case regarding corrupt practices brought against the issuer or its employees.

9. Community Investment

The Group understands well of the importance of making a positive contribution to the community where it operates and considers community benefits as one of its social responsibilities. The Group considers that enterprises and communities are inseparable as a whole.

客戶數據保護

監管個人資料的收集、使用、保留、披露及處置的新法例已在全球生效。同時，網絡攻擊、數據洩露和未經授權使用個人數據的比率翻倍增長。有見及此，集團於2019/20年在網站上應用新數據加密，以加強保護客戶數據。該項新技術於集團網站應用安全套接層(SSL)證書。因此，集團已啟用傳輸層安全性(TLS)加密，以便於傳輸期間更好地保護數據。此外，集團亦實施TLS加密，保證所有網絡流量均於安全通道上傳輸。

於報告期間，概無關於產品責任方面不遵守相關法律及法規的舉報。

8. 反貪污

集團致力維持其企業文化廉潔正直。為此，集團制定相關政策，指導員工遵守操守準則。操守準則明確界定了禮物及紀念品等利益的提供及接受以及如何處理利益衝突。此外，集團已制定並實施內部廉政制度，加強員工清正廉潔的管治操守。

集團亦已制定舉報政策，以確保任何內部或外部持份者可提出任何問題。集團鼓勵僱員隨時直接聯繫內部審計團隊，在敏感情況下尋求指導或報告可疑案件。內部審計團隊將調查可疑案件中的可能違規行為。

於報告期間，集團已遵守有關反貪污及洗黑錢的相關法律及法規，且並無針對發行人或其僱員提出有關貪污行為的審結法律案件。

9. 社區投資

集團深知對經營所在社區作出積極貢獻的重要性，並將社區的利益視為其社會責任之一。集團認為企業和社區是不可分割的整體。

With the new vision of “to make where we operate a better place”, the Group is dedicated to protecting the environment and serving the needy. In 2019/20, the Group established its first “Social Responsibility Team” which encourages social services among colleagues and promotes the culture. The Group continues to play an active role in community engagement, including charitable organizations and local organizations. For instance, Kwun Tong Methodist Social Service Center, the Community Chest of Hong Kong, Maggie’s Cancer Caring Centre, HK Photographic Culture Association and HK Squash.

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

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

Society

- Maggie’s Cancer Caring Centre – “Golf Competition”
- Kwun Tong Methodist Social Service Center – “Christmas Party with the Community 2019”
- The Community Chest – “BEA Charity Golf Day 2019”
- The Community Chest – “Greening for the Chest 2019 & 2020”
- The Community Chest – “Wear-to-Go Programme 2019”
- The Hong Kong Management Association – “HKMA/TVB Awards for Marketing Excellence 2020”

Child and youth

- KidsforKids – “Team Sponsorship of Kids4Kids Golf Tournament 2019”

Sports Development

- Hong Kong Squash – “Everbright Sun Hung Kai Hong Kong Squash Open 2019”

Art Culture

- HK International Photo Festival – “Event and Future Development of HKIPF 2019”

The amount of sponsorship and in-kind donations made during the Reporting Period was approximately HK\$1.8 million.

OUTLOOK

The Group believes that the implementation of current measures on environmental protection and social responsibility is sufficient for compliance with relevant laws and regulations. Yet the Group will continue to review from time to time in response to the latest relevant requirements to strengthen its measures on environmental protection and social responsibility.

集團秉承「將我們的經營環境變得更加美好」的新願景，致力保護環境及服務有需要人士。於2019/20年度，集團成立了首個「社會責任團隊」，向同事鼓勵並推廣社會服務文化。集團在社區參與方面持續發揮積極作用，包括慈善組織及地方組織。例如循道衛理觀塘社會服務處、香港公益金、銘琪癌症關顧中心、香港攝影文化協會及香港壁球總會。

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

於報告期間，集團作出以下捐贈、贊助並參與多個慈善活動。

社會

- 銘琪癌症關顧中心－「高爾夫球賽」
- 循道衛理觀塘社會服務處－「社區聖誕聯歡會2019」
- 公益金－「東亞慈善高爾夫球賽2019」
- 公益金－「環保為公益2019及2020」
- 公益金－「『衣』善而行計劃2019」
- 香港管理專業協會－「HKMA/TVB傑出市場策劃獎2020」

兒童及青少年

- 童協基金會－「2019童協基金會高爾夫球錦標賽團隊贊助」

體育發展

- 香港壁球總會－「2019光大新鴻基香港壁球公開賽」

藝術文化

- 香港國際攝影節－「2019香港國際攝影節項目及未來發展」

報告期間的贊助及實物捐贈額約為港幣180萬元。

展望

集團相信，實施現有的環境保護及社會責任措施足以遵守相關法律及法規。然而，集團將繼續根據最新的相關規定不時進行檢討，以加強其環境保護及社會責任措施。

Risk Management and Internal Control

風險管理及內部監控

During the year ended 31 March 2020, the Group has complied with Principle C.2 of the Corporate Governance Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board of Directors (the "Board") oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

RISK MANAGEMENT SYSTEM

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

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

Based on the risk assessments conducted in 2019/20, no significant risk was identified.

INTERNAL CONTROL SYSTEM

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

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

截至2020年3月31日止年度，集團已遵守企業管治守則第C.2條原則，建立適當及有效之風險管理及內部監控系統。管理層負責該等系統之設計、實施及監控，而董事會（「董事會」）負責監督管理層持續執行其職責。風險管理及內部監控系統之主要特點於下文各節說明：

風險管理系統

集團採納與其業務及營運相關風險之風險管理系統。該系統包括以下階段：

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

根據2019/20年度的風險評估，並未識別重大風險。

內部監控系統

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

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

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

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

Based on the internal control reviews conducted in 2019/20, no significant control deficiency was identified.

INTERNAL AUDITORS

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

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

EFFECTIVENESS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's review which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, the Group's ability to respond to changes in its business and the external environment, and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems. During the year, the Board had specifically reviewed the Group's risk management and internal control systems related to social unrest and COVID-19.

The Board, through its review and the review made by IA function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate in 2019/20. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

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

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

根據2019/20年度的內部監控檢討，並未發現重大監控不足。

內部審計師

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

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

風險管理及內部監控系統的有效性

董事會負責集團的風險管理及內部監控系統，確保每年對該等制度的有效性進行審查。董事會進行審查時已作出多方面的考慮，其中包括(但不限於)：(i) 自上次年度審查後，重大風險性質及程度的改變，以及集團於其業務及外部環境中應對變化的能力；及(ii)管理層持續監督風險及內部監控系統的範圍及質量。年內，董事會已特別審查本集團有關社會動盪及COVID-19的風險管理及內部監控系統。

董事會通過其審查和審計職能與審核委員會的審查，認定2019/20年度風險管理和內部監控系統均屬有效及適當。然而，該等制度旨在管理而非杜絕未能實現業務目標的風險，並且只能就防止重大失實陳述或損失提供合理而非絕對的保證。資源、員工資歷及相關員工的經驗視作足夠，提供的培訓項目及預算亦屬充裕。

Corporate Governance Report

企業管治報告

The Board of Directors (the “Board”) of the Company is pleased to present this Corporate Governance Report in the Group’s Annual Report for the year ended 31 March 2020.

CORPORATE GOVERNANCE PRACTICES

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

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

The Board is of the view that the Company has complied with the code provisions as set out in the CG Code throughout the year ended 31 March 2020.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Code of Conduct throughout the year ended 31 March 2020.

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

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

BOARD OF DIRECTORS

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

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

Board Composition

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

本公司董事會(「董事會」)欣然提呈本集團截至2020年3月31日止年度年報內之本企業管治報告。

企業管治常規

本公司董事會致力於實現高水平企業管治準則。

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

董事會認為，於截至2020年3月31日止整個年度內，本公司已遵守企業管治守則內所載之守則條文。

進行證券交易之標準守則

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

經向全體董事具體查詢後，各董事確認，彼等於截至2020年3月31日止年度一直遵守操守守則。

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

本公司並不知悉有任何僱員未有遵守僱員書面指引。

董事會

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

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

董事會組成

董事會現由八名董事組成，包括四名執行董事、一名非執行董事及三名獨立非執行董事。

Executive Directors

Dr. Sun Tai Lun Dennis

(Chairman and Member of Nomination Committee and Remuneration Committee)

Mr. Sun Tao Hung Stanley

(Deputy Chairman and Chief Executive Officer)

Mr. Sun Tao Hsi Ryan

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

Non-executive Director

Mr. Fung Yue Chun Stephen

(Member of Audit Committee)

Independent Non-executive Directors

Mr. Li Ka Fai David

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

Mr. Liu Hui Allan

(Member of Audit Committee)

Dr. Wong Chi Yun Allan

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

Mr. Au Man Chung Malcolm retired as an Independent Non-executive Director and ceased to be the chairman and a member of Remuneration Committee and a member of each of Audit Committee and Nomination Committee of the Company with effect from the conclusion of the Company's annual general meeting held on 16 August 2019.

The biographical information of the Directors and the relationships between the Directors are set out and disclosed in the section headed "Executive Directors' Information", "Non-executive Director's Information" and "Independent Non-executive Directors' Information" on pages 28 to 32 of the Annual Report for the year ended 31 March 2020.

Chairman and Chief Executive Officer

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

執行董事

孫大倫博士

(主席以及提名委員會及薪酬委員會成員)

孫道弘先生

(副主席兼行政總裁)

孫道熙先生

陳蕙君女士(於2019年4月1日獲委任)

非執行董事

馮裕津先生

(審核委員會成員)

獨立非執行董事

李家暉先生

(審核委員會主席以及提名委員會及薪酬委員會成員)

劉暉先生

(審核委員會成員)

黃子欣博士

(提名委員會及薪酬委員會主席以及審核委員會成員)

區文中先生已退任獨立非執行董事，並不再擔任本公司之薪酬委員會主席及成員，以及審核委員會及提名委員會各自的成員，自於2019年8月16日舉行之本公司股東週年大會結束起生效。

董事之履歷資料及董事間之關係載於及披露於截至2020年3月31日止年度之年報第28至第32頁之「執行董事資料」、「非執行董事資料」及「獨立非執行董事資料」內。

主席及行政總裁

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

Independent Non-executive Directors

During the year ended 31 March 2020, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

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

Appointment and Re-election of Directors

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

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

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

At the forthcoming annual general meeting of the Company, Mr. Li Ka Fai David, Mr. Sun Tao Hsi Ryan and Mr. Fung Yue Chun Stephen shall retire by rotation at the annual general meeting pursuant to the Company's Bye-laws. Mr. Li Ka Fai David, Mr. Sun Tao Hsi Ryan and Mr. Fung Yue Chun Stephen being eligible, will offer themselves for re-election at the annual general meeting.

Responsibilities, Accountabilities and Contributions of the Board and Management

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

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

獨立非執行董事

於截至2020年3月31日止年度，董事會一直符合上市規則有關委任最少三名獨立非執行董事(相當於三分之一董事會成員)之規定，而其中一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

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

委任及重選董事

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

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

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

根據本公司之公司細則，李家暉先生、孫道熙先生及馮裕津先生須於本公司應屆股東週年大會上輪值退任。李家暉先生、孫道熙先生及馮裕津先生均合資格且願意於應屆股東週年大會上膺選連任。

董事會及管理層之職責、問責及貢獻

董事會應承擔領導及控制本集團的責任；並集體負責指導及監管本集團之事務。

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

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

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

LIABILITY INSURANCE FOR THE DIRECTORS AND OFFICERS

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

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

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

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

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

The record of continuous professional development relating to Director's duties and regulatory and business development that have been received by the Directors for the year ended 31 March 2020 are summarized as follows:

全體董事已遵照適用法例及法規真誠履職及一直符合本公司及其股東利益。

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

董事及高級職員責任保險

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

董事持續專業發展

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

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

董事應參與適當的持續專業發展，發展並更新其知識及技能。

截至2020年3月31日止年度，董事已接獲有關董事職責以及監管及業務發展的持續專業發展記錄概述如下：

Directors	董事	Type of Training 培訓類型
Executive Directors	執行董事	
Dr. Sun Tai Lun Dennis	孫大倫博士	A, B
Mr. Sun Tao Hung Stanley	孫道弘先生	A, B
Mr. Sun Tao Hsi Ryan	孫道熙先生	A, B
Ms. Chan Wai Kwan Rita	陳蕙君女士	A, B
Non-executive Director	非執行董事	
Mr. Fung Yue Chun Stephen	馮裕津先生	A, B
Independent Non-executive Directors	獨立非執行董事	
Mr. Au Man Chung Malcolm (resigned with effect from 16 August 2019)	區文中先生 (自2019年8月16日起辭任)	A, B
Mr. Li Ka Fai David	李家暉先生	A, B
Mr. Liu Hui Allan	劉暉先生	A, B
Dr. Wong Chi Yun Allan	黃子欣博士	A, B

Note:

Types of Training

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

BOARD COMMITTEES

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

The list of the chairman and members of each Board committee is set out under "Board of Directors" on page 54.

Audit Committee

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

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

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

During the year ended 31 March 2020, the Audit Committee held two meetings to review the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works and arrangements for employees to raise concerns about possible improprieties.

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

Remuneration Committee

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

附註：

培訓類型

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

董事委員會

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

各董事委員會之主席及成員名單已於第54頁之董事會中列載。

審核委員會

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

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

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

於截至2020年3月31日止年度，審核委員會舉行了兩次會議，以審閱中期及年度財務業績及報告，以及有關財務匯報、營運及合規控制、風險管理、內部監控系統及內部審核功能的效能、外部核數師的委任、聘任非審核服務以及安排僱員就可能的不當行為提出舉報的重大事宜。

審核委員會亦在執行董事避席的情況下與外聘核數師舉行兩次會議。

薪酬委員會

薪酬委員會由三名成員組成，即黃子欣博士(委員會主席)、李家暉先生及孫大倫博士，大部份成員均為獨立非執行董事。

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

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

During the year ended 31 March 2020, the Remuneration Committee met once to review the remuneration policy and structure of the Company and determine the annual remuneration packages of the Executive Directors and the senior management and other related matters. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee will consult the Chairman and/or the Chief Executive Officer of the Company about these recommendations on remuneration policy and structure and remuneration packages.

Nomination Committee

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

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

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

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

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

於截至2020年3月31日止年度，薪酬委員會曾舉行一次會議，以檢討本公司的薪酬政策及架構及釐定執行董事與高級管理人員年度薪酬待遇以及其他相關事宜。人力資源部負責收集及管理人力資源數據，並向薪酬委員會提出推薦意見以供考慮。薪酬委員會將就有關薪酬政策及架構以及薪酬待遇之推薦意見諮詢本公司主席及／或行政總裁。

提名委員會

提名委員會由三名成員組成，即黃子欣博士(委員會主席)、李家暉先生及孫大倫博士，大部份成員均為獨立非執行董事。

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

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

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

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

During the year ended 31 March 2020, the Nomination Committee held one meeting to review the structure, size and composition of the Board and the independence of the Independent Non-executive Directors, and to consider the qualifications of the retiring directors standing for election at the annual general meeting. The Nomination Committee considered an appropriate balance of diversity perspective of the Board is maintained.

Board Diversity Policy

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

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

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

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

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

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

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

於截至2020年3月31日止年度，提名委員會曾舉行一次會議，以檢討董事會之架構、人數及組成以及獨立非執行董事之獨立性，以及考慮於股東週年大會上重選之退任董事之資格。提名委員會認為董事會組成在多元化方面維持適當平衡。

董事會成員多元化政策

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

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

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

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

目前，提名委員會認為董事會已充分多元化，而董事會並未設定任何可計量的目標。

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

Director Nomination Policy

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

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

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

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

The Director Nomination Policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. Saved as the disclosure in the section headed "Changes in Directors' Information" on pages 73 and 74 of this Annual Report, there was no change in the composition of the Board.

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

CORPORATE GOVERNANCE FUNCTIONS

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

During the year ended 31 March 2020, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Written Employee Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

提名委員會將酌情審閱董事會多元化政策，以確保其有效性。

董事提名政策

董事會已將其甄選及委任董事的職責及權力授予本公司提名委員會。

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

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

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

董事提名政策亦載列甄選及委任新董事及於股東大會上重選董事的程序。除本年報第73及74頁「董事資料變動」一節所披露者外，董事會組成並無變動。

提名委員會將酌情審閱董事提名政策，以確保其有效性。

企業管治職能

董事會負責執行企業管治守則第D.3.1條所載的職能。

於截至2020年3月31日止年度，董事會已檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司有關遵守法律及監管規定的政策及常規、遵守標準守則及僱員書面指引的情況以及本公司遵守企業管治守則及本企業管治報告中的披露情況。

ATTENDANCE RECORDS OF DIRECTORS AND COMMITTEE MEMBERS

The attendance records of each Director at the Board and Board Committee meetings and the general meetings of the Company held during the year ended 31 March 2020 are set out in the table below:

董事及委員會成員出席記錄

各董事出席截至2020年3月31日止年度舉行的董事會及董事委員會會議以及本公司股東大會的出席記錄載列如下：

Name of Director	董事姓名	Attendance/Number of Meetings 出席率/會議舉行次數					Annual	Other
		Board	Nomination Committee	Remuneration Committee	Audit Committee	General Meeting	General Meetings (if any)	
		董事會	提名委員會	薪酬委員會	審核委員會	股東週年大會	其他股東大會(如有)	
Dr. Sun Tai Lun Dennis	孫大倫博士	4/4	1/1	1/1	N/A 不適用	1/1	N/A 不適用	
Mr. Sun Tao Hung Stanley	孫道弘先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Mr. Sun Tao Hsi Ryan	孫道熙先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Ms. Chan Wai Kwan Rita	陳蕙君女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用	
Mr. Fung Yue Chun Stephen	馮裕津先生	4/4	N/A 不適用	N/A 不適用	2/2	0/1	N/A 不適用	
Mr. Au Man Chung Malcolm*	區文中先生*	0/1	N/A 不適用	N/A 不適用	0/1	0/1	N/A 不適用	
Mr. Li Ka Fai David	李家暉先生	4/4	1/1	1/1	2/2	1/1	N/A 不適用	
Mr. Liu Hui Allan	劉暉先生	3/4	N/A 不適用	N/A 不適用	1/2	0/1	N/A 不適用	
Dr. Wong Chi Yun Allan	黃子欣博士	3/4	1/1	1/1	1/2	1/1	N/A 不適用	

* resigned on 16 August 2019

* 於2019年8月16日辭任

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

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

Directors' Responsibility in Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the year ended 31 March 2020.

董事須就財務報表承擔之責任

董事知悉其須負責編製本集團截至2020年3月31日止年度之綜合財務報表。

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

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

The statement of the independent auditors of the Group about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 75 to 82.

本集團獨立核數師有關其就綜合財務報表須承擔之申報責任之聲明載於第75至第82頁之「獨立核數師報告」內。

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

審核委員會與董事會對甄選及續聘外聘核數師意見一致。

The Group's annual results for the year ended 31 March 2020 have been reviewed by the Audit Committee.

本集團截至2020年3月31日止年度之年度業績已由審核委員會審閱。

Auditors' Remuneration

The remunerations paid to the Group's external auditors in respect of audit services and non-audit services for the year ended 31 March 2020 is HK\$1,200,000 and HK\$672,000 respectively.

核數師之薪酬

本集團就截至2020年3月31日止年度支付予外聘核數師有關核數服務及非核數服務之薪酬分別為港幣1,200,000元及港幣672,000元。

Company Secretary

The Company Secretary reports to the Chairman and is responsible for providing advice to the Board for ensuring the Board procedures are followed. For the year ended 31 March 2020, the Company Secretary has taken no less than 15 hours of relevant professional training duly complied with the training requirement under Rule 3.29 of the Listing Rules.

RISK MANAGEMENT AND INTERNAL CONTROLS

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

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

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

More details of the risk management and internal controls are disclosed in the section "Risk Management and Internal Control" on pages 51 and 52.

SHAREHOLDERS' RIGHTS

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

Convening a Special General Meeting by Shareholders

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

Putting Forward Proposals at General Meetings

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

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

公司秘書

公司秘書向主席報告，並負責向董事會提供建議，以確保遵守董事會程序。截至2020年3月31日止年度，公司秘書已妥為遵守上市規則第3.29條有關培訓的規定接受不少於15小時的相關專業培訓。

風險管理及內部監控

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

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

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

風險管理及內部監控的更多詳情披露於第51及52頁「風險管理及內部監控」一節內。

股東權利

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

股東召開股東特別大會

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

於股東大會上提呈議案

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

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

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

Putting Forward Enquiries to the Board

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

CHANGES IN CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the year ended 31 March 2020. An up-to-date version of the Company's Bye-laws is available on the Company's website and the Stock Exchange.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

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

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

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

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

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

DIVIDEND POLICY

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

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

向董事會作出查詢

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

組織章程文件變動

於截至2020年3月31日止年度，本公司之組織章程文件概無變動。本公司之最新版本公司細則可於本公司網站及聯交所查閱。

與股東及投資者溝通

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

股東可於任何時間透過以下方式發送查詢或要求：

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

傳真：(852) 2409 0294

電郵：enquiry@chinahkphoto.com.hk

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

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

股息政策

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

Report of the Directors

董事會報告

The Directors have pleasure in presenting their Annual Report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in (i) the marketing and distribution of photographic developing, processing and printing products and sale of photographic merchandises, skincare products, consumer electronic products and household appliances; and (ii) the provision of technical services for photographic developing and processing products, imaging solution, professional audio-visual advisory and custom design and installation service. There were no significant changes in the nature of the Group's principal activities during the year ended 31 March 2020.

ANNUAL RESULTS AND FINAL DIVIDEND

The Group's annual results for the year ended 31 March 2020 and the state of affairs of the Company and the Group as at that date are set out in the consolidated financial statements on pages 83 to 162.

The Board does not recommend any payment of a final dividend for the year ended 31 March 2020 (2019: Nil).

BUSINESS REVIEW

A review of the Group's business activities as required by Schedule 5 to the Companies Ordinance (Cap. 622) of Hong Kong, including a fair review of the Group's business as well as future development in the Group's business can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 14 to 27 of this Annual Report.

Certain financial key performance indicators which complement and supplement our financial disclosures are set out on page 4.

FINANCIAL SUMMARY

A summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on page 4.

FINANCIAL RESOURCES

The financial position of the Group remained sound and healthy during the year ended 31 March 2020. As at 31 March 2020, the Group's cash and bank balances were approximately HK\$197 million with a zero gearing ratio. Trade receivables of approximately HK\$44 million were recorded as at 31 March 2020, while inventories were approximately HK\$170 million.

董事茲提呈本公司及其附屬公司(「本集團」)截至2020年3月31日止年度之董事會年度報告及已審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。本集團之附屬公司主要從事(i)推廣及經銷攝影、沖印及印刷產品，以及銷售照相商品、護膚產品、消費電子產品及家用電器；及(ii)提供攝影及沖印產品技術服務、影像解決方案、專業影音顧問訂製、設計及安裝服務。本集團之主要業務性質於截至2020年3月31日止年度內並無重大變動。

年度業績及末期股息

本集團截至2020年3月31日止年度之年度業績以及本公司和本集團於當日之業務狀況載於第83至162頁之綜合財務報表。

董事會不建議就截至2020年3月31日止年度派付任何末期股息(2019年：無)。

業務審視

按照香港公司條例(第622章)附表5所規定，有關集團年內業務之回顧及有關集團未來業務發展之討論載於本年報第14至27頁之「主席報告」及「管理層討論及分析」兩節。

完善及補充財務披露的財務狀況相關關鍵表現指標載於第4頁。

財務摘要

本集團最近五個財政年度之已公布業績及資產、負債及非控股權益之摘要載於第4頁。

財務資源

於截至2020年3月31日止年度，本集團之財務狀況保持穩健。本集團於2020年3月31日之現金及銀行結餘約為港幣1.97億元，資產負債比率為零。貿易應收賬項於2020年3月31日錄得約港幣4,400萬元，存貨則約港幣1.70億元。

HUMAN RESOURCES

The Group had 527 employees (2019: 474), remunerated largely based on industry practice, including provident funds, insurance and medical benefits. The Group also adopted a discretionary bonus programme determined annually based upon the performance of the Group and the employees.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Group during the year ended 31 March 2020 are set out in Notes 13 and 14 to the consolidated financial statements, respectively. Further details of the Group's investment properties are set out on page 163.

SHARE CAPITAL

There were no movements in either the Company's authorised or issued share capital during the year ended 31 March 2020. Details of the Company's share capital is set out in Note 27 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 March 2020 are set out in Note 28 to the consolidated financial statements and in the consolidated statement of changes in equity on page 87 and 88, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2020, the Company did not have any reserves available for distribution, as computed in accordance with the provisions of the Companies Act 1981 of Bermuda (as amended). The Company's share premium account and capital redemption reserve account of HK\$490,378,000 and HK\$1,619,000, respectively, may be distributed in the form of fully paid bonus shares.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2020.

EQUITY-LINKED AGREEMENTS

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

人力資源

本集團員工數目為527名(2019年：474名)，員工之酬金多數按照行業慣例釐訂，酬金包括公積金、保險及醫療福利。本集團亦有採納一個每年按照本集團及僱員表現而釐訂之非強制性花紅制度。

物業、廠房及設備及投資物業

本集團於截至2020年3月31日止年度之物業、廠房及設備及投資物業變動詳情分別載於綜合財務報表附註13及14。本集團投資物業之進一步詳情載於第163頁。

股本

本公司法定或已發行股本於截至2020年3月31日止年度內概無變動。本公司股本詳情載於綜合財務報表附註27。

儲備

本公司及本集團在截至2020年3月31日止年度內之儲備變動詳情分別載於綜合財務報表附註28及第87及88頁之綜合權益變動表。

可分派儲備

於2020年3月31日，本公司根據百慕達1981年公司法(經修訂)的規定計算，並沒有可作派發儲備。本公司股份溢價賬及資本贖回儲備分別為港幣490,378,000元及港幣1,619,000元亦可用以派發繳足股款之紅股。

優先購股權

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

購買、贖回或出售本公司之上市證券

於截至2020年3月31日止年度內本公司及其任何附屬公司並無購買、贖回或出售本公司任何上市證券。

股票掛鈎協議

年內並無訂立股票掛鈎協議而於年結時亦無仍然有效之股票掛鈎協議。

CHARITABLE CONTRIBUTIONS

During the year ended 31 March 2020, the Group made charitable contributions totalling HK\$233,000.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers and the largest customer accounted for 15.1% and 4.7% of the Group's total sales for the year, respectively. Purchases from the Group's five largest suppliers and the largest supplier accounted for approximately 77.0% and 26.6% of the Group's total purchases for the year, respectively.

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

DIRECTORS

The Directors who held office during the year ended 31 March 2020 and up to the date of this report were:

Executive Directors:

Dr. Sun Tai Lun Dennis (*Chairman*)
Mr. Sun Tao Hung Stanley (*Deputy Chairman and Chief Executive Officer*)
Mr. Sun Tao Hsi Ryan
Ms. Chan Wai Kwan Rita (appointed on 1 April 2019)

Non-executive Director:

Mr. Fung Yue Chun Stephen

Independent Non-executive Directors:

Mr. Au Man Chung Malcolm (resigned on 16 August 2019)
Mr. Li Ka Fai David
Mr. Liu Hui Allan
Dr. Wong Chi Yun Allan

In accordance with the Company's Bye-laws 110, Mr. Li Ka Fai David, Mr. Sun Tao Hsi Ryan and Mr. Fung Yue Chun Stephen shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Mr. Au Man Chung Malcolm retired as an Independent Non-executive Director and ceased to be the chairman and a member of Remuneration Committee and a member of each of Audit Committee and Nomination Committee of the Company with effect from the conclusion of the Company's annual general meeting held on 16 August 2019. Mr. Au Man Chung Malcolm has confirmed that he has no disagreement with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders or the Stock Exchange.

慈善捐款

於截至2020年3月31日止年度內，本集團的慈善捐款共達港幣233,000元。

主要客戶及主要供應商

於回顧年內，本集團五位最大客戶及最大客戶之購貨額分別佔年內本集團總銷售額15.1%及4.7%。本集團五位最大供應商及最大供應商之購貨額分別佔年內本集團購貨總額約77.0%及26.6%。

並無本公司董事或其任何聯繫人士或董事所知任何擁有本公司已發行股本5%或以上之股東在本集團最大之五位客戶及供應商中擁有任何實際權益。

董事

截至2020年3月31日止年度及截至本報告日期之董事如下：

執行董事：

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

非執行董事：

馮裕津先生

獨立非執行董事：

區文中先生(於2019年8月16日辭任)
李家暉先生
劉暉先生
黃子欣博士

根據本公司之公司細則第110條，李家暉先生、孫道熙先生和馮裕津先生將會告退並願在下屆股東週年大會上膺選連任。

區文中先生已退任獨立非執行董事，並不再擔任本公司之薪酬委員會主席及成員、審核委員會及提名委員會各自的成員，自於2019年8月16日舉行之本公司股東週年大會結束起生效。區文中先生已確認彼與董事會並無任何意見分歧，亦無任何與本公司有關的事宜須提請股東或聯交所注意。

CONFIRMATION OF INDEPENDENCE

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

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 28 to 32 of the Annual Report.

DIRECTORS' SERVICE CONTRACTS

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

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

Each service contract for each of the Executive Directors has a remaining unexpired term of 3 years as at 31 March 2020 and is subject to the termination by either party upon giving three months' notice to the other party.

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

PERMITTED INDEMNITY PROVISIONS

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

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

DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the year ended 31 March 2020 are set out in Note 34 to the consolidated financial statements.

確認獨立性

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

董事簡歷

董事簡歷詳情載於年報第28至第32頁。

董事服務合約

本公司已與下列各董事訂立服務合約，向本集團提供管理服務：

孫大倫博士
孫道弘先生
孫道熙先生
陳蕙君女士

於2020年3月31日，各執行董事的各服務合約期限尚餘三年，任何一方均可向另一方提早三個月發出通知而終止合約。

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

獲准許之彌償保證條文

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

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

董事酬金

於截至2020年3月31日止年度內董事薪酬詳情按記名方式載於綜合財務報表附註34。

REMUNERATION POLICY

Remuneration Policy of the Group is reviewed regularly, making reference to market condition and performance of the Group and individual staff (including the Director). The Remuneration Policy and remuneration packages of the Directors and management team are reviewed by the Remuneration Committee and the Board which are detailed in the paragraph headed “Remuneration Committee” under the Corporate Governance Report on pages 57 and 58.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its holding companies or subsidiaries was a party during the year ended 31 March 2020.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2020, the interests and short positions of the Directors in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as follows:

薪酬政策

本集團的薪酬政策是參考市況和本集團與個別員工（包括董事）表現而定期檢討。董事及管理團隊的薪酬政策和薪酬組合由薪酬委員會及董事會檢討，詳情載於第57頁及第58頁企業管治報告「薪酬委員會」一段。

董事於重大合約中之權益

於截至2020年3月31日止年度內並不存在本公司或其任何控股公司或其附屬公司參與對本集團業務屬重大而本公司董事直接或間接擁有重大權益之合約。

董事於股份及相關股份之權益及淡倉

於2020年3月31日，按照本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊所示，或本公司及香港聯合交易所有限公司（「聯交所」）根據上市發行人董事進行證券交易之標準守則（「標準守則」）以其他方式獲知會者，董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份及相關股份中擁有之權益及淡倉如下：

Long positions in ordinary shares of the Company:

本公司普通股好倉：

Name of Director	Note	Number of shares held, capacity and nature of interest 持有股份數目、身份及權益性質				Total	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
		Directly beneficially owned 直接實益擁有	Founder of a trust 信託創辦人	Beneficiary of a trust 信託受益人	Interest of spouse 配偶權益		
董事姓名	附註					總計	
Dr. Sun Tai Lun Dennis 孫大倫博士	(i) - (iii)	1,000,000	700,034,214	11,242,000	220,000	712,496,214	60.11%
Mr. Sun Tao Hung Stanley 孫道弘先生	(iv) & (v)	–	–	711,276,214	–	711,276,214	60.01%
Mr. Sun Tao Hsi Ryan 孫道熙先生	(iv) & (v)	–	–	711,276,214	–	711,276,214	60.01%
Mr. Fung Yue Chun Stephen 馮裕津先生	(vi)	–	–	70,000,000	–	70,000,000	5.90%

Long positions in shares and underlying shares of associated corporations:

相聯法團股份及相關股份之好倉：

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

Notes:

- (i) Dr. Sun Tai Lun Dennis is deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is a company incorporated in the British Virgin Islands and is owned by Tricor Equity Trustee Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr. Sun Tai Lun Dennis and his family members. Tricor Equity Trustee Limited was appointed as the new trustee in place of Trident Trust Company (B.V.I.) Limited with effect from 1 January 2020. Dago Corporation also holds 25% of the issued share capital of Searich Group Limited.
- (ii) Dr. Sun Tai Lun Dennis is deemed to be interested in 700,034,214 shares in the Company held by Fine Products Limited by virtue of him being the founder of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interest of Fine Products Limited and Searich Group Limited in the Company can be found in the section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- (iii) Dr. Sun Tai Lun Dennis is deemed to be interested in 220,000 shares of the Company through the interests of his spouse, Ms. Tang Sau Ying Betty who inherited the said shares from her mother's legacy in 2014.
- (iv) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is a company incorporated in the British Virgin Islands and is owned by Tricor Equity Trustee Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr. Sun Tai Lun Dennis and his family members including Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan. Tricor Equity Trustee Limited was appointed as the new trustee in place of Trident Trust Company (B.V.I.) Limited with effect from 1 January 2020. Dago Corporation also holds 25% of the issued share capital of Searich Group Limited.
- (v) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 700,034,214 shares in the Company held by Fine Products Limited by virtue of them being beneficiaries of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interests of Fine Products Limited and Searich Group Limited in the Company can be found in the section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.
- (vi) Mr. Fung Yue Chun Stephen is deemed to be interested in 70,000,000 shares of the Company held by HSBC Trustees (C.I.) Limited by virtue of him being a beneficiary of a trust of which HSBC Trustees (C.I.) Limited act as trustee. Details of the interest of HSBC Trustees (C.I.) Limited in the Company can be found in the Section "Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares" below.

Save as disclosed above, as at 31 March 2020, none of the Directors of the Company and any of its associates had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of part XV of SFO) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (i) 孫大倫博士被視作合共擁有本公司11,242,000股股份之權益。該等股份由一間於英屬處女群島註冊成立之公司Dago Corporation直接持有。Dago Corporation為Tricor Equity Trustee Limited (作為代表孫大倫博士及其家族成員利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Tricor Equity Trustee Limited取代Trident Trust Company (B.V.I.) Limited獲委任為新受託人，自2020年1月1日起生效。Dago Corporation亦持有Searich Group Limited已發行股本25%。
- (ii) 由於孫大倫博士是The Sun Family Trust之創辦人，該信託持有Fine Products Limited之全部已發行股本，故孫大倫博士被視為擁有Fine Products Limited所持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。
- (iii) 孫大倫博士被視為透過配偶鄧秀英女士之權益而擁有220,000股本公司股份之權益。該220,000股本公司股份為鄧秀英女士於2014年從其先母之遺產中繼承。
- (iv) 孫道弘先生及孫道熙先生被視作合共擁有本公司11,242,000股股份之權益。該等股份由一間於英屬處女群島註冊成立之公司Dago Corporation直接持有。Dago Corporation為Tricor Equity Trustee Limited (作為代表孫大倫博士及其家族成員(包括孫道弘先生及孫道熙先生)利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Tricor Equity Trustee Limited取代Trident Trust Company (B.V.I.) Limited獲委任為新受託人，自2020年1月1日起生效。Dago Corporation亦持有Searich Group Limited已發行股本25%。
- (v) 由於孫道弘先生及孫道熙先生是The Sun Family Trust之受益人，該信託持有Fine Products Limited之全部已發行股本，故孫道弘先生及孫道熙先生被視為擁有Fine Products Limited持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。
- (vi) 由於馮裕津先生是一個信託之受益人，HSBC Trustees (C.I.) Limited擔任該信託的受託人，故馮裕津先生被視為擁有HSBC Trustees (C.I.) Limited持有之70,000,000股本公司股份之權益。HSBC Trustees (C.I.) Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益及淡倉」一節。

除上文所披露者外，於2020年3月31日，本公司董事及彼等之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中概無註冊擁有權益或淡倉，而須根據證券及期貨條例第352條載入該條所述之登記冊內；或根據標準守則須知會本公司及聯交所。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

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

At 31 March 2020, other than the interest of the Directors as disclosed in the section "Directors' Interests and Short Positions in Shares and Underlying Shares" above. The following interests and short positions in the shares and the underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

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

有權行使或控制行使本公司任何股東大會上5%或以上之投票權之主要股東之好倉：

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

董事收購股份或債權證之權利

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

主要股東及其他個人於股份及相關股份之權益及淡倉

於2020年3月31日，除上文「董事於股份及相關股份之權益及淡倉」一節所披露之董事權益外，按照本公司根據證券及期貨條例第336條規定備存之權益登記冊所載，下列人士持有本公司股份及相關股份之權益及淡倉：

Long positions of other substantial shareholders:

其他主要股東之好倉：

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

Notes:

- (i) 100,000,000 shares representing 8.44% of the Company's shares in issue are directly owned by Fine Products Limited. The remaining 600,034,214 shares are owned by Searich Group Limited, in which Fine Products Limited holds 75% of its issued share capital. Fine Products Limited is a company incorporated in the British Virgin Islands and is owned by Tricor Equity Trustee Limited in its capacity as the trustee of The Sun Family Trust. Tricor Equity Trustee Limited was appointed as the new trustee in place of Trident Trust Company (B.V.I.) Limited with effect from 1 January 2020.
- (ii) Such interests have been included as the interests of Dr. Sun Tai Lun Dennis.
- (iii) Ms. Tang Sau Ying Betty is deemed to be interested in 712,276,214 shares of the Company through the interests of her spouse, Dr. Sun Tai Lun Dennis.
- (iv) Mr. Sun Tao Hung Stanley and Mr. Sun Tao Hsi Ryan are deemed to be interested in a total of 711,276,214 shares in the Company by virtue of being beneficiaries of The Sun Family Trust and The Dennis Family Trust.

附註：

- (i) 該100,000,000股股份(佔本公司已發行股份之8.44%)由Fine Products Limited直接擁有。餘下之600,034,214股股份由Searich Group Limited擁有，而Fine Products Limited則擁有該公司已發行股本75%。Fine Products Limited為一間於英屬處女群島註冊成立之公司，並為Tricor Equity Trustee Limited以The Sun Family Trust信託人身份所擁有。Tricor Equity Trustee Limited取代Trident Trust Company (B.V.I.) Limited獲委任為新受託人，自2020年1月1日起生效。
- (ii) 該等權益已包括在孫大倫博士之權益之內。
- (iii) 鄧秀英女士被視為透過配偶孫大倫博士之權益而擁有712,276,214股本公司股份之權益。
- (iv) 孫道弘先生及孫道熙先生憑藉其身為The Sun Family Trust及The Dennis Family Trust之受益人被視為擁有合共711,276,214股本公司股份之權益。

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

Save as disclosed above, as at 31 March 2020, no person, other than the Directors of the Company, whose interests are set out in the section "Directors' Interests and Short Positions in Shares and Underlying Shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

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

CHANGES IN DIRECTORS' INFORMATION

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

- Ms. Chan Wai Kwan Rita was appointed as an Executive Director of the Company with effect from 1 April 2019.
- Mr. Au Man Chung Malcolm retired as an Independent Non-executive Director and ceased to be the chairman and a member of Remuneration Committee and a member of each of Audit Committee and Nomination Committee of the Company with effect from the conclusion of the Company's annual general meeting held on 16 August 2019.
- Dr. Wong Chi Yun Allan was appointed as the chairman of Remuneration Committee in place of Mr. Au Man Chung Malcolm with effect from the conclusion of the Company's annual general meeting held on the 16 August 2019. Dr. Wong retired as an independent non-executive director of MTR Corporation Limited (a Company listed on the Stock Exchange, Stock Code: 66) and resigned as an independent non-executive director of Li & Fung Limited (the shares of which were withdrawn from the listing on the Stock Exchange on 27 May 2020) with effect from 20 May 2020 and 28 May 2020 respectively.

除上文所披露者外，於2020年3月31日，除本公司董事外(其權益載於「董事於股份及相關股份之權益及淡倉」一節)，概無其他人士於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第336條作出記錄。

足夠公眾持股量

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

董事資料變動

根據上市規則第13.51B(1)條須予披露的董事資料變動載列如下：

- 陳蕙君女士獲委任為本公司執行董事，自2019年4月1日起生效。
- 區文中先生已退任獨立非執行董事，並不再擔任本公司之薪酬委員會主席及成員、審核委員會及提名委員會各自的成員，自於2019年8月16日舉行之本公司股東週年大會結束起生效。
- 黃子欣博士已獲委任為薪酬委員會主席以代替區文中先生，並於2019年8月16日舉行之本公司股東週年大會結束起生效。黃博士退任香港鐵路有限公司(一間於聯交所上市的公司，股份代號：66)獨立非執行董事，並辭任利豐有限公司(其股份於2020年5月27日撤銷於聯交所之上市地位)獨立非執行董事，分別自2020年5月20日及2020年5月28日起生效。

4. Mr. Li Ka Fai David was appointed as an independent non-executive director of CR Construction Group Holdings Limited (a company listed on the Stock Exchange, Stock Code: 1582), the chairman of each of its audit committee and remuneration committee and a member of its nomination committee with effect from 16 October 2019.

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

AUDITOR

The consolidated financial statements for the year ended 31 March 2020 have been audited by Messrs. PricewaterhouseCoopers.

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

ON BEHALF OF THE BOARD

Sun Tai Lun Dennis
Chairman

Hong Kong
24 June 2020

4. 李家暉先生已獲委任為華營建築集團控股有限公司(聯交所上市公司，股份代號：1582)的獨立非執行董事、其審核委員會及薪酬委員會的主席以及其提名委員會的成員，自2019年10月16日起生效。

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

核數師

本公司於截至2020年3月31日止年度綜合財務報表經由核數師羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將於應屆股東週年大會退任，並合資格且願意接受續聘。

代表董事會

孫大倫
主席

香港
2020年6月24日



羅兵咸永道

To the Shareholders of China-Hongkong Photo Products Holdings Limited

(incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of China-Hongkong Photo Products Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 83 to 162 which comprise:

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

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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.

致中港照相器材集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

中港照相器材集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第83至162頁的綜合財務報表，包括：

- 於2020年3月31日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映貴集團於2020年3月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

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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.

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表須承擔的責任」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布的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

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

KEY AUDIT MATTERS (Continued)

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

- Provision for inventories
- Valuation of investment properties
- Impairment loss on property, plant and equipment and right-of-use assets

Key Audit Matters

Provision for inventories

Refer to Note 2.13, 4(i), 18 to the consolidated financial statements

As at 31 March 2020, the Group held inventories of HK\$169,508,000. A net provision for inventories of HK\$2,627,000 was charged to the consolidated income statement for the year ended 31 March 2020. As described in the accounting policy in Note 2.13 to the consolidated financial statements, inventories are carried at the lower of cost and net realisable value.

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

We focused on this area because of magnitude of the inventories and judgment is required to assess the appropriate level of provisioning for items which may be ultimately written off or sold below cost as a result of a reduction in consumer demand particularly in light of the current volatile retail market situation.

How our audit addressed the Key Audit Matter

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

- Understood the Group's inventory provisioning policy;
- Assessed the appropriateness of the Group's inventory provisioning policy with respect to the inventories by category based on ageing together with the historical sales records which reflected the expected life cycle of similar products;
- Compared the net realisable value of the inventories held at year end, on a sample basis, to latest selling prices by examining the sales invoices; where there are no subsequent sales of the respective inventories after the balance sheet date, we challenged management as to the realisable value of the inventories, corroborating explanations with the aging and marketability of the respective inventories as appropriate; and
- Tested the accuracy of aging profile of inventories used in the inventory provision and recalculated the inventory provision as at year end based on the Group's provisioning policy.

Based on the above procedures performed, we consider management's judgment and estimates in the assessment of provision for inventories, supported by the available evidence.

關鍵審計事項(續)

我們在審計中識別的關鍵審計事項概述如下：

- 存貨撥備
- 投資物業估值
- 物業、廠房及設備以及使用權資產之減值虧損

關鍵審計事項

存貨撥備

請參閱綜合財務報表附註2.13、4(i)及18

於2020年3月31日，貴集團持有存貨港幣169,508,000元。就存貨作出的撥備淨額港幣2,627,000元已於截至2020年3月31日止年度的綜合收益表中扣除。如綜合財務報表附註2.13的會計政策所述，存貨按成本與可變現淨值兩者之較低者入賬。

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

基於庫存量以及由於須就最終因消費者需求下降(尤其是鑑於目前零售市況波動)而撇銷或按低於成本的金額出售的項目評估作出撥備的適當水平，因此我們專注於此領域。

我們的審計如何處理關鍵審計事項

我們執行以下程序以評估存貨撥備：

- 了解 貴集團的存貨撥備政策；
- 根據賬齡情況連同反映類似產品預期壽命周期的過往銷售記錄，就按類別劃分的存貨評估 貴集團存貨撥備政策的合適性；
- 通過審視銷售發票，將年末所持存貨的可變現淨值與最近期售價進行抽樣比較；對於於資產負債表日期後不存在相關存貨的後續銷售，我們已向管理層就該等存貨的可變現價值提出質疑，並透過存貨年期及市場可銷售性(如適用)佐證其解釋；及
- 測試存貨撥備所用的存貨賬齡情況的準確性，並根據 貴集團的撥備政策，重新計算年末的存貨撥備。

根據所執行的上述程序，我們認為管理層對存貨減值撥備評估的判斷及估算得到現有憑證所支持。

KEY AUDIT MATTERS (Continued)

Key Audit Matters (Continued)

Valuation of investment properties

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

Management has estimated the fair value of the Group's investment properties to be HK\$225,436,000 at 31 March 2020, with a revaluation loss for the year ended 31 March 2020 recorded in the consolidated income statement of HK\$3,587,000. Valuations by an independent external valuer were obtained in order to support management's estimates. The valuations are dependent on certain key assumptions that require significant judgment, such as adjusted unit prices.

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

How our audit addressed the Key Audit Matter

We performed the following procedures in relation to management's valuations of investment properties:

- Evaluated the independent external valuer's competence, capabilities and objectivity;
- Discussed with the valuer for the valuation methodology and challenging the key estimates and assumptions adopted in the valuations;
- Used our in-house valuation experts to assess the appropriateness of the valuation methodology used by the valuer and the reasonableness of the key assumptions adopted for the valuations based on our knowledge of the local property market; and
- Checked on a sample basis the adopted market unit prices by making reference to available comparable market data.

Based on the procedures performed, we found the methodologies used in preparing the valuations were appropriate and the key assumptions were supported by evidence obtained.

關鍵審計事項(續)

關鍵審計事項(續)

投資物業估值

請參閱綜合財務報表附註2.9、4(iii)及14

管理層估計，貴集團的投資物業於2020年3月31日的公平值為港幣225,436,000元，而截至2020年3月31日止年度的綜合收益表錄得的重估虧損為港幣3,587,000元。為支持管理層作出的估計，管理層取得獨立外聘估值師作出的估值。該等估值視乎若干關鍵假設，且須重大判斷，如經調整單位價格。

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

我們的審計如何處理關鍵審計事項

我們對管理層的投資物業估值執行以下程序：

- 評估獨立外聘估值師的才能、能力及客觀性；
- 與估值師討論評估方法並對估值中採用的關鍵估計及假設提出質疑；
- 利用我們的內部估值專家，並根據我們對本地物業市場的知識，評估估值師所採用的估值方法的恰當性及估值所採用的關鍵假設之合理性；及
- 按抽樣基準，參考現有的可資比較市場數據，以檢查所採納的市場單位價格。

根據所執行的程序，我們認為編製估值所使用的方法乃屬恰當且關鍵假設由所得憑證支持。

KEY AUDIT MATTERS (Continued)

Key Audit Matters (Continued)

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

Refer to Note 4(iv), 13 and 15 to the consolidated financial statements

The Group had HK\$38,582,000 and HK\$101,507,000 of property, plant and equipment and right-of-use assets respectively as at 31 March 2020, of which approximately HK\$79,750,000 was attributable to its retail stores. The carrying amount of the retail stores assets is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Management regards each individual retail store as a separately identifiable cash-generating unit and monitors their financial performance for the existence of impairment indicators, such as trading performance is below expectation or store is loss making.

Management carried out an impairment assessment for the retail store assets which has an impairment indicator (referred to as "underperforming retail stores") and as a result an impairment loss of HK\$8,187,000 has been recognised in the consolidated income statement for the year. The recoverable amount of the assets of underperforming retail stores is determined by value-in-use calculations using discounted cash flow projections based on the financial forecasts approved by management covering the remaining tenure of the lease.

We focused on this area because significant estimation and judgment were involved in deciding whether a retail store has an impairment indicator and in determining the recoverable amounts of the relevant retail store assets.

How our audit addressed the Key Audit Matter

We performed the following procedures to evaluate management's assessment process for identifying underperforming retail stores:

- Enquired of management on their basis of identifying impairment indicators;
- Challenged the judgments made in the identification of impairment indicators; and
- Compared current year's performance of retail stores with impairment indicators to the store prior year's performance.

We tested the impairment calculation by performing the following procedures:

- Compared the forecasted sales performance to the approved business plan, and compared estimated running costs to the historical records;
- Enquired of management in relation to key assumptions in their business plan and evaluated the key assumptions (such as revenue growth rate and gross profit margin) applied by comparing them to historical information and our understanding of latest market information and conditions;

關鍵審計事項(續)

關鍵審計事項(續)

物業、廠房及設備以及使用權資產之減值虧損

請參閱綜合財務報表附註4(iv)、13及15

貴集團於2020年3月31日之物業、廠房及設備以及使用權資產分別為港幣38,582,000元及港幣101,507,000元，其中零售店舖應佔約港幣79,750,000元。倘零售店舖資產的賬面值大於其估計可收回金額，則該資產的賬面值撇減至其可收回金額。

管理層視各個別零售店舖為獨立可識別現金產生單位，並監察零售店舖的財務表現，檢視有否出現減值跡象，如交易表現低於預期或店舖產生虧損。

管理層對出現減值跡象的零售店舖資產(稱為「表現不佳的零售店舖」)進行減值評估，故此年內在綜合收益表中已確認減值虧損港幣8,187,000元。表現不佳的零售店舖資產的可收回金額乃根據管理層批准之涵蓋餘下租期的財務預測，採用貼現現金流量預測所計算的使用價值而釐定。

我們專注於此範疇，乃由於決定零售店舖有否出現減值跡象及釐定相關零售店舖資產的可收回金額時涉及重大估計及判斷。

我們的審計如何處理關鍵審計事項

我們透過執行以下程序以評估管理層在識別表現不佳的零售店舖時的評估過程：

- 向管理層查詢彼等識別減值跡象的基準；
- 對於識別減值跡象時作出的判斷提出質疑；及
- 比較出現減值跡象的零售店舖在本年的表現與去年的店舖表現

我們透過以下程序對減值計算進行測試：

- 比較預測銷售表現與經審批的業務計劃，及比較估計營運成本與歷史記錄；
- 向管理層查詢其業務計劃的關鍵假設，並將所採用的關鍵假設與歷史資料及我們對最近期市場資料及狀況的理解進行比較，評估有關假設(如收益增長率及毛利率)；

KEY AUDIT MATTERS (Continued)

Key Audit Matters (Continued)

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

How our audit addressed the Key Audit Matter (Continued)

- Tested the discount rates with reference to our understanding of the business including the future business plans of the relevant retail stores and comparisons to other similar companies; and
- Recomputed the impairment loss calculation.

Based on our work performed, we found the impairment of retail store assets made by the management to be supported by available evidence.

OTHER INFORMATION

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

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

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

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

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

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

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

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

關鍵審計事項(續)

關鍵審計事項(續)

物業、廠房及設備以及使用權資產之減值虧損(續)

我們的審計如何處理關鍵審計事項(續)

- 參照我們對業務的了解對貼現率進行測試，包括相關零售店鋪的未來業務計劃，同時亦與其他類似公司採納的貼現率相比較；及
- 重新計算減值虧損。

根據我們所執行的工作，我們認為管理層就零售店鋪資產所作的減值由所得憑證支持。

其他信息

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

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

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

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

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定編製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編製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。

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

審核委員會須負責監督 貴集團的財務報告過程。

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

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

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

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

核數師就審計綜合財務報表須承擔的責任

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Cheung Kin Bong.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24 June 2020

核數師就審計綜合財務報表須承擔的責任(續)

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

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

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

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

出具本獨立核數師報告的審計項目合夥人是張健邦先生。

羅兵咸永道會計師事務所
執業會計師

香港，2020年6月24日

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
		附註		
Revenue	收益	6	880,298	959,045
Cost of sales	銷售成本	7	(685,266)	(741,743)
Gross profit	毛利		195,032	217,302
Other income and gains	其他收入及收益	6	22,559	15,961
Changes in fair value of investment properties	投資物業公平值變動	14	(3,587)	8,908
Selling and distribution costs	銷售及分銷費用	7	(141,633)	(145,725)
Advertising and marketing expenses	廣告及市場推廣開支	7	(13,163)	(23,915)
Administrative expenses	行政開支	7	(83,696)	(83,933)
Impairment loss on property, plant and equipment and right-of-use assets	物業、廠房及設備以及使用權資產之減值虧損	13, 15	(8,187)	–
Impairment loss on amount due from an associate	應收一間聯營公司款項之減值虧損	17	–	(32,720)
Operating loss	經營虧損		(32,675)	(44,122)
Interest expense on lease liabilities	租賃負債利息開支		(3,379)	–
Share of results of an associate	應佔一間聯營公司業績		–	–
Loss before income tax	除所得稅前虧損		(36,054)	(44,122)
Income tax credit/(expense)	所得稅抵免/(開支)	10	4,335	(2,239)
Loss for the year	本年度虧損		(31,719)	(46,361)
(Loss)/profit attributable to:	(虧損)/利潤歸屬於：			
Owners of the Company	本公司擁有人		(29,093)	(46,691)
Non-controlling interests	非控制性權益		(2,626)	330
			(31,719)	(46,361)
Loss per share attributable to owners of the Company for the year	本年度本公司擁有人應佔每股虧損	11	(HK2.45 cents港仙)	(HK3.94 cents港仙)
Basic	基本		(HK2.45 cents港仙)	(HK3.94 cents港仙)
Diluted	攤薄		(HK2.45 cents港仙)	(HK3.94 cents港仙)

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

上述綜合收益表應與隨附附註一同閱覽。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2020
截至2020年3月31日止年度

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Loss for the year	本年度虧損	(31,719)	(46,361)
Other comprehensive income/(loss):	其他全面收入/(虧損):		
<i>Item that may be reclassified subsequently to profit or loss</i>	<i>可重新分類至損益之項目</i>		
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	(2,565)	(3,971)
<i>Item that will not be reclassified to profit or loss</i>	<i>不會重新分類至損益之項目</i>		
Gain on revaluation of property	物業重估收益	2,859	-
<i>Item that has been reclassified to profit or loss</i>	<i>已重新分類至損益之項目</i>		
Realisation of accumulated exchange differences upon liquidation of a subsidiary	於一間附屬公司清盤時變現累計匯兌差額	92	-
Other comprehensive income/(loss) for the year	本年度其他全面收入/(虧損)	386	(3,971)
Total comprehensive loss for the year	本年度全面虧損總額	(31,333)	(50,332)
Attributable to:	歸屬於:		
Owners of the Company	本公司擁有人	(28,707)	(50,662)
Non-controlling interests	非控制性權益	(2,626)	330
		(31,333)	(50,332)

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

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020
於2020年3月31日

		Note	2020	2019
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	38,582	77,192
Investment properties	投資物業	14	225,436	235,580
Right-of-use assets	使用權資產	15	101,507	–
Deposits	按金	21	12,354	13,729
Deferred tax assets	遞延稅項資產	26	174	86
Total non-current assets	非流動資產總額		378,053	326,587
Current assets	流動資產			
Inventories	存貨	18	169,508	198,549
Contract assets	合約資產	19	2,035	7,485
Trade receivables	貿易應收賬項	20	43,675	51,713
Amount due from an associate	應收一間聯營公司款項	17	–	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬項	21	32,545	50,085
Tax recoverable	可收回稅項		232	–
Cash and bank balances	現金及銀行結餘	22	197,314	198,178
Total current assets	流動資產總額		445,309	506,010
Total assets	資產總額		823,362	832,597
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	27	118,532	118,532
Reserves	儲備	28	488,541	521,891
			607,073	640,423
Non-controlling interests	非控制性權益		1,458	1,735
Total equity	權益總額		608,531	642,158

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

上述綜合財務狀況表應與隨附附註一同閱覽。

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表 (續)

As at 31 March 2020
於2020年3月31日

		Note	2020	2019
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Accrued liabilities	應計負債	25	5,778	5,727
Lease liabilities	租賃負債	15	34,191	–
Deferred tax liabilities	遞延稅項負債	26	27,413	29,258
Total non-current liabilities	非流動負債總額		67,382	34,985
Current liabilities	流動負債			
Trade and bills payables	貿易應付賬項及票據	24	44,511	82,291
Contract liabilities	合約負債	23	11,972	15,174
Accrued liabilities and other payables	應計負債及其他應付賬項	25	40,040	48,203
Lease liabilities	租賃負債	15	43,329	–
Tax payable	應付稅項		7,597	9,786
Total current liabilities	流動負債總額		147,449	155,454
Total liabilities	負債總額		214,831	190,439
Total equity and liabilities	權益及負債總額		823,362	832,597
Net current assets	流動資產淨額		297,860	350,556
Total assets less current liabilities	資產總額減流動負債		675,913	677,143

The financial statements on pages 83 to 162 were approved by the Board of Directors on 24 June 2020 and were signed on its behalf.

刊載於第83頁至162頁的財務報表已於2020年6月24日獲得董事會批准，並授權由下列董事代表簽署。

Sun Tai Lun Dennis
Chairman
孫大倫
主席

Sun Tao Hung Stanley
Deputy Chairman and CEO
孫道弘
副主席及行政總裁

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

上述綜合財務狀況表應與隨附附註一同閱覽。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non- controlling interests 非控制性 權益	Total equity 權益總額
		Share capital 股本 HK\$'000 港幣千元	Share premium account ¹ 股份溢價賬 ¹ HK\$'000 港幣千元	Capital redemption reserve ¹ 資本贖回儲備 ¹ HK\$'000 港幣千元	Exchange fluctuation reserve ¹ 匯兌變動儲備 ¹ HK\$'000 港幣千元	Asset revaluation reserve ¹ 資產重估儲備 ¹ HK\$'000 港幣千元	Retained earnings ¹ 保留盈利 ¹ HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元		
Balance at 31 March 2018	於2018年3月31日結餘	118,532	490,378	1,619	5,092	25,387	50,077	691,085	1,468	692,553
Loss for the year	本年度虧損	-	-	-	-	-	(46,691)	(46,691)	330	(46,361)
Other comprehensive loss:	其他全面虧損:									
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	(3,971)	-	-	(3,971)	-	(3,971)
Total comprehensive (loss)/income	全面(虧損)/收入總額	-	-	-	(3,971)	-	(46,691)	(50,662)	330	(50,332)
Total transactions with owners of the Company, recognised directly in equity:	與本公司擁有人進行的交易 總額，直接於權益確認:									
Dividends	股息	-	-	-	-	-	-	-	(63)	(63)
Balance at 31 March 2019	於2019年3月31日結餘	118,532	490,378	1,619	1,121	25,387	3,386	640,423	1,735	642,158

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

上述綜合權益變動表應與隨附附註一同閱覽。

Consolidated Statement of Changes in Equity (Continued)

綜合權益變動表 (續)

For the year ended 31 March 2020
截至2020年3月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium account ¹	Capital redemption reserve ¹	Exchange fluctuation reserve ¹	Asset revaluation reserve ¹	Retained earnings/ (accumulated losses) ¹ 保留盈利/ (累計虧損) ¹	Total	Non- controlling interests 非控制性 權益	Total equity 權益總額
		股本	股份溢價賬	資本贖回儲備	匯兌變動儲備	資產重估儲備	(累計虧損) ¹	總額	權益	權益總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Balance at 31 March 2019, as previously presented	於2019年3月31日結餘，如先前列報	118,532	490,378	1,619	1,121	25,387	3,386	640,423	1,735	642,158
Change in accounting policies (Note 2.2)	會計政策之變動(附註2.2)	-	-	-	-	-	(4,643)	(4,643)	(31)	(4,674)
Restated balance as at 1 April 2019	於2019年4月1日結餘(經重列)	118,532	490,378	1,619	1,121	25,387	(1,257)	635,780	1,704	637,484
Loss for the year	本年度虧損	-	-	-	-	-	(29,093)	(29,093)	(2,626)	(31,719)
Other comprehensive (loss)/income:	其他全面(虧損)/收入:									
Exchange differences on translation of foreign operations	換算海外業務匯兌差額	-	-	-	(2,565)	-	-	(2,565)	-	(2,565)
Gain on revaluation of property	物業重估收益	-	-	-	-	2,859	-	2,859	-	2,859
Realisation of accumulated exchange differences upon liquidation of a subsidiary	於一間附屬公司清盤時變現累計匯兌差額	-	-	-	92	-	-	92	-	92
Total comprehensive (loss)/income	全面(虧損)/收入總額	-	-	-	(2,473)	2,859	(29,093)	(28,707)	(2,626)	(31,333)
Total transactions with owners of the Company, recognised directly in equity:	與本公司擁有人進行的交易總額，直接於權益確認:									
Establishment of a new subsidiary	成立一間新的附屬公司	-	-	-	-	-	-	-	2,380	2,380
Balance at 31 March 2020	於2020年3月31日結餘	118,532	490,378	1,619	(1,352)	28,246	(30,350)	607,073	1,458	608,531

¹ These reserve accounts comprise the consolidated reserves of HK\$488,541,000 (2019: HK\$521,891,000) in the consolidated statement of financial position.

¹ 此等儲備賬包括於綜合財務狀況表之綜合儲備港幣488,541,000元(2019年:港幣521,891,000元)。

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述綜合權益變動表應與隨附附註一同閱覽。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020	2019
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash flows from operating activities	經營業務之現金流動			
Loss before income tax	除所得稅前虧損		(36,054)	(44,122)
Adjustments for:	經下列調整：			
Interest income	利息收入	6	(1,922)	(2,218)
Finance cost	融資成本		3,379	–
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	7	15,598	20,705
Depreciation of right-of-use assets	使用權資產之折舊	7	55,661	–
Losses on disposals of property, plant and equipment	出售物業、廠房及設備之虧損	7	236	615
Provision for inventories	存貨撥備	7	2,627	880
Changes in fair value of investment properties	投資物業公平值變動	14	3,587	(8,908)
Impairment loss on property, plant and equipment and right-of-use assets	物業、廠房及設備以及使用權資產之減值虧損		8,187	–
Impairment loss on amount due from an associate	應收一間聯營公司款項之減值虧損		–	32,720
Rent concessions from lessors	出租人租金寬減	6	(1,795)	–
			49,504	(328)
Changes in working capital	營運資金變動			
Decrease/(increase) in inventories	存貨之減少/(增加)		26,414	(11,094)
Decrease/(increase) in contract assets	合約資產之減少/(增加)		5,450	(7,485)
Decrease in trade receivables	貿易應收賬項之減少		7,999	1,030
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收賬項之減少/(增加)		16,219	(19,078)
(Decrease)/increase in trade and bills payables	貿易應付賬項及票據之(減少)/增加		(37,780)	22,158
(Decrease)/increase in contract liabilities	合約負債之(減少)/增加		(3,202)	12
(Decrease)/increase in accrued liabilities and other payables	應計負債及其他應付賬項之(減少)/增加		(7,946)	14,989
Cash generated from operations	經營業務所得之現金		56,658	204
Hong Kong profits tax refunded	香港利得稅退稅		943	42
Hong Kong profits tax paid	已付香港利得稅		(407)	(1,549)
Overseas taxes paid	已付海外稅項		(232)	(328)
Net cash generated from/(used in) operating activities	經營業務所得/(所用)之現金淨額		56,962	(1,631)

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

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表 (續)

For the year ended 31 March 2020
截至2020年3月31日止年度

		Note	2020	2019
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash flows from investing activities	投資活動之現金流動			
Interest received	已收利息		1,922	2,218
Purchases of property, plant and equipment	購入物業、廠房及設備	13, 35	(5,989)	(14,627)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項		6	89
Decrease in non-pledged time deposits with original maturity of more than three months	原到期日超過三個月之無抵押定期存款減少	22	2,690	1,795
Advances to an associate	向一間聯營公司的墊款		–	(3,615)
Net cash used in investing activities	投資活動所用之現金淨額		(1,371)	(14,140)
Cash flows from financing activities	融資活動之現金流動			
Interest elements of lease payments	租賃款項之利息部分		(3,379)	–
Principle elements of lease payments	租賃款項之主要部分	35	(50,935)	–
Dividend paid	已付股息		–	(821)
Proceeds from capital injection from non-controlling interests	非控制性權益注入資金		2,254	–
Net cash used in financing activities	融資活動所用之現金淨額		(52,060)	(821)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目之增加/(減少)淨額		3,531	(16,592)
Cash and cash equivalents at beginning of year	年初現金及現金等值項目		172,562	192,075
Exchange losses on cash and cash equivalents	現金及現金等值項目之匯兌虧損		(1,705)	(2,921)
Cash and cash equivalents at end of year	年終現金及現金等值項目	22	174,388	172,562

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

1 GENERAL INFORMATION

China-Hongkong Photo Products Holdings Limited (the "Company") is a limited company incorporated in Bermuda. The registered office of the Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda. The principal place of business of the Company is located at 8th Floor, Tsuen Wan Industrial Centre, 220-248 Texaco Road, Tsuen Wan, Hong Kong.

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

Compliance with HKFRSs and HKCO

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

Historical cost convention

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

1 一般資料

中港照相器材集團有限公司(「本公司」)為一間於百慕達註冊成立之有限公司。本公司註冊辦事處位於Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda。本公司之主要營業地址為香港荃灣德士古道220-248號荃灣工業中心8樓。

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

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

本公司以香港聯合交易所有限公司主板為第一上市地。

除非另有註明，本綜合財務報表乃以港幣(「港幣」)呈報。

2 主要會計政策概要

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

2.1 編製基準

遵守香港財務報告準則及香港公司條例

本集團之綜合財務報表乃按香港財務報告準則(「香港財務報告準則」)及香港公司條例(「香港公司條例」)(第622章)之披露規定而編製。

歷史成本法編製

綜合財務報表乃按歷史成本法編製，惟重估投資物業按公平值計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

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

The Group has applied the following new standards, amendments to existing standards and interpretation for the first time for their financial year beginning on 1 April 2019. Detailed impact of adoption of HKFRS 16 is disclosed in Note 2.2. The adoption of other new and amended standards and interpretation did not have any material impact on the current period and any prior periods.

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

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

		Effective for annual periods beginning on or after
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting	1 April 2020
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 April 2020
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Interest Rate Benchmark Reform	1 April 2020
HKFRS 3 (Amendments)	Definition of a Business	1 April 2020
HKFRS 17	Insurance Contracts	1 April 2021
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group intends to adopt the above new standards and amendments to existing standards when they become effective. These standards are not expected to have a material impact on the Group 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)

(a) 本集團採納之新訂及經修訂準則及詮釋

本集團已於2019年4月1日開始之財政年度首次應用以下新訂準則、現有準則的修訂本及詮釋。採納香港財務報告準則第16號的詳情影響於附註2.2披露。採納其他新訂及經修訂準則及詮釋對本期間及任何過往期間並無任何重大影響。

2017年度改進項目	2015年至2017年週期之年度改進
香港會計準則第19號(修訂)	計劃修訂、縮減或清償
香港會計準則第28號(修訂)	於聯營公司及合營企業的長期權益
香港財務報告準則第9號(修訂)	具有負補償之預付款特性
香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)第23號	所得稅處理的不確定性

(b) 已頒佈但尚未生效且本集團並未提早採納的新訂準則及現有準則的修訂本

		於以下日期或之後開始年度期間生效
2018年財務報告的概念框架	修訂財務報告的概念框架	2020年4月1日
香港會計準則第1號及香港會計準則第8號(修訂)	重大的定義	2020年4月1日
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號(修訂)	利率基準改革	2020年4月1日
香港財務報告準則第3號(修訂)	業務的定義	2020年4月1日
香港財務報告準則第17號	保險合約	2021年4月1日
香港財務報告準則第10號及香港會計準則第28號(修訂)	投資者與其聯營公司或合營企業之間的資產出售或注資	待定

本集團擬於生效後採納上述新訂準則及現有準則之修訂。此等準則預期不會對本集團本報告期間或未來報告期間，以及可預見的未來交易產生重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(c) Early adoption of amendments to standard during the year ended 31 March 2020 where early adoption is permitted

HKFRS 16 (Amendment), "COVID-19-Related Rent Concessions" (effective for annual periods beginning on or after 1 April 2021). The amendment provides lessees with exemption from assessing whether COVID-19-related rent concession is a lease modification and requires lessees that apply the exemption to account for COVID-19-related rent concession as if they were not lease modifications. In applying HKFRS 16 (Amendment) for the first time, the Group has applied the practical expedient and elected not to assess whether COVID-19-related rent concession is a lease modification. All of the COVID-19-related rent concessions amounted to HK\$1,286,000 has been recognised in profit or loss.

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 April 2019.

The Group has adopted HKFRS 16 retrospectively from 1 April 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening consolidated statement of financial position on 1 April 2019.

On the 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 April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 4.0%.

2 主要會計政策概要(續)

2.1 編製基準(續)

(c) 於截至2020年3月31日止年度提早採納的準則修訂本，並允許提早採納

香港財務報告準則第16號(修訂本)「2019年冠狀病毒病(「COVID-19」)相關租金寬減」(自2021年4月1日或之後開始的年度期間生效)。修訂本為承租人提供評估COVID-19相關租金寬減是否為一項租賃修訂的豁免，並要求應用該豁免的承租人將COVID-19相關租金寬減入賬，猶如其並非租賃修訂。於首次應用香港財務報告準則第16號(修訂本)時，本集團已採用實務簡易處理方法，並選擇對COVID-19相關租金寬減是否為一項租賃修訂不予評估。所有COVID-19相關租金寬減額港幣1,286,000元已於損益中確認。

2.2 會計政策之變動

本附註解釋採納香港財務報告準則第16號租賃對本集團財務報表的影響，並披露自2019年4月1日起應用的新會計政策。

本集團自2019年4月1日起追溯採納香港財務報告準則第16號，於準則中特定過渡條款允許的情況下，並未重列2019年報告期之比較數據。因此，新租賃規則產生的重新分類及調整乃於2019年4月1日的期初綜合財務狀況表中確認。

採納香港財務報告準則第16號後，本集團確認與先前根據香港會計準則第17號租賃原則分類為「經營租賃」之租賃有關的租賃負債。此等負債以剩餘租賃款項的現值計量，並使用承租人截至2019年4月1日的增量借款利率折現。適用於2019年4月1日的租賃負債的加權平均承租人增量借款利率為4.0%。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(i) Practical expedients applied

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

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of 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 會計政策之變動(續)

(i) 採用的實務簡易處理方法

於首次應用香港財務報告準則第16號時，本集團已使用該準則准許的下列實務簡易處理方法：

- 對具有合理相似特徵的租賃組合使用單一折現率；
- 於2019年4月1日，剩餘租賃期少於12個月的經營租賃為短期租賃的會計處理；
- 排除於首次應用日期計量使用權資產的初始直接成本；以及
- 在合約包含延長或終止租賃的選擇權時，使用事後判斷確定租賃期限。

本集團亦選擇不重新評估合約於首次應用日期是否為租賃或包含租賃。相反，對於在過渡日期之前簽訂的合約，本集團將根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「確定一項安排是否包含租賃」進行評估。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(ii) Measurement of lease liabilities

		2019 HK\$'000 港幣千元
Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日已披露的經營租賃承擔	85,446
Discounted using the lessee's incremental borrowing rate at the date of initial application	使用承租人在首次應用日期的增量借款利率折現	74,880
Add: equipment leases recognised	加：已確認的設備租賃	17,584
Less: short-term leases recognised on a straight-line basis as expense	減：以直線法確認為開支的短期租賃	(1,394)
Lease liabilities recognised as at 1 April 2019	於2019年4月1日確認的租賃負債	91,070
Represented by:	重新呈列為：	
Current lease liabilities	流動租賃負債	47,424
Non-current lease liabilities	非流動租賃負債	43,646
		91,070

(iii) Measurement of right-of-use assets

The associated right-of-use assets were measured on a retrospective basis as if the new rules had always been applied, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 March 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

Upon the adoption of HKFRS 16, the Group reclassified the leasehold land under finance lease, prepaid premium for land lease under operating leases and reinstatement costs in "property, plant and equipment" to "right-of-use assets" for presentation purpose.

For types of assets recognised as right-of-use assets, please refer to Note 15 for details.

2.2 會計政策之變動(續)

(ii) 租賃負債計量

(iii) 使用權資產計量

相關的使用權資產以追溯方式計量，猶如新規則一貫獲應用，並根據與2019年3月31日的綜合財務狀況表中確認的有關該租賃的任何預付或應計租賃款項進行調整。於首次應用日期，並無需對使用權資產進行調整的虧損租賃合約。

採納香港財務報告準則第16號後，本集團將「物業、廠房及設備」中的融資租賃項下的租賃土地、經營租賃項下的土地租賃的預付溢價及復修成本重新分類為「使用權資產」，以作呈列目的。

有關確認為使用權資產的資產類型，詳情請參見附註15。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(iv) Adjustments recognised on the adoption of HKFRS 16

The change in accounting policy mainly affected the following items in the consolidated statement of financial position on 1 April 2019. Line items that were not affected by the changes have not been included. As a result, the subtotals and totals disclosed cannot be recalculated from the numbers provided.

		31 March 2019 2019年 3月31日 HK\$'000 港幣千元	Reclassifica- tion under HKFRS 16 根據香港 財務報告 準則第16號 重新分類 HK\$'000 港幣千元	Recognition of leases under HKFRS 16 根據香港 財務報告 準則第16號 確認租賃 HK\$'000 港幣千元	1 April 2019 (Restated) 2019年 4月1日 (經重列) HK\$'000 港幣千元
Consolidated statement of financial position (extract)	綜合財務狀況表(摘錄)				
Non-current assets	非流動資產				
Property, plant and equipment	物業、廠房及設備	77,192	(29,232)	–	47,960
Right-of-use assets	使用權資產	–	29,232	88,350	117,582
Current assets	流動資產				
Prepayments, deposits and other receivables	預付款項、按金及其他 應收賬項	50,085	–	(2,239)	47,846
Total assets	資產總額	832,597	–	86,111	918,708
Current liabilities	流動負債				
Accrued liabilities and other payables	應計負債及其他應付 賬項	48,203	–	(300)	47,903
Lease liabilities	租賃負債	–	–	47,424	47,424
Non-current liabilities	非流動負債				
Lease liabilities	租賃負債	–	–	43,646	43,646
Deferred tax liabilities	遞延稅項負債	29,258	–	15	29,273
Total liabilities	負債總額	190,439	–	90,785	281,224
Net assets	資產淨值	642,158	–	(4,674)	637,484
Retained earnings/ (accumulated losses)	保留盈利/(累計虧損)	3,386	–	(4,643)	(1,257)
Non-controlling interests	非控制性權益	1,735	–	(31)	1,704
Total equity	權益總額	642,158	–	(4,674)	637,484

(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 主要會計政策概要(續)

2.2 會計政策之變動(續)

(iv) 採納香港財務報告準則第16號確認之調整

會計政策之變更主要影響於2019年4月1日的綜合財務狀況表中的以下項目。未受變動影響的報表項目不包括在內。因此，所披露的小計及總計不得按所列數字重新計算。

(v) 出租人會計處理

由於採納香港財務報告準則第16號，本集團毋須就經營租賃持有的出租人資產的會計處理作出任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting

(i) Subsidiaries

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

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

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

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

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

2 主要會計政策概要(續)

2.3 綜合原則及權益會計處理

(i) 附屬公司

附屬公司均為本集團對其具有控制權的實體(包括結構性實體)。當本集團因參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其領導該實體業務的權力影響此等回報時，本集團即控制該實體。附屬公司自控制權轉移至本集團之日起合併入賬，自控制權終止之日起停止合併入賬。

本集團採用收購會計法將業務合併入賬(見附註2.4)。

集團內公司間交易、結餘及集團內公司間交易的未變現收益會予以對銷。除非有關交易有證據顯示所轉讓資產減值，未變現虧損亦會對銷。附屬公司之會計政策已於需要時作出變動，以符合本集團所採納的會計政策。

附屬公司業績及權益中的非控制性權益分別於綜合收益表、全面收益表、權益變動表及財務狀況表中單獨呈列。

(ii) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權或共同控制權的實體，通常本集團持有20%-50%投票權的股權。於聯營公司的投資於初步按成本確認後以權益會計法(見下文(iii))入賬。

(iii) 權益會計法

根據權益會計法，投資初始以成本確認，其後予以調整以在損益確認本集團享有被投資者在收購日期後的損益份額，以及在其他全面收益確認本集團享有被投資者其他全面收益變動的份額。已收或應收聯營公司股息確認為投資賬面值減少。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

(iii) Equity method (Continued)

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.11.

(iv) Changes in ownership interests

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

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 主要會計政策概要(續)

2.3 綜合原則及權益會計處理(續)

(iii) 權益會計法(續)

如本集團享有一項按權益會計法入賬投資的虧損份額等於或超過其在該實體的權益，包括任何其他無抵押長期應收賬款，本集團不會確認進一步虧損，除非本集團對另一實體已產生債務或已代該另一實體作出付款。

本集團與其聯營公司的交易的未變現收益以本集團於該等實體的權益撇銷。未變現虧損亦予撇除，除非該交易證明所轉讓資產出現減值。於有需要時，以權益會計法入賬被投資者的會計政策已予調整，以確保與本集團採納的政策貫徹一致。

以權益會計法入賬投資的賬面值根據附註2.11所述的政策進行減值測試。

(iv) 擁有權益變動

本集團將與非控制性權益交易(並不導致喪失控制權)視作與本集團權益擁有人交易。擁有權益變動導致控制性權益與非控制性權益賬面值之間的調整以反映彼等於附屬公司的相對權益。非控制性權益調整數額與任何已付或已收代價之間的任何差額於本集團擁有人應佔權益中的獨立儲備內確認。

當本集團因喪失控制權或重大影響力而停止合併入賬或按權益入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司之保留權益，其公平值為初始賬面值。此外，先前於其他全面收入確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此意味先前在其他全面收入確認之金額重分類至損益或根據適用香港財務報告準則之規定／許可轉撥至另一類權益。

倘於一間聯營公司的擁有權益減少但保留重大影響力，則先前於其他全面收入確認的金額僅有一定比例份額重分類至損益(如適用)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combinations

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

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

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

Acquisition-related costs are expensed as incurred.

The excess of the

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity; and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity.

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

2 主要會計政策概要(續)

2.4 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論是否已收購權益工具或其他資產。收購一間附屬公司轉讓的代價包括：

- (i) 所轉讓資產的公平值；
- (ii) 被收購業務前擁有人所產生的負債；
- (iii) 本集團已發行股權；
- (iv) 或然代價安排產生的任何資產或負債公平值；以及
- (v) 於附屬公司任何先前存在的股權的公平值。

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期的公平值計量(少數例外情況除外)。本集團根據個別收購交易按公平值或非控制性權益享有被收購實體可識別資產淨值的份額比例確認於被收購實體的任何非控制性權益。

收購相關成本於產生時支銷。

當

- (i) 所轉讓代價；
- (ii) 被收購實體的任何非控制性權益金額；以及
- (iii) 先前於被收購實體前的任何股權於收購日期的公平值。

超出所收購可識別資產淨值的公平值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公平值，則差額將直接於損益中確認為廉價購買。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combinations (Continued)

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

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.5 Separate financial statements

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

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

2.6 Segment reporting

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

2 主要會計政策概要(續)

2.4 業務合併(續)

倘現金代價的任何部分被延期結算，則未來的應付金額將按交換日的現值貼現。所用貼現率為實體的增量借款利率，即按可資比較的條款和條件自獨立融資方獲得類似借款的利率。或然代價歸類為權益或金融負債。歸類為金融負債之金額其後按公平值重新計量，並於損益內確認公平值變動。

倘業務合併分階段完成，收購方過往於被收購方所持股權於收購日期的賬面值重新計量至收購日期的公平值。該項重新計量所產生的任何收益或虧損，於損益中確認。

2.5 獨立財務報表

附屬公司的投資按成本扣除減值列賬。成本包括投資的直接應佔成本。附屬公司的業績由本公司按已收股息及應收款項入賬。

當從附屬公司的投資收取的股息超過附屬公司在股息宣派期間的全面收益總額，或該投資在個別財務報表的賬面值超過被投資者資產淨值(包括商譽)在綜合財務報表的賬面值時，則須對有關投資進行減值測試。

2.6 分部報告

經營分部按與向主要經營決策者提交的內部報告一致的方式呈報。作出戰略決定的董事會被視為負責分配資源及評估經營分部表現的主要經營決策者。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

All foreign exchange gains or losses are presented in the consolidated income statement on a net basis within "administrative expenses".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Except for investment properties, translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2 主要會計政策概要(續)

2.7 外幣換算

(i) 功能及呈報貨幣

本集團各實體的財務報表所列項目，乃按該實體經營業務所在的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表乃以本公司的功能及呈報貨幣港幣呈列。

(ii) 交易及結餘

外幣交易均按交易當日的現行匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益或虧損一般於綜合收益表確認。

所有外匯損益按淨額基準於綜合收益表「行政開支」項下呈列。

以公平值計量的非貨幣性項目採用公平值釐定當日的匯率換算。按公平值列賬的資產及負債的匯兌差額列報為公平值收益或虧損的一部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

(iv) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

2 主要會計政策概要(續)

2.7 外幣換算(續)

(iii) 集團公司

採用有別於呈報貨幣之功能貨幣之所有集團實體(當中並無惡性通貨膨脹經濟體系之貨幣)，其業績及財務狀況以下述方式換算為呈報貨幣：

- (a) 所呈列各財務狀況表之資產及負債按有關財務狀況表日期之收市匯率換算；
- (b) 各收益表及全面收益表之收入及支出按平均匯率換算(惟倘該平均數並非交易日期適用匯率累計影響之合理概約數字，則收入及支出按交易日期之匯率換算)；及
- (c) 所產生之所有匯兌差額於其他全面收入確認。

(iv) 出售海外業務

於出售海外業務(即出售本集團於海外業務之全部權益，或出售涉及失去包含海外業務附屬公司之控制權、出售涉及失去包含海外業務合營企業之共同控制權，或出售涉及失去包含海外業務聯營公司之重大影響)時，就本公司擁有人應佔之業務於權益累計之所有貨幣換算差額重新分類至損益。

2.8 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及任何減值虧損列賬。歷史成本包括購置項目之直接應佔開支。

僅當與項目有關之未來經濟利益很可能流入本集團，而項目之成本能夠可靠地計量時，後續成本方會計入資產之賬面值或確認為獨立資產(如適用)。被替換部分之賬面值終止確認。所有其他維修及保養於其產生之財政期間內於綜合收益表扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Buildings	5%
Furniture, fixtures and leasehold improvements	20% to 33 1/3% or over the remaining lease term, whichever is shorter
Machinery and equipment	20%
Motor vehicles	20%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains or losses on disposals are determined by comparing the proceeds with carrying amount and are recognised within "selling and distribution costs" and "administrative expenses" in the consolidated income statement.

Increases in the carrying amount arising on revaluation of buildings are credited to other comprehensive income. Decreases that offset previous increases of the same asset are charged against other comprehensive income; all other decreases are expensed in the consolidated income statement.

2.9 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated income statement within "changes in fair value of investment properties".

2 主要會計政策概要(續)

2.8 物業、廠房及設備(續)

折舊乃採用直線法計算以分配成本或重估金額，扣除預計使用年期之剩餘價值(或倘租賃裝修及若干租賃廠房及設備，則以較短期計算)如下：

樓宇	5%
傢俬、裝置及租賃物業裝修	20%至33 1/3%或租約剩餘年期，以較短者為準
機器及設備	20%
汽車	20%

資產之剩餘價值，使用年期及折舊方法於各報告期間末審閱及在適當時進行調整。

倘資產的賬面值大於其估計可收回金額(附註2.10)，則該資產的賬面值即時撇減至其可收回金額。

出售盈虧按所得款項與賬面值的差額釐定，並在綜合收益表內的「銷售及分銷費用」以及「行政開支」中確認。

因樓宇重估而產生的賬面值增加計入其他全面收入。抵銷同一資產先前增加的減少於其他全面收入扣除；所有其他減少於綜合收益表內支銷。

2.9 投資物業

投資物業主要由租賃土地和樓宇組成，持有為獲得長期租金收益或作為資本增值或兩者兼備，同時並非由本集團佔用。投資物業初始按成本列賬，包括相關的交易成本及(如適用)借款成本。在初始確認後，投資物業按公平值列賬，公平值指由外部估值師於每個報告日期釐定的公開市值。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有資料，本集團利用其他估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。公平值變動在綜合收益表內記錄為「投資物業公平值變動」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Investment properties (Continued)

Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under “Property, plant and equipment” up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under “Property, plant and equipment” (Note 2.8).

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2 主要會計政策概要(續)

2.9 投資物業(續)

棄用或出售投資物業之盈虧在棄用或出售當年之綜合收益表中確認。

由投資物業轉為自置物業時，該物業其後核算之認定成本按改變用途當日之公平值入賬。倘本集團持有的自置物業轉為投資物業，本集團依照「物業、廠房及設備」項下條款將該物業入賬，直至物業用途轉變當日為止，而該物業賬面值與公平值於該日期之差額則根據「物業、廠房及設備」項下條款入賬列作重新估值(附註2.8)。

2.10 非金融資產減值

可使用年期不確定之資產無須進行攤銷，並每年須進行減值測試，或倘發生事件或情況變動表示其可能減值時進行更頻繁的減值測試。凡有事件或情況變化顯示賬面值可能無法收回時，則其他資產會進行減值測試。按資產之賬面值超過其可收回金額之差額確認減值虧損。可收回金額為公平值減出售成本與其可使用價值中較高者。就評估減值而言，資產按可單獨分辨現金流量(大部分是獨立於其他資產或資產組合的現金流入)(現金產生單位)最小單位予以分類。於各報告期審視出現減值之非金融資產是否有可能回撥，商譽則屬除外。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

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

(ii) Recognition and derecognition

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

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2 主要會計政策概要(續)

2.11 投資及其他金融資產

(i) 分類

本集團按以下計量類別對其金融資產進行分類：

- 其後以公平價值計量(且其變動計入其他全面收入或損益)的金融資產；及
- 以攤餘成本計量的金融資產。

該分類取決於主體管理金融資產的業務模式及現金流量的合約條款。

對於以公平值計量的金融資產，其收益和虧損計入損益或其他全面收入。對於非交易性的權益工具投資，其收益和虧損的計量將取決於本集團在初始確認時是否作出不可撤銷的選擇而將其指定為以公平值計量且其變動計入其他全面收入。

本集團當且僅當管理該等資產的業務模式發生變動時方重新分類債務投資。

(ii) 確認及取消確認

金融資產之一般買賣在交易日確認—交易日指本集團承諾買賣該資產之日。當收取金融資產現金流量的權利已屆滿或轉讓，且本集團已轉讓擁有權的絕大部分風險及回報時，則會取消確認金融資產。

(iii) 計量

於初步確認時，本集團按金融資產之公平值加(倘並非按公平值計入損益之金融資產)直接歸屬於金融資產收購之交易成本計量。按公平值計入損益的金融資產的交易成本於損益支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and gains. Impairment losses are presented as separate line item in the consolidated income statement.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as other gains, net in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Impairment losses are presented in the consolidated income statement. For trade receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. For the other financial assets, expected credit losses are assessed according to change in credit quality since initial recognition.

2 主要會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量(續)

債務工具

債務工具的后續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。對於持有以收取合約現金流量的資產，如果合約現金流量僅代表對本金和利息的支付，則該資產以攤餘成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的收益和虧損直接計入損益，並列示在其他收入及收益。減值虧損作為單獨的項目於綜合收益表呈列。

權益工具

本集團以公平值對所有權益投資進行後續計量。如果本集團管理層選擇將權益投資的公平值收益和虧損計入其他全面收入，則終止確認該項投資後不會將公平值收益和虧損重新分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收入而計入損益。

對於以公平值計量且其變動計入損益的金融資產，其公平值變動列示於綜合收益表的其他收入及收益中。對於以公平值計量且其變動計入其他全面收入的權益工具投資，其減值損失(以及減值損失轉回)不與其他公平值變動單獨列示。

(iv) 減值

對於以攤餘成本計量的債務工具投資，本集團就其預期信貸虧損做出前瞻性評估。減值方法取決於其信貸風險是否顯著增加。減值損失列示在綜合收益表中。對於應收賬款，本集團採用香港財務報告準則第9號允許的簡化方法，在初始確認時計量應收賬款整個存續期的預期信貸虧損。對於其他金融資產，預期信貸虧損乃按照自初次確認起的信貸質素變動評估。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Trade receivables

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

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 20 for further information about the Group's accounting for trade receivables and Note 3.1 for a description of the Group's impairment policies.

2.15 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 Share capital

Ordinary shares are classified as equity.

2 主要會計政策概要(續)

2.12 抵銷金融工具

當本公司擁有抵銷已確認款項的法定強制權利而有意按淨額基準結算或同時變現資產及結算負債，可抵銷金融資產及負債，而其款項淨額於財務狀況表呈報。法定強制權利不受未來事件約束，可在一般營運過程中且於本公司或交易方違約、無力償債和破產的情況下強制執行。

2.13 存貨

存貨以成本與可變現淨值兩者中之較低者入賬。成本乃按加權平均成本基準分配至存貨個別項目。購入存貨的成本乃於扣除退款及折扣後釐定。可變現淨值為於日常業務過程內的估計售價減估計完成所需成本及銷售所需的估計成本計算。

2.14 貿易應收賬項

貿易應收賬項為日常業務過程中出售商品或提供服務而應收客戶的款項。倘預期在一年或以內收回貿易應收賬項及其他應收賬項(或倘屬較長時間，則在業務正常經營週期內)，則其歸類為流動資產。否則，其呈列為非流動資產。

貿易應收賬項初步按無條件收取的有關代價金額確認，除非按公平值確認時其包含重大融資成分。本集團持有貿易應收賬項旨在收取合約現金流量，因此後續採用實際利率法按攤銷成本進行計量。有關本集團貿易應收賬項的進一步資料，請參閱附註20；有關本集團減值政策的資料，請參附註3.1。

2.15 現金及現金等值項目

就於綜合現金流量表呈列而言，現金及現金等值項目包括手頭現金、銀行活期存款及可隨時兌換為已知數目現金而無重大價值變動風險之其他短期高流動性投資(原定期限不超過三個月)。

2.16 股本

普通股被分類為權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Trade, bills and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade, bills and other payables are classified as current liabilities if payment is due within twelve months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

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

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

2 主要會計政策概要(續)

2.17 貿易、票據及其他應付賬項

該等金額指財政年度結束前就已提供予本集團的貨品及服務的未償付負債。該等金額為無抵押。倘貿易、票據及其他應付賬項將於報告期後12個月內支付，則歸類為流動負債。其最初按其公平值確認及其後使用實際利息法按攤銷成本計量。

2.18 即期及遞延所得稅

期內所得稅開支或抵免為就應課稅收入基於各司法權區的適用所得稅率(由暫時性差額導致的遞延稅項資產及負債變動調整)於當前期間應付的稅項。

(i) 即期所得稅

即期所得稅支出根據於本公司附屬公司及聯營公司業務所在及產生應課稅收益的國家於報告期末已頒佈或實質上已頒佈的稅法計算。管理層就適用稅務法例可有不同解釋的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設立撥備。

(ii) 遞延所得稅

遞延所得稅乃按負債法根據綜合財務報表上資產及負債的稅基以及賬面值之間的暫時性差額確認。然而，若遞延所得稅負債來自商譽之初步確認，則不予確認。倘遞延所得稅於交易(業務合併除外)中初步確認資產或負債時產生而於交易時不影響會計或應課稅損益，則不會入賬。遞延所得稅乃採用報告期末已實施或大致實施的稅率(及稅法)釐定，並預期將於變現遞延所得稅資產或清償遞延所得稅負債時採用。

有關按公平值計量的投資物業的遞延稅項負債乃假設該物業將透過出售可完全收回釐定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax (Continued)

(ii) Deferred income tax (Continued)

Deferred tax assets are recognised only if it is probable that future taxable profit will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.19 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

2 主要會計政策概要(續)

2.18 即期及遞延所得稅(續)

(ii) 遞延所得稅(續)

遞延所得稅資產僅於可能有未來應課稅溢利可用於動用該等暫時性差額及虧損時方會確認。

倘本公司能控制撥回暫時性差額的時間及該等差額可能不會於可見將來撥備，則不會就外國業務投資賬面值與稅基之間的暫時性差額確定遞延稅項負債及資產。

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算或同時變現資產清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項於在其他全面收入或直接於權益中確認的項目有關，在此情況下，稅項亦會分別於其他全面收入或直接於權益中確認。

2.19 僱員福利

(i) 短期責任

僱員直至報告期末之服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計病假)並按結算有關負債之預期金額計量。負債於綜合財務狀況表內呈列為即期僱員福利責任。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Employee benefits (Continued)

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance and a defined contribution occupational retirement scheme (the "ORSO scheme") under the Occupational Retirement Schemes Ordinance, for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the schemes. The assets of both schemes are held separately from those of the Group in independently administered funds. The Group's employer contributions to both schemes vest fully with the employees when contributed into the schemes, except for the Group's employer voluntary contributions to the ORSO scheme, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the ORSO scheme.

2 主要會計政策概要(續)

2.19 僱員福利(續)

(ii) 其他長期僱員福利責任

長期服務假及年假的負債預期不會於僱員提供相關服務之期間結束後12個月內悉數結清，因此，按直至報告期末就僱員提供服務而將予支付之預期未來款項的現值採用預計單位信貸法計量。當中考慮預期未來工資和薪金水平、員工離職的經驗和服務期。預期未來付款採用優質企業債券(其到期條款及貨幣須盡可能接近估計未來現金流出)於報告期末的市場收益率貼現。因經驗調整及精算假設變動而導致的重估在損益中確認。

倘實體沒有無條件權利可將結算由報告日期起遞延至少12個月(不論預期實際結算於何時發生)，則責任一概在綜合財務狀況表中列作流動負債。

(iii) 離職後責任

本集團根據強制性公積金計劃條例設立界定供款強制性公積金退休福利計劃及根據職業退休計劃條例設立界定供款職業退休福利計劃(「職業退休計劃」)。根據該等計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在綜合收益表中扣除。兩個計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團對兩個計劃之僱主供款於對兩個計劃供款時已全數歸於僱員，惟本集團根據職業退休計劃之條款對職業退休計劃作出之自願性僱主供款，倘有關僱員在全數收歸前離職，則退回本集團所有。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Provisions

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

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

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

2.21 Revenue recognition

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

(i) Sales of goods

The Group engages in the wholesales and retail of photographic developing, processing and printing products, photographic merchandises, consumer electronic products and household appliances and online sales of skincare products. These products are sold on their own in separately identified contracts with customers.

2 主要會計政策概要(續)

2.20撥備

當集團因過往事件承擔現有法律或推定責任，而解除責任有可能導致資源流出，且金額能可靠估計，會就法律索償確認撥備。未來經營虧損毋須確認為撥備。

倘有多項類似責任，為清償責任而需資金流出的可能性，乃經整體考慮該債務類別而釐定。即使就包括在同一債務類別內的任何項目而言資金流出的可能性很小，撥備仍予確認。

撥備乃以預期用以償付責任之開支，按反映當時市場對金錢時間價值之評估及該責任之特有風險之稅前費率計算之現值計量。隨著時間增加之撥備金額獲確認為利息開支。

2.21收入確認

當收入之數額能夠可靠計量；未來經濟利益很有可能流入有關實體；及本集團每項活動均符合具體條件時(如下文所述)，本集團便會將收入確認。

(i) 貨品銷售

本公司從事批發及零售攝影、沖印及印刷產品、照相商品、消費電子產品及家用電器及網上銷售護膚產品。該等貨品以各自已識別合約出售予客戶。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Revenue recognition (Continued)

(i) Sales of goods (Continued)

The Group's contracts with customers for the sale of products generally include one performance obligation. Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of goods – customer loyalty programmes

The Group operates loyalty points programmes, which allow customers to accumulate points when they purchase products. The points can be redeemed for free products, subject to a minimum number of points obtained. A contract liability for the award points is recognised at the time of sale. Other income is recognised when the points are redeemed or expired.

(iii) Rendering of services – provision of technical services for photographic developing and processing products and imaging solution

Revenue from the provision of the above services is recognised over time when the services have been rendered.

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

The Group provides installation services. These services are sold in bundle together with the sale of audio visual equipment to customers. The installation services can be obtained from other providers and do not significantly customise or modify the products. The revenue from the sales of audio visual equipment is recognised at a point in time upon delivery of the product, and revenue from installation service is recognised over time when the services have been rendered.

(v) Financing component

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

2 主要會計政策概要(續)

2.21 收入確認(續)

(i) 貨品銷售(續)

本集團就銷售產品與客戶訂立的合約一般包括一項履行責任。貨物銷售收益於資產控制權轉讓予客戶的時間點確認，一般為交付貨品時。由於直至到期付款為止只需要時間流逝，故當交付產品時，代價於此時間點成為無條件，所以應收賬款在交付產品時確認。

(ii) 貨品銷售 – 客戶忠誠計劃

本集團設有忠誠獎賞計劃，客戶可於購買產品時累積分數。積分可用作兌換免費產品，惟受限於所得積分下限。積分的合約負債在銷售時確認。其他收入乃於兌換積分時或積分到期時確認。

(iii) 提供服務 – 提供攝影及沖印產品技術服務及影像解決方案

提供上述服務的收益乃於提供服務時隨時間經過確認。

(iv) 提供服務 – 專業影音顧問訂製、設計及安裝服務

本集團提供安裝服務。此等服務隨影音設備一起同捆銷售。安裝服務亦可從其他供應商取得，並不會大幅定制或修改產品。來自銷售影音設備的收益將於交付影音設備時確認，而來自安裝服務的收益乃於提供服務時隨時間經過確認。

(v) 融資成分

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.23 Leases (as lessee)

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 31 March 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. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 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.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

2 主要會計政策概要(續)

2.22 每股盈利

(i) 每股基本盈利

基本每股盈利乃按本公司擁有人應佔利潤(不包括普通股以外之任何支付權益成本)除以財政年度內已發行普通股之加權平均股數計算，並就年內已發行普通股的花紅元素作出調整以及不包括庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利時所使用之數字以計及：與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響；及假設轉換所有潛在攤薄普通股，則將為尚未行使之額外普通股加權平均數。

2.23 租賃(作為承租人)

誠如上文附註2.2所述，本集團已更改其作為承租人的租賃會計政策。新政策載述如下，而有關變動的影響則載述於附註2.2。

直至2019年3月31日，凡擁有權之絕大部份風險和回報並無轉移至作為承租人的本集團的租賃，均分類為經營租賃。根據經營租賃支付的款項(扣除任何自出租人收取之優惠)於租賃期內以直線法計入損益中。

自2019年4月1日起，租賃於本集團租賃資產可供使用當日確認為使用權資產及相應的負債。

合約可包含租賃及非租賃組成部分。本集團根據其相對單獨價格將合約代價分配至租賃及非租賃組成部分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Leases (as lessee) (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, 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.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

2 主要會計政策概要(續)

2.23 租賃(作為承租人)(續)

租賃產生的資產及負債初始按現值計量。租賃負債包括下列租賃款項的淨現值：

- 固定付款(包括實質定額付款)減去應收的任何租賃優惠；
- 視乎指數或利率而定的可變租賃付款，其初始按開始日期之指數或利率計量；
- 剩餘價值擔保項下本集團預期應付的款項；
- 倘本集團合理確定行使購買選擇權，則該選擇權的行使價；及
- 倘租賃期反映本集團行使選擇權終止租賃，則就終止租賃支付的罰款。

根據合理的若干延長選擇權作出之租賃付款亦計入負債計量。

租賃款項使用租賃中隱含的利率折現。倘無法確定該利率(一般就集團的租賃而言)，則使用承租人的增量借款利率，即個別承租人在相似條款，抵押及條件的相似經濟環境中借入獲得與使用權資產具相似價值的資產所需資金所必須支付的利率。

為釐定增量借款利率，本集團：

- 盡可能以個別承租人最近收到的第三方融資為起點，並作出調整以反映自收到第三方融資以來的融資狀況變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率；及
- 進行特定於租賃的調整，例如期限、國家、貨幣及抵押。

本集團未來可能根據指數或利率增加可變租賃付款，而有關指數或利率於生效前不會計入租賃負債。當根據指數或利率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Leases (as lessee) (Continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

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 properties and all leases of low-value assets 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.

The Group applies the practical expedient from assessing whether a rent concession related to Coronavirus Disease 2019 ("COVID-19") is a lease modification. The Group recognised the rent concessions related to COVID-19 amounted to approximately HK\$1,286,000 in profit or loss.

2.24 Leases (as lessor)

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (Note 14). Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated statement of financial position 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)

2.23 租賃(作為承租人)(續)

租賃款項在本金及融資成本之間分配。融資成本在租賃期內從損益中扣除，以使各期間的負債餘額產生定額的定期利率。

使用權資產按成本計量，包括以下：

- 租賃負債的初始計量金額；
- 於開始日期或之前支付的任何租賃款項減收到的任何租賃優惠；
- 任何初始直接成本；以及
- 修復成本。

使用權資產一般按資產使用壽命及租賃期限中較短者以直線法折舊。倘本集團可合理地確定行使購股權，則使用權資產按相關資產使用壽命折舊。

與物業短期租賃及所有低價值資產租賃相關的付款在損益表中以直線法確認為支出。短期租賃是指租賃期為12個月或更短的租賃。

本集團應用實務簡易處理方法評估與2019年冠狀病毒(「COVID-19」)相關的租金寬減是否為一項租賃修訂。本集團於損益確認與COVID-19相關的租金寬減為約港幣1,286,000元。

2.24 租約(作為出租人)

本集團以出租人身份從經營租賃獲取的租賃收入在租賃期內以直線法於收入內確認入賬(附註14)。獲取經營租賃產生的初始直接成本加入相關資產的賬面值，並在租賃期內以確認租賃收入的相同基準確認為開支。個別租賃資產按其性質計入綜合財務狀況表。採納新租賃準則後，本集團毋須對以出租人身份持有資產的會計處理作任何調整。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.26 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

2.27 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains right to receive consideration from the customer and assumes performance obligations to provide services to the customer. The combination of those rights and performance obligations give rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of financial assets carried at amortised cost.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The main risks arising from the Group's financial instruments are foreign exchange risk, cash flow interest rate risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

2 主要會計政策概要(續)

2.25 股息分派

就於或財政年度結束之前已宣派但於報告期結束時尚未分派的已宣派任何股息(已適當授權及不再由實體酌情決定)的款項作出撥備。

2.26 利息收入

利息收入作為財務收入呈現，其來自為現金管理目的而持有之金融資產。利息收入將實際利率應用於金融資產賬面總值計算。

2.27 合約資產及合約負債

與客戶簽訂合約時，本集團有權向客戶收取代價，並承擔向客戶提供服務的履約責任。該等權利及履約責任的結合產生資產淨值或負債淨額，取決於剩餘權利及履約責任的關係。倘剩餘權利的計量超過剩餘履約責任的計量，則合約為一項資產並確認為合約資產。反之，倘剩餘履約責任的計量超過剩餘權利的計量，則合約為一項負債並確認為合約負債。

合約資產的減值評估方法與按攤銷成本列賬的金融資產的減值評估方法相同。

3 財務風險管理

3.1 財務風險因素

本集團金融工具所面對之主要風險為匯率風險、現金流利率風險、信貸風險及流動資金風險。董事會檢討及同意管理每項風險之政策，並概述如下。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(i) Market risk

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk with respect to Renminbi ("RMB"). The Group manages its foreign exchange risk by performing regular review and monitoring its foreign exchange exposure.

At 31 March 2020, if HK\$ had weakened/strengthened by 1% (2019: 1%) against RMB with all other variables held constant, loss for the year would have been HK\$155,000 lower/higher (2019: HK\$308,000 lower/higher), mainly as a result of foreign exchange gains/losses on translation of RMB-denominated cash and bank balances deposited with the banks in Hong Kong.

Monetary assets and liabilities denominated in other currencies are less sensitive to movement in exchange rates as the amounts are not significant to the Group.

(b) Cash flow interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the interest income received on the Group's bank balances. The Group's interest-generating assets are mainly denominated in HK\$, RMB and United States dollars. The Group manages its interest rate risk by regularly monitoring the macro economic factors that may impact on the interest rates.

If the interest rates have been 0.5% (2019: 0.5%) higher/lower while all other variables are held constant, the loss for the year would decrease/increase (2019: decrease/increase) and total equity would increase/decrease by HK\$0.5 million (2019: HK\$0.5 million) due to an increase/decrease in interest income.

3 財務風險管理(續)

3.1 財務風險因素(續)

(i) 市場風險

(a) 匯率風險

本集團面對有關人民幣(「人民幣」)的匯率風險。本集團藉著定期檢討及監察其匯率風險敞口管理其匯率風險。

於2020年3月31日，倘港幣兌人民幣貶值／升值1%（2019年：1%），而其他所有變數維持不變，則年度虧損將減少／增加港幣155,000元（2019年：減少／增加港幣308,000元），主要由於兌換存於香港銀行以人民幣計值之現金及銀行結餘產生匯兌收益／虧損所致。

由於其他貨幣計值的貨幣資產及負債對本集團而言微不足道，故有關金額對匯率變動的敏感程度較低。

(b) 現金流利率風險

本集團所面對之市場利率變動風險主要與本集團銀行結餘所收取之利息收入有關。本集團之利息產生資產主要以港幣、人民幣及美元計值。本集團藉定期監察可能對利率有影響之宏觀經濟因素而管理其利率風險。

倘利率提高／下跌0.5%（2019年：0.5%）而所有其他可變因素維持不變，本年度虧損將減少／增加（2019年：減少／增加）及權益總額將增加／減少港幣500,000元（2019年：港幣500,000元），此乃由於利息收入增加／減少所致。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(ii) Credit risk**

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. Details of the Group's credit policy are set out in Note 20 to the consolidated financial statements.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, bank deposits, amount due from an associate, deposits, and other receivables, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

(a) Risk management

The Group limits its exposure to credit risk by placing deposits with financial institution that meet the established credit rating of AA. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The credit risk on cash at bank deposited in Hong Kong is monitored closely by management of the Group who will assess the reputation, the risk of recoverability and the financial information, if any, of the counter parties before placing of deposits. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

3 財務風險管理(續)**3.1 財務風險因素(續)****(ii) 信貸風險**

本集團僅與經認可及信譽良好之第三方交易。本集團政策規定所有擬以賒賬形式交易之客戶須進行信貸審核程序。另外，本集團會持續監察應收賬項結餘。本集團信貸政策之詳情載於綜合財務報表附註20。

本集團其他金融資產(主要包括現金及現金等值項目、銀行存款、應收一間聯營公司款項、按金及其他應收賬項)之信貸風險，乃來自對方未能歸還之款項，而最大風險等同該等工具之賬面值。

(a) 風險管理

本集團於達到認可信貸評級AA級的金融機構存款，以限制所承擔的信貸風險。鑒於該等金融機構獲得高信貸評級，管理層預期交易方應能履行責任。

本集團管理層會密切監察香港銀行現金存款的信貸風險，並會在存款前先評估對方的信譽、收回風險及財務資料(如有)。由於本集團僅與經認可及信譽良好之第三方交易，因此毋須提供抵押品。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(ii) Credit risk (Continued)

(b) Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model:

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

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled revenue and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix.

3 財務風險管理(續)

3.1 財務風險因素(續)

(ii) 信貸風險(續)

(b) 金融資產減值

本集團有四類金融資產在預期信貸虧損模型的範圍內：

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

現金及現金等值物亦須符合香港財務報告準則第9號之減值規定，而已識別之減值虧損並非重大。

貿易應收賬項及合約資產

本集團採用香港財務報告準則第9號之簡化方法計量預期信貸虧損，使用所有貿易應收賬項及合約資產以整個存續期作預期虧損準備。

為計量預期信貸虧損，貿易應收賬項及合約資產乃根據共同信貸風險特徵及逾期日數分組。合約資產涉及未入賬收益，且與同類合約的貿易應收賬項具有大致相同的風險特徵。因此，本集團認為，貿易應收賬項的預期虧損率與合約資產虧損率合理地相若。

本集團按相當於整個續期預期信貸虧損的金額(採用撥備矩陣計算)來計量應收賬款損失撥備。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(ii) Credit risk (Continued)***(b) Impairment of financial assets (Continued)**Trade receivables and contract assets (Continued)*

The Directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost and amount due from an associate

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

The credit quality of deposits and other receivables excluding prepayment and amount due from an associate have been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties.

3 財務風險管理(續)**3.1 財務風險因素(續)****(ii) 信貸風險(續)***(b) 金融資產減值(續)**貿易應收賬項及合約資產(續)*

本公司董事認為毋須就該等結餘作出減值撥備，因為信貸質素並無重大變動，而該等結餘仍被視為可全數收回。本集團並無就該等結餘持有任何抵押品或其他提升信貸措施。

當在合理範圍內並不預期可收回相關款項時，貿易應收賬項及合約資產會被撇銷。在合理範圍內並不預期可收回相關款項的指標包括(除其他指標外)債務人未能與本集團訂立還款計劃。

應收賬款及合約資產的減值虧損列作經營利潤內的淨減值虧損。先前已註銷金額的後續回收將記入同一行項目。

按攤銷成本列賬的其他金融資產及應收一間聯營公司款項

本集團於首次確認資產時考慮違約可能性及於各報告期間的信貸風險會否持續顯著增加。為評估信貸風險有否顯著增加，本集團將資產於報告日期的違約風險與於首次確認日期的違約風險進行比較。

按金及其他應收款項(不包括預付款項及應收一間聯營公司款項)的信貸質素已參考交易對手違約率的過往資料及交易對手的財務狀況予以評估。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(ii) Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Other financial assets at amortised cost and amount due from an associate (Continued)

The Directors of the Company are of opinion that the credit risk of the amount due from an associate had become high. Provision for impairment of HK\$32,720,000 was recognised during the year ended 31 March 2019. The provision balance remained the same as at 31 March 2020. See Note 17 for further information about the expected credit loss provision.

Other financial assets at amortised cost include certain deposits and other receivables. These financial assets are considered to be low credit risk primarily because historically they had no history of default and the debtors had a strong capacity to meet its contractual cash flow obligations in the near term. No impairment losses were provided for the years ended 31 March 2020 and 2019.

(iii) Liquidity risk

The Group consistently maintains a prudent financing policy and strives to ensure that it maintains sufficient cash and credit lines to meet its liquidity requirements.

The maturity profile of the Group's financial liabilities as at the end of the year, based on the contractual undiscounted payments, is as follows:

		On demand 按要求 償還	Less than 1 year 少於1年	Between 1 year to 2 years 1年至 2年間	Between 2 year to 5 years 2年至 5年間	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
31 March 2020	2020年3月31日					
Trade and bills payables	貿易應付賬項及票據	15,713	28,798	–	–	44,511
Accrued liabilities and other payables excluding non-financial liabilities	應計負債及其他應付賬項 (非金融負債除外)	25,328	–	–	–	25,328
Lease liabilities	租賃負債	–	45,843	22,724	12,852	81,419
		41,041	74,641	22,724	12,852	151,258
31 March 2019	2019年3月31日					
Trade and bills payables	貿易應付賬項及票據	5,331	76,960	–	–	82,291
Accrued liabilities and other payables excluding non-financial liabilities	應計負債及其他應付賬項 (非金融負債除外)	34,222	–	–	–	34,222
		39,553	76,960	–	–	116,513

3 財務風險管理(續)

3.1 財務風險因素(續)

(ii) 信貸風險(續)

(b) 金融資產減值(續)

按攤銷成本列賬的其他金融資產及應收一間聯營公司款項(續)

本公司董事認為，應收一間聯營公司款項的信貸風險較高。截至2019年3月31日止年度，已確認減值撥備港幣32,720,000元。撥備餘額與2020年3月31日保持相同。有關預期信貸虧損撥備的進一步資料，見附註17。

按攤銷成本列賬的其他金融資產包括若干按金及其他應收賬項。該等金融資產被視為信貸風險低，主要源於其並無拖欠款項的紀錄，而債務人有強大實力於短期內履行其合約現金流量責任。截至2020年及2019年3月31日止年度並無就減值虧損計提撥備。

(iii) 流動資金風險

本集團將持續維持穩健之融資政策，並致力確保能維持充裕之現金及信貸狀況，藉以滿足流動資金需求。

本集團於年末按合約非貼現支出之金融負債之到期情況如下：

3 FINANCIAL RISK MANAGEMENT (Continued)**3.2 Capital Management**

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

The Group monitors capital using a current ratio, which is current assets divided by current liabilities. The Group's policy is to keep the current ratio above 100%. Current assets include inventories, contract assets, trade receivables, prepayments, deposits and other receivables, tax recoverable and cash and bank balances. Current liabilities include trade and bills payables, contract liabilities, accrued liabilities and other payables, lease liabilities and tax payable.

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Total current assets	流動資產總額	445,309	506,010
Total current liabilities	流動負債總額	(147,449)	(155,454)
Net current assets	流動資產淨額	297,860	350,556
Current ratio	流動比率	302%	326%

3.3 Offsetting financial assets and financial liabilities

No financial assets and financial liabilities were subject to offsetting, enforceable master netting arrangements and similar agreements as at 31 March 2020 (2019: Nil).

3 財務風險管理(續)**3.2 資本管理**

本集團資本管理之主要目標為保障本集團以持續經營方式繼續營運以及維持穩健之資本比率，以支持其業務及盡可能提高股東價值。

本集團因應經濟狀況變動而管理其資本架構以及對此作出調整。本集團可能調整向股東派發之股息、向股東返還資本或發行新股份以維持或調整資本架構。截至2020年3月31日及2019年3月31日止年度，有關資本管理之目標、政策或程序並無變動。

本集團利用流動比率(即流動資產除以流動負債)監察資本。本集團之政策為維持流動比率高於100%。流動資產包括存貨、合約資產、貿易應收賬項、預付款項、按金及其他應收賬項、可收回稅項及現金及銀行結餘。流動負債包括貿易應付賬項及票據、合約負債、應計負債及其他應付賬項、租賃負債及應付稅項。

3.3 抵銷金融資產及金融負債

於2020年3月31日，概無涉及抵銷、可執行淨額結算總安排及類似協議的金融資產及金融負債(2019年：無)。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(i) Provision for inventories

The Group assesses periodically if the inventories have been suffered from any impairment. The Group carries out an inventory review at the end of the reporting period and makes allowance for obsolete and slow moving items. The management estimates the net realisable value for the inventories primarily on the estimated future selling price and market conditions. Where the estimates of the net realisable value are less than expected, a material allowance may arise.

(ii) Useful lives of property, plant and equipment

In determining the useful lives of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation or amortisation is made if the estimated useful lives of property, plant and equipment are different from previous estimation. Useful lives are reviewed at each reporting period based on changes in circumstances.

(iii) Estimation of fair value of investment properties

The Group assesses the fair value of its investment properties based on valuations determined by independent professional qualified valuers. The fair value of the Group's investment properties as at 31 March 2019 were determined based on the income capitalisation method. The Directors of the Company considered that the change in valuation technique with respect to those properties as at 31 March 2020 is appropriate as the valuation technique used in the current year is based on market price of similar properties and locations, and shall equally reflect the property values as compared to the income capitalisation method used in the prior year which was based on passing rents and yields. In relying on the valuation reports of the independent professional valuer, the management has exercised its judgment and is satisfied that the method of valuation is reflective of the market conditions prevailing at the end of each reporting period. Any changes in the market conditions will affect the fair value of the investment properties of the Group.

4 重大會計估計及判斷

編製綜合財務報表要求管理層對影響報告期末所呈報之收入、開支、資產與負債金額，及或然負債之披露作出判斷、估算及假設。惟該等假設及估算之不確定性可能會導致在未來需要對受影響資產與負債之賬面值作重大調整。

(i) 存貨撥備

本集團定期評估存貨是否出現任何減值。本集團於報告期末檢查庫存，並對過時及滯銷存貨計提撥備。管理層主要按照估計未來售價及市況估計存貨的可變現淨值。倘估計可變現淨值低於預期，則可能產生重大撥備。

(ii) 物業、廠房及設備之可使用年期

於釐定物業、廠房及設備之可使用年期時，本集團須考慮多項因素，例如因生產變動或改進以致技術或商業環境過時，或資產之產品或服務輸出之市場需求之變動、資產之預期使用量、預期實際耗損、資產之維修保養及對使用資產之法律或類似限制。資產之估計可使用年期乃根據本集團就用作近似用途之類似資產之經驗而定。倘物業、廠房及設備之估計可使用年期與過往估計有所出入，則須作出額外折舊或攤銷。可使用年期乃於各報告期間根據情況變動而進行審閱。

(iii) 投資物業公平值之估計

本集團根據獨立專業合資格估值師的估值評估其投資物業公平值。本集團投資物業於2019年3月31日的公平值按收入資本化法釐定。本公司董事認為，於2020年3月31日有關該等物業的估值方法變動為適當，此乃由於本年度所用的估值方法乃基於同類物業的市場價格及位置，並應與去年所用的基於現時租金及收益率的收入資本化法一樣，反映物業價值。依賴獨立專業估值師的估值報告時，管理層已行使其判斷，並信納估值方法反映各報告期末當時的市況。任何市況變動將影響本集團投資物業的公平值。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(Continued)*

(iv) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

(v) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4 重大會計估計及判斷(續)

(iv) 非金融資產減值

本集團於各報告期末評估所有非金融資產有否任何減值跡象。當有跡象顯示賬面值未必可收回時，亦會檢測非金融資產有否減值。當資產或現金產生單位的賬面值高於其可收回金額(即資產或現金產生單位的公平值減銷售成本及其使用價值兩者的較高者)便會出現減值。公平值減銷售成本的計量乃基於經公平磋商且具約束力的同類資產銷售交易的數據，或可觀察市價減出售資產的遞增成本。計算使用價值時，管理層須估計資產或現金產生單位的預估未來現金流量，並選用合適的貼現率計算該等現金流量的現值。

(v) 金融資產減值

金融資產的虧損撥備基於對違約風險和預期虧損率的假設。本集團根據過往歷史、現有市場狀況以及各報告期間末的前瞻性估計，在作出假設及選擇計算虧損撥備的輸入值時作出判斷。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

(vi) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and deductible temporary differences arising from impairment on inventories and depreciation of property, plant and equipment to the extent that it is probable that taxable profit will be available against which the losses and deductible temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 26 to the consolidated financial statements.

5 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (i) the merchandise segment engages in the marketing and distribution of photographic developing, processing and printing products and the sale of photographic merchandises, skincare products, consumer electronic products and household appliances;
- (ii) the service segment engages in the provision of technical services for photographic developing and processing products, imaging solution, professional audio-visual advisory and custom design and installation services;
- (iii) the investment segment comprises the Group's businesses in investment properties and other investment businesses; and
- (iv) the corporate and others segment comprises the Group's corporate income and expense items.

The chief operating decision-maker of the Group has been identified as the Board of Directors. The Directors monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before income tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before income tax except that interest income, finance cost and share of results of an associate are excluded from such measurement.

4 重大會計估算及判斷(續)

(vi) 遞延稅項資產

遞延稅項資產乃就因存貨減值及物業、廠房及設備折舊而產生之所有未動用稅項虧損及可扣稅之暫時性差額而確認，直至將可能有應課稅利潤可用作對銷虧損及可扣稅之暫時性差額可予動用。管理層須根據未來應課稅利潤之可能時間及水平連同日後稅務計劃策略，就釐定可予確認之遞延稅項資產金額作出重大判斷。進一步詳情載於綜合財務報表附註26。

5 經營分類資料

就管理目的而言，本集團已按產品及服務劃分業務單位，四個可呈報的經營分類如下：

- (i) 產品銷售分類從事推廣及經銷攝影、沖印及印刷產品，以及銷售照相商品、護膚產品、消費電子產品及家用電器；
- (ii) 服務分類從事提供攝影及沖印產品技術服務、影像解決方案、專業影音顧問訂製、設計及安裝服務；
- (iii) 投資分類包括本集團投資物業的業務及其他投資業務；及
- (iv) 企業及其他分類，包括本集團的企業收支項目。

本集團之主要經營決策者為董事會。董事獨立監察各業務分類的業績，以作出有關資源分配及表現評估的決定。分類表現乃根據可呈報分類的利潤／（虧損）（即計量經調整除所得稅前利潤／（虧損））評估。經調整除稅前利潤／（虧損）乃與本集團除所得稅前利潤／（虧損）貫徹計量，惟有關計量並不包括利息收入、融資成本及應佔一間聯營公司業績。

5 OPERATING SEGMENT INFORMATION (Continued)

Segment assets exclude deferred tax assets, tax recoverable, cash and bank balances and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other unallocated corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted at cost plus a mark-up of approximately 0.00% to 41.97% (2019: 6.72% to 23.55%).

(a) Operating segments

		Merchandise		Service		Investment		Corporate and Others		Eliminations		Consolidated	
		產品銷售		服務		投資		企業及其他		註銷		綜合	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue:	分類收益:												
Sales to external customers	外界客戶之銷售												
- At a point in time	- 某個時間點	721,770	796,276	21,730	27,175	-	-	-	-	-	-	743,500	823,451
- Over time	- 隨時間經過	-	-	136,798	135,594	-	-	-	-	-	-	136,798	135,594
Intersegment sales	分類間之銷售	61,747	30,668	4,379	3,241	-	-	-	-	(66,126)	(33,909)	-	-
Other income and gains	其他收入及收益	47,792	8,112	6,539	-	7,187	12,597	123	355	(41,004)	(7,321)	20,637	13,743
Changes in fair value of investment properties	投資物業公平值變動	-	-	-	-	(3,587)	8,908	-	-	-	-	(3,587)	8,908
Total	總額	831,309	835,056	169,446	166,010	3,600	21,505	123	355	(107,130)	(41,230)	897,348	981,696
Segment (loss)/profit	分類(虧損)/利潤	(15,350)	(15,447)	(11,319)	(171)	2,329	(19,303)	(10,257)	(11,419)	-	-	(34,597)	(46,340)
Interest income	利息收入											1,922	2,218
Finance cost	融資成本											(3,379)	-
Loss before income tax	除所得稅前虧損											(36,054)	(44,122)
Income tax credit/(expense)	所得稅抵免/(開支)											4,335	(2,239)
Loss for the year	本年度虧損											(31,719)	(46,361)

5 經營分類資料(續)

分類資產不包括遞延稅項資產、可收回稅項、現金及銀行結餘及其他未分配企業資產，原因為該等資產乃按集團整體基準管理。

分類負債不包括應付稅項、遞延稅項負債及其他未分配企業負債，原因為該等負債乃按集團整體基準管理。

分類間之銷售及轉讓按成本值加上約0.00%至41.97% (2019年：6.72%至23.55%)之附加值計算。

(a) 經營分類

5 OPERATING SEGMENT INFORMATION (Continued)

(a) Operating segments (Continued)

5 經營分類資料(續)

(a) 經營分類(續)

		Merchandise		Service		Investment		Corporate and Others		Consolidated	
		產品銷售		服務		投資		企業及其他		綜合	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Assets and liabilities	資產及負債										
Segment assets	分類資產	259,651	299,463	88,822	53,965	227,040	228,025	50,129	52,880	625,642	634,333
Unallocated assets	未分配資產									197,720	198,264
Total assets	資產總額									823,362	832,597
Segment liabilities	分類負債	107,014	121,591	59,279	14,260	10,453	10,454	3,075	5,010	179,821	151,315
Unallocated liabilities	未分配負債									35,010	39,124
Total liabilities	負債總額									214,831	190,439
Other segment information:	其他分類資料:										
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備之折舊(附註7)	4,678	6,441	9,083	10,284	-	-	1,837	3,980	15,598	20,705
Depreciation of right-of-use assets (Note 7)	使用權資產之折舊(附註7)	28,742	-	26,919	-	-	-	-	-	55,661	-
Capital expenditure ¹ (Note 13)	資本開支 ¹ (附註13)	2,490	11,402	3,135	5,383	-	-	854	947	6,479	17,732
Changes in fair value of investment properties (Note 14)	投資物業公平值變動(附註14)	-	-	-	-	3,587	(8,908)	-	-	3,587	(8,908)
Provision for inventories (Note 7)	存貨撥備(附註7)	2,627	880	-	-	-	-	-	-	2,627	880
Impairment loss on property, plant and equipment and right-of-use assets	物業、廠房及設備以及使用權資產之減值虧損	6,005	-	2,182	-	-	-	-	-	8,187	-
Impairment loss on amount due from an associate	應收一間聯營公司款項之減值虧損	-	-	-	-	-	32,720	-	-	-	32,720

¹ Capital expenditure consists of additions to property, plant and equipment.

¹ 資本開支包括添置物業、廠房及設備。

5 OPERATING SEGMENT INFORMATION (Continued)**(b) Geographical information**

An analysis of the Group's revenue by location in which the transaction took place is as follows:

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Revenue from external customers	來自外界客戶之收益		
Hong Kong	香港	880,272	958,997
People's Republic of China ("PRC")	中華人民共和國(「中國」)	26	48
		880,298	959,045

An analysis of the Group's non-current assets (other than deferred income tax assets and deposits) by location of assets is as follows:

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Non-current assets	非流動資產		
Hong Kong	香港	245,833	183,340
PRC	中國	119,692	129,432
		365,525	312,772

(c) Information about a major customer

Revenue of approximately HK\$41,491,000 (2019: HK\$55,837,000) was derived from sales by the merchandise segment to a single customer.

5 經營分類資料(續)**(b) 地區資料**

按交易所在地劃分之本集團收益分析如下：

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Revenue from external customers	來自外界客戶之收益		
Hong Kong	香港	880,272	958,997
People's Republic of China ("PRC")	中華人民共和國(「中國」)	26	48
		880,298	959,045

按資產所在地劃分之本集團非流動資產(遞延所得稅資產及按金除外)分析如下：

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Non-current assets	非流動資產		
Hong Kong	香港	245,833	183,340
PRC	中國	119,692	129,432
		365,525	312,772

(c) 有關一名主要客戶之資料

收益中約港幣41,491,000元(2019年：港幣55,837,000元)乃產品銷售分類銷售予單一客戶所產生之銷售額。

6 REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents (i) the net invoiced value of goods sold, after allowances for returns and trade discounts; and (ii) income from the rendering of technical services for photographic developing and processing products, imaging solution, professional audio-visual advisory and custom design and installation services.

An analysis of revenue, other income and gains is as follows:

6 收益、其他收入及收益

收益亦即本集團之營業額，指(i)銷售貨品之發票淨值(已扣除退貨及折扣)；及(ii)提供攝影及沖印產品技術服務、影像解決方案、專業影音顧問訂製、設計及安裝服務之收入。

收益、其他收入及收益之分析如下：

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Revenue	收益		
Sale of goods	產品銷售	721,770	796,276
Income from the rendering of services	提供服務之收入	158,528	162,769
		880,298	959,045
Other income and gains	其他收入及收益		
Interest income on bank deposits	銀行存款之利息收入	1,922	2,218
Gross rental income from investment properties (Note 14(a))	投資物業租金收入總值 (附註14(a))	7,335	7,192
Marketing subsidy	市場推廣補助	8,113	1,682
Rental income from equipment	租用設備的收入	1,050	915
Rent concessions from lessors	出租人租金寬減	1,795	-
Interest income from an associate	來自一間聯營公司的利息收入	-	1,283
Others	其他	2,344	2,671
		22,559	15,961

7 EXPENSES BY NATURE

7 按性質分類開支

			2020	2019
		Note	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
Cost of inventories sold	銷售存貨成本		598,515	656,588
Cost of services provided	提供服務成本		40,733	46,922
Auditor's remuneration	核數師酬金			
Audit services	審核服務		1,200	1,500
Non-audit services	非審核服務		672	662
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	13	15,598	20,705
Depreciation of right-of-use assets	使用權資產之折舊	15	55,661	–
Advertising and marketing expenses	廣告及市場推廣開支		12,198	22,277
Minimum lease payments under operating leases on land and buildings	根據經營租賃就土地及樓宇支付的最低租賃款項		–	58,771
Short-term lease payments	短期租賃付款		752	–
Variable lease payments	可變租賃付款		4,686	–
Losses on disposals of property, plant and equipment	出售物業、廠房及設備之虧損		236	615
Provision for inventories	存貨撥備		2,627	880
Legal and professional fee	法律及專業費用		2,254	2,056
Employee benefit expense	僱員福利開支	8	121,059	114,925
Foreign exchange differences, net	匯兌差額，淨額		2,700	4,148
Others	其他		64,867	65,267
Total cost of sales, selling and distribution costs, advertising and marketing expenses and administrative expenses	銷售成本、銷售及分銷費用、廣告及市場推廣開支及行政開支合計		923,758	995,316

8 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) 8 僱員福利開支(包括董事酬金)

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Wages and salaries	工資及薪金	115,867	107,398
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	5,192	7,527
		121,059	114,925

Note:

No forfeited contributions are available to reduce the contribution payable by the Group in future years.

The Group has sponsored various defined contribution plans for its employees in the PRC. These plans are organised by the relevant municipal and provincial governments based on certain percentage of the relevant employees' monthly salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further constructive obligation for post-retirement benefits beyond the contributions made.

The Group has also sponsored a defined contribution scheme which is managed by an approved trustee registered under Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance") for its employees in Hong Kong. Both the Group and its employees in Hong Kong are required to contribute a maximum of 5% (2019: 5%) of each individual's relevant income or a limited amount as prescribed by the MPF Ordinance. The assets of the scheme are held separately from those of the Group and independently administered.

附註：

並無已沒收供款可用作扣減本集團於未來年度應付的供款。

本集團已為其中國僱員參與多個界定供款計劃。該等計劃由相關省市政府管理，按相關僱員每月收入之若干百分比作出供款。市級及省級政府承諾根據這些計劃為所有現有及未來退休僱員承擔退休福利責任。除作出供款外，本集團就退休後利益無進一步的推定責任。

本集團亦為其於香港的僱員設立界定供款計劃，有關計劃由根據強制性公積金計劃條例(「強積金條例」)註冊的核准受託人管理。本集團及其香港僱員均須按強積金條例所訂明按僱員相關收入最多5% (2019年：5%)或上限金額作出供款。計劃的資產與本集團的資產分開持有，並獨立管理。

9 FIVE HIGHEST PAID INDIVIDUALS

The five highest paid employees during the year included three (2019: three) Directors, details of whose remuneration are set out in Note 34. Details of the remuneration of the remaining two (2019: two) non-Directors, highest paid employee for the year were as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	2,402	2,564
Pension costs – defined contribution plans	退休金成本 – 界定供款計劃	36	36
		2,438	2,600

The non-Directors, highest paid employee's remuneration fell within the following band:

		Number of employees 僱員人數	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
HK\$1 to HK\$1,000,000	港幣1元至港幣1,000,000元	1	–
HK\$1,000,001 to HK\$2,000,000	港幣1,000,001元至港幣 2,000,000元	1	2
		2	2

10 INCOME TAX (CREDIT)/EXPENSE

For the year ended 31 March 2020, Hong Kong profits tax has been provided for at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong.

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. For the year ended 31 March 2020, one (2019: one) subsidiary of the Group is entitled to this tax benefit. The profits of other Group entities incorporated in Hong Kong not qualifying for the two-tiered profit tax regime are continued to be taxed at the flat rate of 16.5%.

9 5位最高薪酬人士

年內5位最高薪酬僱員包括3位(2019年: 3位)董事, 其薪酬詳情已在本文附註34披露。年內其餘2位(2019年: 2位)非董事及最高薪酬僱員之薪酬詳情如下:

酬金收入在下列範圍之非董事及最高薪酬僱員如下:

		Number of employees 僱員人數	
		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
HK\$1 to HK\$1,000,000	港幣1元至港幣1,000,000元	1	–
HK\$1,000,001 to HK\$2,000,000	港幣1,000,001元至港幣 2,000,000元	1	2
		2	2

10 所得稅(抵免)/開支

截至2020年3月31日止年度, 香港利得稅根據在香港賺取之估計應課稅利潤, 按稅率16.5% (2019年: 16.5%)計提撥備。

根據利得稅兩級制, 合資格公司就利潤首港幣2,000,000元按8.25%之稅率繳納稅項, 而超過港幣2,000,000元以上之利潤將按16.5%之稅率繳納稅項。截至2020年3月31日止年度, 本集團有一間(2019年: 一間)附屬公司可享受這項稅務優惠。於香港註冊成立而不符合利得稅兩級制資格之其他集團內實體則繼續按16.5%之劃一稅率計算。

10 INCOME TAX (CREDIT)/EXPENSE (Continued)

Taxation on profits assessable for the year in the PRC has been calculated at the rates of tax prevailing in the location in which the Group operates.

10 所得稅(抵免)/開支(續)

本年度中國應課稅利潤的稅項按本集團經營業務之地區現行稅率計算。

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Current tax – Hong Kong	當期稅項 – 香港		
Charge for the year	年內計提	432	403
Over provision in prior years (Note)	往年之超額撥備(附註)	(3,839)	(408)
Current tax – PRC	當期稅項 – 中國		
Charge for the year	年內計提	770	861
		(2,637)	856
Deferred tax (Note 26)	遞延稅項(附註26)	(1,698)	1,383
Income tax (credit)/expense	所得稅(抵免)/開支	(4,335)	2,239

Note:

For the year ended 31 March 2020, the Group reversed the tax provision in relation to the other income arising from waiver of other payables of approximately HK\$3,484,000 made in prior years. Management have thoroughly revisited the situations and concluded that there are grounds for the reversal as the tax authority did not lodge any enquiry letter within the period of the statutory time framework. As a result, a reversal of income tax provision was made during the year.

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to losses of the consolidated entities as follows:

附註：

截至2020年3月31日止年度，本集團就於往年作出豁免的其他應付賬項約港幣3,484,000元所產生之其他收入撥回稅項撥備。管理層已重新仔細審視有關情況，並認為稅務機關於法定時限內並無發出任何查詢函件，故有理由作出撥回。因此，已於年內撥回所得稅撥備。

有關本集團除所得稅前虧損之稅項與採用加權平均稅率適用於綜合實體虧損而產生之理論稅額之差額如下：

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Loss before income tax	除所得稅前虧損	(36,054)	(44,122)
Tax calculated at domestic tax rates applicable to profits in respective countries/regions	按各國家/地區利潤適用當地稅率計算之稅項	(6,271)	(6,968)
Over provision in prior years	往年之超額撥備	(3,839)	(408)
Income not subject to tax	免繳稅收入	(1,063)	(2,432)
Expenses not deductible for tax purpose	不可扣稅支出	3,841	6,778
Tax losses for which no deferred tax asset was recognised	未確認遞延稅項資產之稅項虧損	3,720	5,287
Utilisation of previously unrecognised tax losses	抵銷過往未確認之稅項虧損	(723)	(18)
Tax (credit)/expense	稅項(抵免)/開支	(4,335)	2,239

11 LOSS PER SHARE

The calculation of basic loss per share is based on:

		2020	2019
Loss attributable to owners of the Company (HK\$'000)	本公司擁有人應佔虧損 (港幣千元)	(29,093)	(46,691)
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	1,185,318,349	1,185,318,349
Basic loss per share (HK cents)	每股基本虧損 (港仙)	(2.45)	(3.94)

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2020 and 2019 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

11 每股虧損

每股基本虧損根據以下項目計算：

	2020	2019
Loss attributable to owners of the Company (HK\$'000)	(29,093)	(46,691)
Weighted average number of ordinary shares in issue	1,185,318,349	1,185,318,349
Basic loss per share (HK cents)	(2.45)	(3.94)

由於本集團於截至2020年及2019年3月31日止年度並無已發行潛在攤薄普通股，故並未就該等年度呈列之每股基本虧損作出調整。

12 DIVIDENDS

The Board of Directors does not recommend the payment of any dividend for the year ended 31 March 2020 (2019: Nil).

12 股息

董事會不建議就截至2020年3月31日止年度派發任何股息(2019年：無)。

13 PROPERTY, PLANT AND EQUIPMENT**13 物業、廠房及設備**

		Buildings	Furniture, fixtures and leasehold improvements	Machinery and equipment	Motor vehicles	Total
		樓宇	傢俬、裝置及租賃物業裝修	機器及設備	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2019	於2019年4月1日					
Cost	成本	88,213	103,499	58,733	6,663	257,108
Accumulated depreciation and impairment	累計折舊及減值	(47,706)	(83,597)	(44,102)	(4,511)	(179,916)
Net book amount	賬面淨值	40,507	19,902	14,631	2,152	77,192
Year ended 31 March 2020	截至2020年3月31日止年度					
Opening net book amount at 31 March 2019, as previously presented	2019年3月31日之年初 賬面淨值，如先前列報	40,507	19,902	14,631	2,152	77,192
Changes in accounting policies (Note 2.2)	會計政策之變動(附註2.2)	(27,746)	(1,486)	-	-	(29,232)
Opening net book amount at 1 April 2019, as restated	2019年4月1日之年初 賬面淨值，經重列	12,761	18,416	14,631	2,152	47,960
Additions	增加	-	6,479	-	-	6,479
Disposals	出售	-	(242)	-	-	(242)
Gain on revaluation (Note i)	重估收益(附註i)	565	-	-	-	565
Transfer to investment properties (Note i)	轉移至投資物業(附註i)	(1,365)	-	-	-	(1,365)
Transfer from investment properties (Note ii)	轉移自投資物業(附註ii)	2,522	-	-	-	2,522
Depreciation charge (Note 7)	折舊開支(附註7)	(1,719)	(11,504)	(1,689)	(686)	(15,598)
Impairment	減值	-	(1,158)	(25)	-	(1,183)
Exchange realignment	匯兌調整	(556)	-	-	-	(556)
Closing net book amount	年末賬面淨值	12,208	11,991	12,917	1,466	38,582
At 31 March 2020	於2020年3月31日					
Cost	成本	29,182	94,327	57,226	6,030	186,765
Accumulated depreciation and impairment	累計折舊及減值	(16,974)	(82,336)	(44,309)	(4,564)	(148,183)
Net book amount	賬面淨值	12,208	11,991	12,917	1,466	38,582

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

13 物業、廠房及設備(續)

		Buildings 樓宇 HK\$'000 港幣千元	Furniture, fixtures and leasehold improvements 傢俬、裝置及 租賃物業裝修 HK\$'000 港幣千元	Machinery and equipment 機器及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日					
Cost	成本	89,469	98,972	65,719	6,545	260,705
Accumulated depreciation and impairment	累計折舊及減值	(43,989)	(81,135)	(48,238)	(5,631)	(178,993)
Net book amount	賬面淨值	45,480	17,837	17,481	914	81,712
Year ended 31 March 2019	截至2019年3月31日止年度					
Opening net book amount	年初賬面淨值	45,480	17,837	17,481	914	81,712
Additions	增加	-	15,623	380	1,729	17,732
Disposals	出售	-	(73)	(631)	-	(704)
Depreciation charge (Note 7)	折舊開支(附註7)	(4,218)	(13,485)	(2,511)	(491)	(20,705)
Exchange realignment	匯兌調整	(755)	-	(88)	-	(843)
Closing net book amount	年末賬面淨值	40,507	19,902	14,631	2,152	77,192
At 31 March 2019	於2019年3月31日					
Cost	成本	88,213	103,499	58,733	6,663	257,108
Accumulated depreciation and impairment	累計折舊及減值	(47,706)	(83,597)	(44,102)	(4,511)	(179,916)
Net book amount	賬面淨值	40,507	19,902	14,631	2,152	77,192

Depreciation expense of HK\$2,240,000 (2019: HK\$2,788,000) has been charged in "cost of sales", HK\$7,733,000 (2019: HK\$9,683,000) has been charged in "selling and distribution costs", and HK\$5,625,000 (2019: HK\$8,234,000) has been charged in "administrative expenses".

As at 31 March 2020, the Group had property, plant and equipment of HK\$12,087,000 and right-of-use assets of HK\$67,663,000 that were subject to impairment tests in the event that trading performance is below expectation or store is loss making. The Group considered each individual retail store as a separately identifiable cash-generating unit ("CGU") and performed impairment assessments on each of the CGU with impairment indicators by considering the recoverable amount of such assets at retail store level.

The carrying amount of the retail store assets is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The estimates of the recoverable amounts were based on value-in-use calculations using discounted cash flow projections based on the financial forecasts approved by management covering the remaining tenure of the lease, with major assumptions such as percentage change in gross profit margin and percentage change in running cost. As a result, an impairment loss of property, plant and equipment and right-of-use assets of HK\$1,183,000 and HK\$7,004,000 (2019: Nil) respectively were recognised in the consolidated income statement.

折舊開支港幣2,240,000元(2019年:港幣2,788,000元)、港幣7,733,000元(2019年:港幣9,683,000元)及港幣5,625,000元(2019年:港幣8,234,000元)已分別於「銷售成本」、「銷售及分銷費用」及「行政開支」扣除。

於2020年3月31日,本集團擁有物業、廠房及設備港幣12,087,000元以及使用權資產港幣67,663,000元在交易表現低於預期或店舖產生虧損時須進行減值測試。本集團視各個別零售店舖為獨立可識別現金產生單位(「現金產生單位」),並透過考慮於零售店舖層面之有關資產的可收回金額,對出現減值跡象的各現金產生單位進行減值評估。

倘零售店舖資產的賬面值大於其估計可收回金額,則該資產的賬面值撇減至其可收回金額。可收回金額之估算乃根據管理層批准之涵蓋餘下租期的財務預測,採用貼現現金流量預測所計算的使用價值而得出,並涉及重要假設,如毛利率百分比變動及營運成本百分比變動。因此,分別為港幣1,183,000元及港幣7,004,000元(2019年:零)的物業、廠房及設備以及使用權資產之減值虧損已於綜合收益表中確認。

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

Note:

- (i) During the year ended 31 March 2020, the Group changed the use for an office unit occupied by the Group to earn rentals. As a result, the relevant property and the right-of-use asset of the office unit carried at fair value amounted HK\$1,365,000 and HK\$5,435,000 respectively were reclassified as investment property at the date of transfer (Note 14).

At the date of transfer, the difference between the carrying value amount of and fair value of property and right-of-use assets for the year ended 31 March 2020 were HK\$565,000 and HK\$2,294,000 (Note 15) respectively. Such valuation gains have been recognised in the asset revaluation reserve in the consolidated statement of change in equity.

- (ii) During the year ended 31 March 2020, the Group changed the use for an office unit from earning rentals to being occupied by the Group. As a result, the relevant investment properties of the office unit carried at fair value were reclassified as property and the right-of-use asset at the date of transfer amounted to HK\$2,522,000 and HK\$10,306,000 respectively (Note 14).

13 物業、廠房及設備(續)

附註：

- (i) 截至2020年3月31日止年度，本集團將本集團所佔用辦公單位的用途更改為賺取租金。因此，按公平值入賬的該辦公單位的相關物業及使用權資產於轉移當日重新分類為投資物業，其金額分別為港幣1,365,000元及港幣5,435,000元(附註14)。

於轉移當日，截至2020年3月31日止年度物業及使用權資產的賬面值與公平值之間的差額分別為港幣565,000元及港幣2,294,000元(附註15)。該等估值收益已於綜合權益變動表中的資產重估儲備內確認。

- (ii) 截至2020年3月31日止年度，本集團將辦公單位的用途從賺取租金更改為由本集團所佔用。因此，按公平值入賬的該辦公單位的相關投資物業於轉移當日重新分類為物業及使用權資產，其金額分別為港幣2,522,000元及港幣10,306,000元(附註14)。

14 INVESTMENT PROPERTIES**14 投資物業**

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
At fair value	按公平值計算		
Opening balances	年初結餘	235,580	227,235
Transfer from property, plant and equipment at fair value (Note 13(i))	轉移自按公平值入賬的物業、廠房及設備(附註13(i))	1,365	-
Transfer from right-of-use assets at fair value (Note 13(i))	轉移自按公平值入賬的使用權資產(附註13(i))	5,435	-
Transfer to property, plant and equipment (Note 13(ii))	轉移至物業、廠房及設備(附註13(ii))	(2,522)	-
Transfer to right-of-use assets (Note 13(ii))	轉移至使用權資產(附註13(ii))	(10,306)	-
Net (loss)/gain from fair value adjustment	公平值調整之(虧損)/收益淨額	(3,587)	8,908
Exchange realignment	匯兌調整	(529)	(563)
Closing balance	年末結餘	225,436	235,580

14 INVESTMENT PROPERTIES (Continued)

The Group's investment properties are held under the following lease terms:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Medium term leases in the Hong Kong ¹	位於香港之中期租約物業 ¹	114,247	118,140
Medium term leases in the PRC ¹	位於中國之中期租約物業 ¹	104,439	110,303
Long term leases in the PRC ¹	位於中國之長期租約物業 ¹	6,750	7,137
		225,436	235,580

¹ Medium term leases are for period ranging from 10 to 50 years while long term leases are for period over 50 years.

(a) Amounts recognised in profit and loss for investment properties

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Gross rental income (Note 6)	租金收入總值(附註6)	7,335	7,192
Direct expenses (including repairs and maintenance) arising on rental-earning investment properties	賺取租金之投資物業產生之直接開支(包括維修及保養)	(1,438)	(1,264)
		5,897	5,928

As at 31 March 2020, the Group had no unprovided contractual obligations for future repairs and maintenance (2019: Nil).

(b) Fair value hierarchy

An independent valuation of the Group's investment properties was performed by the valuer, Chung, Chan & Associates, to determine the fair value of the investment properties as at 31 March 2020 and 2019. The revaluation gains or losses are included in "changes in fair value of investment properties" in the consolidated income statement. The following table analyses the investment properties carried at fair value, by valuation method.

14 投資物業(續)

本集團之投資物業按以下年期之租約持有：

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Medium term leases in the Hong Kong ¹	114,247	118,140
Medium term leases in the PRC ¹	104,439	110,303
Long term leases in the PRC ¹	6,750	7,137
	225,436	235,580

¹ 中期租約年期介乎10年至50年，而長期租約年期則超過50年。

(a) 投資物業於損益確認之金額

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Gross rental income (Note 6)	7,335	7,192
Direct expenses (including repairs and maintenance) arising on rental-earning investment properties	(1,438)	(1,264)
	5,897	5,928

於2020年3月31日，本集團並無已訂約但未撥備之未來維修及保養責任(2019年：無)。

(b) 公平值層級

估值師衡量行(Chung, Chan & Associates)已就本集團之投資物業進行獨立估值，以釐定投資物業於2020年及2019年3月31日的公平值。重估盈虧計入綜合收益表「投資物業公平值變動」內。下表載列按估值方法劃分的按公平值列賬之投資物業分析。

14 INVESTMENT PROPERTIES (Continued)**(b) Fair value hierarchy (Continued)**

Recurring fair value measurements	經常性公平值計量		
Investment properties:	投資物業：		
– Industrial building units – Hong Kong	– 工業樓宇單位 – 香港	114,247	118,140
– Commercial office units – PRC	– 商業辦公室單位 – 中國	111,189	117,440
		225,436	235,580

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There was no transfer between Level 1, 2 and 3 during the year.

The following table presents the changes in investment properties with fair value measurements using significant unobservable inputs (level 3) for the years ended 31 March 2020 and 2019.

For the year ended 31 March 2020

		PRC 中國	Hong Kong 香港	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Opening balance	年初結餘	117,440	118,140	235,580
Transfer from property, plant and equipment at fair value	轉移自按公平值入賬的物業、廠房及設備	–	1,365	1,365
Transfer from right-of-use assets at fair value	轉移自按公平值入賬的使用權資產	–	5,435	5,435
Transfer to property, plant and equipment	轉移至物業、廠房及設備	–	(2,522)	(2,522)
Transfer to right-of-use assets	轉移至使用權資產	–	(10,306)	(10,306)
Net (loss)/gain from fair value adjustment	公平值調整之(虧損)/收益淨額	(5,722)	2,135	(3,587)
Exchange realignment	匯兌調整	(529)	–	(529)
Closing balance	年末結餘	111,189	114,247	225,436
Total (loss)/gains for the year included in the consolidated income statement, under "changes in fair value of investment properties"	年內總(虧損)/收益(計入綜合收益表「投資物業公平值變動」內)	(5,722)	2,135	(3,587)

14 投資物業(續)**(b) 公平值層級(續)**

Fair value measurements using significant unobservable inputs
使用重大不可觀察輸入值計量公平值
(Level 3) (Level 3)
(第3級) (第3級)
2020 2019
HK\$'000 HK\$'000
港幣千元 港幣千元

本集團的政策是於導致轉移的事件或情況轉變發生當日確認公平值層級各級別之間的轉移。年內並無第1級、第2級及第3級之間的轉移。

下表載列截至2020年及2019年3月31日止年度，使用重大不可觀察輸入值計量公平值(第3級)的投資物業之變動。

截至2020年3月31日止年度

14 INVESTMENT PROPERTIES (Continued)

(b) Fair value hierarchy (Continued)

For the year ended 31 March 2019

		PRC 中國 HK\$'000 港幣千元	Hong Kong 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Opening balance	年初結餘	115,785	111,450	227,235
Net gain from fair value adjustment	公平值調整之收益淨額	2,218	6,690	8,908
Exchange realignment	匯兌調整	(563)	–	(563)
Closing balance	年末結餘	117,440	118,140	235,580
Total gains for the year included in the consolidated income statement, under “changes in fair value of investment properties”	年內總收益(計入綜合收益表「投資物業公平值變動」內)	2,218	6,690	8,908

(c) Valuation process of the Group

The Group's investment properties were revalued at HK\$225,436,000 (2019: HK\$235,580,000) as at 31 March 2020 by Chung, Chan & Associates, independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. Certain of the investment properties are leased to third parties under operating lease arrangements, further summary details of which are included in Note 29(a) to the consolidated financial statements.

The Group's finance department reviews the valuations performed by the independent valuer for financial reporting purposes. The finance department reports directly to the chief operating decision-maker. Discussions of valuation processes and results are held between the chief operating decision-maker, finance department and the independent valuer on a regular basis.

At each financial year end the finance department:

- Verifies all major inputs to the independent valuation report;
- Assesses property valuations movements when compared to the prior year valuation report; and
- Holds discussions with the independent valuer.

Changes in Level 3 fair values are analysed at each reporting date between the chief operating decision-maker, finance team and the independent valuer.

14 投資物業(續)

(b) 公平值層級(續)

截至2019年3月31日止年度

	PRC 中國 HK\$'000 港幣千元	Hong Kong 香港 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Opening balance	115,785	111,450	227,235
Net gain from fair value adjustment	2,218	6,690	8,908
Exchange realignment	(563)	–	(563)
Closing balance	117,440	118,140	235,580
Total gains for the year included in the consolidated income statement, under “changes in fair value of investment properties”	2,218	6,690	8,908

(c) 本集團的估值過程

本集團之投資物業由獨立專業合資格估價師衡量行(Chung, Chan & Associates) (此估值師持有相關認可專業資格，並對所估值的投資物業的地點和領域有近期經驗)於2020年3月31日重新估值為港幣225,436,000元(2019年：港幣235,580,000元)。若干投資物業已按經營租約安排租予第三方，其他摘要詳情已載於綜合財務報表附註29(a)。

本集團財務部就財務報告目的審閱獨立估值師作出的估值，並直接向主要經營決策者報告。主要經營決策者、財務部及獨立估值師定期討論估值過程及結果。

財務部於每個財政年度末：

- 核實獨立估值報告的所有重大輸入值；
- 對比上年度估值報告評估物業估值變動；及
- 與獨立估值師進行討論。

主要經營決策者、財務團隊及獨立估值師於各報告日期就第3級公平值變動作出分析。

14 INVESTMENT PROPERTIES (Continued)**(d) Valuation techniques****Fair value measurements using significant unobservable inputs**

Fair values of investment properties of the Group are generally determined using the direct comparison approach. By making reference to comparable sales transactions as available in the relevant markets, comparable properties in close proximity have been analysed, and adjustments have been made to account for the difference in factors such as locations and property size etc.

These significant unobservable inputs include:

Description	Fair value at 31 March 2020 (HK\$'000) 於2020年3月31日之公平值 (港幣千元)	Valuation Technique 估值方法	Unobservable inputs 不可觀察輸入值	Range of unobservable inputs 不可觀察輸入值之範圍	Relationship of unobservable inputs to fair value 不可觀察輸入值與公平值之關係
Industrial units – Hong Kong 工業樓宇單位 – 香港	114,247	Direct comparison approach 直接比較法	Adjusted market price 經調整市場價格	HK\$2,482 – HK\$5,333 per square foot 每平方呎港幣2,482元至港幣5,333元	The higher the adjusted market price, the higher the fair value 經調整市場價格越高，公平值越高
Office units – PRC 辦公室單位 – 中國	111,189	Direct comparison approach 直接比較法	Adjusted market price 經調整市場價格	RMB9,543 – RMB31,193 per square meter 每平方米人民幣9,543元至人民幣31,193元	The higher the adjusted market price, the higher the fair value 經調整市場價格越高，公平值越高

該等重大不可觀察輸入值包括：

Description	Fair value at 31 March 2019 (HK\$'000) 於2019年3月31日之公平值 (港幣千元)	Valuation Technique 估值方法	Unobservable inputs 不可觀察輸入值	Range of unobservable inputs 不可觀察輸入值之範圍	Relationship of unobservable inputs to fair value 不可觀察輸入值與公平值之關係
Industrial units – Hong Kong 工業樓宇單位 – 香港	118,140	Income capitalisation method 收入資本化法	Passing rents 現時租金	HK\$8.6 – HK\$14.8 per month per square foot 每月每平方呎港幣8.6元至港幣14.8元	The higher the passing rents, the higher the fair value 現時租金越高，公平值越高
			Yields 收益率	2.70% – 3.95%	The higher the yield, the lower the fair value 收益率越高，公平值越低
Office units – PRC 辦公室單位 – 中國	117,440	Income capitalisation method 收入資本化法	Passing rents 現時租金	RMB21.7 – RMB82.6 per month per square meter 每月每平方米人民幣21.7元至人民幣82.6元	The higher the passing rents, the higher the fair value 現時租金越高，公平值越高
			Yields 收益率	1.20% – 2.91%	The higher the yield, the lower the fair value 收益率越高，公平值越低

14 投資物業(續)**(d) 估值方法****使用重大不可觀察輸入值計量公平值**

本集團投資物業的公平值一般按直接比較法釐定。經參考有關市場的可資比較銷售交易，分析鄰近地區的可資比較物業並就位置及物業規模等因素的差異作出調整。

14 INVESTMENT PROPERTIES (Continued)

(d) Valuation techniques (Continued)

Fair value measurements using significant unobservable inputs (Continued)

The Directors of the Company considered that the change in the valuation technique with respect to all properties in Hong Kong and the PRC at 31 March 2020 is appropriate as the valuation technique used in the current year is based on market price of similar properties and locations, and shall equally reflect the property value as compared to the income capitalisation method used in the prior year which was based on passing rents and yields.

15 LEASES

This note provides information for leases where the Group is a lessee.

14 投資物業(續)

(d) 估值方法(續)

使用重大不可觀察輸入值計量公平值(續)

本公司董事認為，於2020年3月31日有關所有位於香港及中國的物業的估值方法變動為適當，此乃由於本年度所用的估值方法乃基於同類物業的市場價格及位置，並應與去年所用的基於現時租金及收益率的收入資本化法一樣，反映物業價值。

15 租賃

本附註提供有關本集團作為承租人之租賃的資料。

		Leasehold land held for own use 自用租賃土地 HK\$'000 港幣千元	Properties lease for own use 自用物業租賃 HK\$'000 港幣千元	Equipment lease 設備租賃 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Right-of-use assets	使用權資產				
Year ended 31 March 2020	截至2020年3月31日止年度				
Opening net book amount at 31 March 2019, as previously presented	2019年3月31日之年初賬面淨值，如先前列報	-	-	-	-
Changes in accounting policies (Note 2.2)	會計政策之變動(附註2.2)	27,746	72,986	16,850	117,582
Opening net book amount at 1 April 2019, as restated	2019年4月1日之年初賬面淨值，經重列	27,746	72,986	16,850	117,582
Additions	增加	-	38,206	1,229	39,435
Gain on revaluation (Note 13(ii))	重估收益(附註13(ii))	2,294	-	-	2,294
Transfer to investment properties (Note 13(i))	轉移至投資物業(附註13(i))	(5,435)	-	-	(5,435)
Transfer from investment properties (Note 13(ii))	轉移自投資物業(附註13(ii))	10,306	-	-	10,306
Depreciation charge (Note 7)	折舊開支(附註7)	(1,526)	(50,503)	(3,632)	(55,661)
Impairment	減值	-	(7,004)	-	(7,004)
Exchange realignment	匯兌調整	(10)	-	-	(10)
Closing net book amount	年末賬面淨值	33,375	53,685	14,447	101,507

15 LEASES (Continued)**(a) Amounts recognised in the consolidated statement of financial position**

		2020 HK\$'000 港幣千元	1 April 2019 2019年 4月1日 HK\$'000 港幣千元
Lease liabilities	租賃負債		
Current	流動	43,329	47,424
Non-current	非流動	34,191	43,646
		77,520	91,070

15 租賃(續)**(a) 於綜合財務狀況表中確認的金額****(b) Amounts recognised in the consolidated income statement**

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Finance costs	融資成本	3,379	-
Expense relating to short-term leases (included in selling and distribution costs and administrative expenses)	與短期租賃相關的開支 (計入銷售及分銷費用及行政開支)	752	-
Expense relating to variable lease payments not included in lease liabilities (included in selling and distribution costs)	與不計入租賃負債的可變租賃付款相關的開支 (計入銷售及分銷費用)	4,686	-
Depreciation expenses of right-of-use assets	使用權資產之折舊開支	55,661	-

(b) 於綜合收益表中確認的金額

The total cash outflow for leases for the year ended 31 March 2020 was HK\$59,752,000.

截至2020年3月31日止年度，租賃現金流出總額為港幣59,752,000元。

(c) The Group's leasing activities and how these are accounted for

The Group leases various properties and equipment. Rental contracts are typically made for fixed periods of 2 to 7 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

(c) 本集團的租賃活動以及如何入賬

本集團租賃各種物業及設備。租賃合約通常為2至7年的固定期限，惟可能具有如下所述的延期選擇權。租賃條款乃根據個別情況協商確定，包含各種不同的條款及條件。

15 LEASES (Continued)

(d) Variable lease payments

Some properties leases contain variable payment terms that are linked to sales generated from a store. For individual stores, certain lease payments are on the basis of variable payment terms with percentages ranging from 7.5% to 9% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

A 10% increase in sales across all stores in the Group with such variable lease contracts would increase total lease payments by approximately HK\$469,000.

(e) Extension and termination options

Extension and termination options are included in a number of properties across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

15 租賃(續)

(d) 可變租賃付款

部分物業租賃包含與店舖產生的銷售掛鈎的可變付款條款。個別店舖方面，若干租賃付款乃根據可變付款條款以介乎銷售額的7.5%至9%計算。可變付款條款乃基於各種原因而使用，包括儘量減低已建立店舖的固定成本基礎。視乎銷售額而定的可變付款條款於觸發該等付款的情況發生期間於損益中確認。

倘本集團訂有該等可變租賃合約的所有店舖銷售額增加10%，租賃付款總額將增加約港幣469,000元。

(e) 延期及終止選擇權

本集團的多項物業包含延期及終止選擇權。此等條款用於管理合約使經營靈活性達至最大化。持有的大多數延期及終止選擇權只能由本集團行使，而不是由各自的出租人行使。

16 SUBSIDIARIES

Particulars of the principal subsidiaries at 31 March 2020 are as follows:

16 附屬公司

於2020年3月31日之主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及法律實體性質	Issued ordinary share capital 已發行普通股本	Ownership interest held by 以下人士所持的 擁有權益		Principal activities and place of operation 主要業務及營業地點
			the Company 本公司	non- controlling interests 非控制性權益	
			Direct 直接	Indirect 間接	
Callas Investments Limited 嘉麗詩投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
China-Hongkong Photo Retail Limited 中港照相零售有限公司	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary share US\$1 普通股1美元	-	100%	- Investment holding in Hong Kong 於香港從事投資控股
China-Hongkong Graphic Arts Products Limited 中港印刷器材有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	100%	- Marketing and distribution of printing products in Hong Kong 於香港推廣及經銷印刷產品
C.Y. Sun Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島, 有限責任公司	Ordinary share US\$10,000 普通股10,000美元	100%	-	- Investment holding in Hong Kong 於香港從事投資控股
E-Max Service Limited 萬星工程服務有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	100%	- Provision of installation service for household appliances in Hong Kong 於香港提供家用電器安裝服務
Emmy Technology Development Limited 艾美科技發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	70%	30% Provision of professional audio-visual advisory and custom design and installation services in Hong Kong 於香港提供專業影音顧問及訂製、設 計及安裝服務
Fotomax (F.E.) Ltd. 快圖美(遠東)公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$1,000,000 普通股港幣1,000,000元	-	100%	- Provision of photographic developing and processing services and retail of photographic merchandise in Hong Kong 於香港提供攝影及沖印服務及攝影器 材零售
FotoWorks (Hong Kong) Limited	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$6,800,000 普通股港幣6,800,000元	-	65%	35% Provision of imaging solution in Hong Kong 於香港提供影像解決方案
Fuji Life Science Products Limited 富士生命科技產品有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Retail of skincare products in Hong Kong 於香港從事護膚產品零售

16 SUBSIDIARIES (Continued)

16 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點及法律實體性質	Issued ordinary share capital 已發行普通股本	Ownership interest held by 以下人士所持的 擁有權權益		Principal activities and place of operation 主要業務及營業地點
			the Company 本公司	non- controlling interests 非控制性權益	
			Direct 直接	Indirect 間接	
Fuji Photo Products Company Limited 富士攝影器材有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000,000 普通股港幣10,000,000元	-	100%	- Marketing and distribution of photographic developing and processing products in Hong Kong and Macau 於香港及澳門推廣及經銷攝影及沖印 產品
Great Earnings Investments Limited 溢達投資有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Majestic Income Limited 高息有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Orderly Mind Enterprises Limited 精幹企業有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Orient City Properties Limited	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in Hong Kong 於香港從事物業持有
Palace Glory Limited 滿堂有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Pride High Company Limited 傲翔有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Pro Audio Development Limited 專業影音發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	70%	30% Wholesales of audio and visual products in Hong Kong 於香港批發影音產品
Sky Rich (Asia) Limited 天富(亞洲)有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Sky Year Resources Limited 天業資源有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$2 普通股港幣2元	-	100%	- Property holding in the PRC 於中國從事物業持有
Wai Ming Electrical Development Limited 偉明電業發展有限公司	Hong Kong, limited liability company 香港, 有限責任公司	Ordinary share HK\$10,000 普通股港幣10,000元	-	60%	40% Retail and wholesales of consumer electronic products and household appliances in Hong Kong 於香港從事消費電子產品及家用電器 零售及批發

16 SUBSIDIARIES (Continued)

Name	Place of incorporation/ establishment and kind of legal entity	Issued ordinary share capital	Ownership interest held by 以下人士所持的		Principal activities and place of operation
			the Company 本公司	non- controlling interests 非控制性權益	
名稱	註冊成立/成立地點及法律實體性質	已發行普通股本	直接 Direct	間接 Indirect	主要業務及營業地點
YCY International Limited	Hong Kong, limited liability company	Ordinary share HK\$10,000	-	100%	- Retail and wholesales of consumer electronic products and household appliances in Hong Kong
擎天國際有限公司	香港，有限責任公司	普通股港幣10,000元			於香港從事消費電子產品及家用電器零售及批發
弘開數碼科技(上海)有限公司	PRC, limited liability company 中國，有限責任公司	Ordinary share US\$150,000 普通股150,000美元	-	100%	- Marketing and distribution of printing products in the PRC 於中國推廣及經銷印刷產品

The above table lists the subsidiaries of the Company which, in the opinion of the Directors of the Company, principally affect the results for the year or form a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors of the Company, result in particulars of excessive length.

In the opinion of the Directors of the Company that there is no non-controlling interests that are material to the Group.

16 附屬公司(續)

上表所列乃本公司董事認為對本集團本年度業績有重大影響或佔本集團淨資產主要部份之本公司附屬公司。本公司董事認為列出其他附屬公司之詳情會使篇幅過於冗長。

本公司董事認為，並無對本集團而言屬重大之非控制性權益。

17 AMOUNT DUE FROM AN ASSOCIATE

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份，按成本計算	-	-
Amount due from an associate	應收一間聯營公司款項	32,720	32,720
Less: Provision for impairment (Note (a))	減：減值撥備(附註(a))	(32,720)	(32,720)
		-	-

Note:

(a) The Directors of the Company are of the opinion that the credit risk of the amount due from an associate is considered to be high because the associate has been incurring losses and has net deficit as at 31 March 2020 (31 March 2019: Same), which, it has become uncertain that continuing financial support can be provided by the associate's holding company to enable the associate to settle this balance. Provision for impairment of HK\$32,720,000 was recognised during the year ended 31 March 2019. The provision balance remained the same as at 31 March 2020.

17 應收一間聯營公司款項

附註：

(a) 本公司董事認為，應收一間聯營公司款項的信貨風險較高，原因為該聯營公司於2020年3月31日產生虧損並錄得淨虧絀(2019年3月31日：相同)，不確定該聯營公司的控股公司能否提供持續的財務資助讓聯營公司結清此結餘。截至2019年3月31日止年度，已確認減值撥備港幣32,720,000元。撥備餘額於2020年3月31日保持相同。

17 AMOUNT DUE FROM AN ASSOCIATE (Continued)

The amount due from an associate is unsecured, interest bearing at 2% to 5% per annum on balances as at each month-end for the year ended 31 March 2019. No interest income is recognised for the year ended 31 March 2020. These transactions were carried out at a rate mutually-agreed between the parties involved in the transactions. Transactions with an associate are as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Interest income from an associate	來自一間聯營公司的利息收入	-	1,283

The carrying amount of the amount due from an associate approximates to its fair value.

There are no contingent liabilities relating to the Group's interest in an associate.

As at 31 March 2020 and 2019, details of the Group's interest in an associate are as follows:

Name	Place of incorporation and operations	Issued ordinary share capital	Percentage of equity attributable to the Group	Principal activities	Measurement method
名稱	註冊成立及營業地點	已發行普通股股本	本集團應佔權益百分比	主要業務	計量方法
kikki.K Retail (H.K.) Limited	Hong Kong	Ordinary share HK\$300,000	49%	Retail of stationery, life-style gifts and home fashion products	Equity
	香港	普通股港幣 300,000元		從事文具、生活禮品及家居潮流產品零售	權益

Summarised financial information of the Group's associate is as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Total assets	資產總額	5,709	5,572
Total liabilities	負債總額	41,432	36,344
Revenue	收益	9,277	12,664
Loss for the year	本年度虧損	(4,938)	(6,471)

17 應收一間聯營公司款項(續)

應收一間聯營公司款項為無抵押、以截至2019年3月31日止年度每月底結餘按2%至5%年利率計息。截至2020年3月31日止年度，並未確認任何利息收入。此等交易乃按參與交易各方共同協定的價格進行。與一間聯營公司的交易如下：

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Interest income from an associate	來自一間聯營公司的利息收入	-	1,283

應收一間聯營公司款項之賬面值與其公平值相若。

概無與本集團於聯營公司之權益有關之或然負債。

於2020年及2019年3月31日，本集團於一間聯營公司之權益詳情如下：

Name	Place of incorporation and operations	Issued ordinary share capital	Percentage of equity attributable to the Group	Principal activities	Measurement method
名稱	註冊成立及營業地點	已發行普通股股本	本集團應佔權益百分比	主要業務	計量方法
kikki.K Retail (H.K.) Limited	Hong Kong	Ordinary share HK\$300,000	49%	Retail of stationery, life-style gifts and home fashion products	Equity
	香港	普通股港幣 300,000元		從事文具、生活禮品及家居潮流產品零售	權益

本集團聯營公司之財務資料概要如下：

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Total assets	資產總額	5,709	5,572
Total liabilities	負債總額	41,432	36,344
Revenue	收益	9,277	12,664
Loss for the year	本年度虧損	(4,938)	(6,471)

18 INVENTORIES

The Group's inventories principally consist of photographic developing, processing and printing products, skincare products, consumer electronic products and household appliances for resale.

The cost of inventories amounted to HK\$598,515,000 (2019: HK\$656,588,000) and a provision for inventories of HK\$2,627,000 (2019: HK\$880,000) were included in "cost of sales".

19 CONTRACT ASSETS

Contract assets are initially recognised for revenue earned from professional audio-visual installation services as the receipt of consideration is conditional on successful completion of installation service. Upon completion of installation service, the amounts recognised as contract assets are reclassified to trade receivables.

As at 31 March 2020 and 2019, the expected timing of recovery or settlement for contract assets is within one year.

Significant changes in contract assets

Contract assets have decreased as the Group has provided less installation services. No loss allowance for contract assets was recognised.

20 TRADE RECEIVABLES

The Group's trading terms with its customers are either on a cash basis or on credit. For credit sales, the credit period is generally 15 to 30 days, except for certain well-established customers where the terms are extended to 120 days. Each customer has a maximum credit limit pre-approved by senior management. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

As at 31 March 2020 and 2019, balances are relating to a large number of diversified customers.

18 存貨

本集團之存貨主要為供轉售之攝影、沖印及印刷產品、護膚產品、消費電子產品及家用電器。

存貨成本港幣598,515,000元(2019年:港幣656,588,000元)及存貨撥備港幣2,627,000元(2019年:港幣880,000元)乃計入「銷售成本」。

19 合約資產

鑒於能否收到代價須視是否成功完成安裝服務而定，故合約資產在提供專業影音安裝服務所賺取收益時進行初始確認。完成安裝服務後，確認為合約資產的金額將重新分類至貿易應收賬項。

於2020年及2019年3月31日，合約資產的預期收回或結算時間為一年內。

合約資產之重大變動

由於本集團提供較少安裝服務，故合約資產有所減少。並無就合約資產確認虧損撥備。

20 貿易應收賬項

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade receivables	貿易應收賬項	43,675	51,713

本集團與客戶之交易條款以現金或賒賬方式進行。就賒賬銷售而言，信貸期一般為15至30日，但部份具規模的顧客賬期可延長至120日。每位客戶均有最高信貸限額，並由高級管理層預先批准。本集團致力嚴格控制未償還之應收賬款，並設有信貸控制部門以盡量減低信貸風險。高級管理層定期檢視逾期結餘。

於2020年及2019年3月31日，結餘乃與多位不同客戶有關。

20 TRADE RECEIVABLES (Continued)

The ageing analysis of the trade receivables as at the end of the year, based on the invoice date and net of impairment, is as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Up to 30 days	長達30日	32,468	44,323
31 to 60 days	31至60日	7,921	4,067
61 to 90 days	61至90日	887	713
91 to 120 days	91至120日	1,168	487
Over 120 days	120日以上	1,231	2,123
		43,675	51,713

(i) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair values and are denominated in HK\$.

(ii) Impairment and risk exposure

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in Note 3.1(ii)(b).

21 NON-CURRENT DEPOSITS, CURRENT PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Current portion	流動部分		
Deposits and other receivables	按金及其他應收賬項	25,028	41,953
Prepayments	預付款項	7,517	8,132
		32,545	50,085
Non-current portion	非流動部分		
Deposits	按金	12,354	13,729

Due to the short-term nature of the other current receivables, their carrying amounts are considered to be the same as their fair value. Note 3.1(ii)(b) sets out information about the impairment of financial assets and the Group's exposure to credit risk.

20 貿易應收賬項(續)

按發票日期計算，以下為扣除減值後貿易應收賬項於年末之賬齡分析：

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Up to 30 days	32,468	44,323
31 to 60 days	7,921	4,067
61 to 90 days	887	713
91 to 120 days	1,168	487
Over 120 days	1,231	2,123
	43,675	51,713

(i) 貿易應收賬項的公平值

由於流動應收賬項期限較短，其賬面值視為等同於其公平值，並以港幣計值。

(ii) 減值及風險

本集團應用香港財務報告準則第9號規定的簡化方法計量預期信貸虧損，即對所有貿易應收賬項及合約資產確認整個存續期的預期虧損撥備。

有關貿易應收賬項減值及本集團的信貸風險載於附註3.1(ii)(b)。

21 非流動按金、流動預付款項、按金及其他應收賬項

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Current portion		
Deposits and other receivables	25,028	41,953
Prepayments	7,517	8,132
	32,545	50,085
Non-current portion		
Deposits	12,354	13,729

由於其他流動應收賬項期限較短，其賬面值視為等同於其公平值。附註3.1(ii)(b)載列有關金融資產減值及本集團信貸風險的資料。

22 CASH AND BANK BALANCES

22 現金及銀行結餘

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Non-pledged time deposits with original maturity of over three months	原到期日超過三個月之無抵押定期存款	22,926	25,616
Cash and cash equivalents in the consolidated statement of cash flows:	綜合現金流量表內之現金及現金等值項目：		
Cash and bank balances	現金及銀行結餘	89,702	84,210
Non-pledged time deposits with original maturity of less than three months	原到期日少於三個月之無抵押定期存款	84,686	88,352
		174,388	172,562
		197,314	198,178

At the end of the year, the cash and bank balances of the Group denominated in RMB amounted to HK\$29,597,000 (2019: HK\$29,888,000) which were deposited with the banks in the PRC. The remittance of such balances out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and over one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the Group's cash and cash equivalents approximate their fair values.

於年末，本集團以人民幣計值之現金及銀行結餘約港幣29,597,000元(2019年：港幣29,888,000元)存於中國境內之銀行。匯款該等結餘至中國境外須遵守中國政府頒佈的外匯管制法規。

存於銀行之現金根據銀行每日存款利率賺取浮動利息。根據本集團對即時現金需求之急切性，短期定期存款由一日至一年以上不等，以分別賺取不同之定期利息。銀行結餘存於信譽良好且並沒有近期違約紀錄之銀行。本集團現金及現金等值項目之賬面值與公平值相若。

23 CONTRACT LIABILITIES

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Receipt in advances from customers	預收客戶款項	11,185	14,616
Customer loyalty programmes	客戶忠誠計劃	787	558
		11,972	15,174

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

有關合約負債的已確認收益

下表列示本報告期間與結轉合約負債有關的已確認收益金額。

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the year	計入合約負債結餘之年初已確認收益		
Receipt in advances from customers	預收客戶款項	14,239	14,505
Customer loyalty programmes	客戶忠誠計劃	135	117

All services contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed (2019: Same).

所有服務合約為期一年或更短。按香港財務報告準則第15號所允許，分配至該等未履約合約的交易價格並無披露(2019年：相同)。

24 TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables at the end of the year, based on the date of goods purchased and services rendered, is as follows:

24 貿易應付賬項及票據

根據購買貨品及獲得服務之日期計算，貿易應付賬項及票據於年末之賬齡分析如下：

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 3 months	3個月以內	42,386	80,151
Over 3 months	3個月以上	2,125	2,140
		44,511	82,291

The Group's trade and bills payables are non-interest-bearing and are normally settled on 30-day terms. The carrying amounts of the Group's trade and bills payable approximate to their fair values.

本集團之貿易應付賬項及票據為免息，且通常須於30日期限內繳訖。本集團貿易應付賬項及票據之賬面值與公平值相若。

25 ACCRUED LIABILITIES AND OTHER PAYABLES

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Other payables	其他應付賬項	13,820	17,388
Dividend payable to non-controlling interests	應付股息予非控制性權益	–	80
Accrued expenses	應計開支	31,998	36,462
Total	總額	45,818	53,930
Less: Non-current accrued liabilities	減：非流動應計負債	5,778	5,727
Current portion	流動部分	40,040	48,203

The carrying amounts of accrued liabilities and other payables approximate to their fair values.

25 應計負債及其他應付賬項

應計負債及其他應付賬項之賬面值與公平值相若。

26 DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

26 遞延稅項

遞延稅項資產及遞延稅項負債的分析如下：

		2020	2019
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Deferred tax assets	遞延稅項資產	174	86
Deferred tax liabilities	遞延稅項負債	(27,413)	(29,258)
Deferred tax liabilities – net	遞延稅項負債 – 淨額	(27,239)	(29,172)

26 DEFERRED TAX (Continued)

The gross movements in deferred tax liabilities and assets, without taking into consideration the offsetting of balances within the same tax jurisdiction, during the year are as follows:

Deferred tax liabilities

		遞延稅項負債			
		Revaluation of investment properties	Depreciation allowance in excess of related depreciation expense	Leases	Total
		重估投資物業	折舊免稅額	租賃	總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日	26,060	2,075	–	28,135
Charged to the consolidated income statement during the year (Note 10)	年內於綜合收益表扣除 (附註10)	1,114	241	–	1,355
Exchange realignment	匯兌調整	(232)	–	–	(232)
At 31 March 2019, as previously presented	於2019年3月31日，如先前列報	26,942	2,316	–	29,258
Changes in accounting policies (Note 2.2)	會計政策之變動 (附註2.2)	–	–	15	15
At 1 April 2019, as restated	於2019年4月1日，經重列	26,942	2,316	15	29,273
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入 (附註10)	(1,430)	(165)	(15)	(1,610)
Exchange realignment	匯兌調整	(250)	–	–	(250)
At 31 March 2020	於2020年3月31日	25,262	2,151	–	27,413

Deferred tax assets

		遞延稅項資產	
		Unrealised profit from inventories 未變現存貨利潤 HK\$'000 港幣千元	
At 1 April 2018	於2018年4月1日		(114)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)		28
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日		(86)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)		(88)
At 31 March 2020	於2020年3月31日		(174)

26 遞延稅項(續)

在並無計入抵銷於相同稅務司法管轄區內的結餘下，年內遞延稅項負債及資產的總變動如下：

遞延稅項負債

		Revaluation of investment properties	Depreciation allowance in excess of related depreciation expense	Leases	Total
		重估投資物業	折舊免稅額	租賃	總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日	26,060	2,075	–	28,135
Charged to the consolidated income statement during the year (Note 10)	年內於綜合收益表扣除 (附註10)	1,114	241	–	1,355
Exchange realignment	匯兌調整	(232)	–	–	(232)
At 31 March 2019, as previously presented	於2019年3月31日，如先前列報	26,942	2,316	–	29,258
Changes in accounting policies (Note 2.2)	會計政策之變動 (附註2.2)	–	–	15	15
At 1 April 2019, as restated	於2019年4月1日，經重列	26,942	2,316	15	29,273
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入 (附註10)	(1,430)	(165)	(15)	(1,610)
Exchange realignment	匯兌調整	(250)	–	–	(250)
At 31 March 2020	於2020年3月31日	25,262	2,151	–	27,413

遞延稅項資產

		Unrealised profit from inventories 未變現存貨利潤 HK\$'000 港幣千元	
At 1 April 2018	於2018年4月1日		(114)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)		28
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日		(86)
Credited to the consolidated income statement during the year (Note 10)	年內於綜合收益表計入(附註10)		(88)
At 31 March 2020	於2020年3月31日		(174)

26 DEFERRED TAX (Continued)

Deferred tax assets are recognised for tax loss carrying-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31 March 2020, the Group did not recognise deferred tax assets of HK\$73,294,000 (2019: HK\$70,147,000) in respect of tax losses amounting to HK\$439,253,000 (2019: HK\$418,512,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in subsidiaries with uncertain future operating profit streams.

The unrecognised estimated tax losses are analysed by years from expiring as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
With no expiry date	無屆滿日期	70,454	66,929
Within 5 years	五年內	2,840	3,218
		73,294	70,147

Pursuant to the relevant PRC corporate income tax rules and regulations, deferred tax on withholding tax is imposed on declared dividends in respect of profits earned by the Group's PRC subsidiaries from 1 January 2008.

Deferred income tax liabilities of approximately HK\$624,000 (2019: HK\$522,000) as at 31 March 2020 have not been provided for in the consolidated statement of financial position in respect of temporary differences attributable to accumulated profits of the Group's certain PRC subsidiaries as the Group controls the dividend policy of these PRC subsidiaries and it is probable that these temporary differences will not be reversed in the foreseeable future.

27 SHARE CAPITAL
Shares

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Authorised: 2,000,000,000 (2019: 2,000,000,000) ordinary shares of HK\$0.10 each	法定： 普通股2,000,000,000股 (2019年：2,000,000,000股) 每股面值港幣1角	200,000	200,000
		Number of ordinary share of HK\$0.10 each 每股面值港幣1角 普通股數目	Share capital HK\$'000 股本 港幣千元
Issued and fully paid At 31 March 2019 and 31 March 2020	已發行及繳足 於2019年3月31日及2020年3月31日	1,185,318,349	118,532

26 遞延稅項(續)

遞延稅項資產乃就結轉之稅項虧損確認，惟以有可能透過未來之應課稅利潤變現有關稅項利益為限。於2020年3月31日，本集團並無就稅項虧損港幣439,253,000元(2019年：港幣418,512,000元)確認遞延稅項資產港幣73,294,000元(2019年：港幣70,147,000元)，此款項可抵銷產生虧損公司未來之應課稅利潤。由於該等虧損及可扣減暫時性差額乃於錄得不確定未來經營利潤之附屬公司出現，故並未就其確認遞延稅項資產。

按屆滿年期分析之未確認估計稅項虧損如下：

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
With no expiry date	70,454	66,929
Within 5 years	2,840	3,218
	73,294	70,147

根據有關中國企業所得稅的法律法規，本集團須就中國附屬公司自2008年1月1日起賺取的溢利所宣派股息繳納預扣稅遞延稅項。

於2020年3月31日約港幣624,000元(2019年：港幣522,000元)之遞延所得稅負債並無就本集團若干中國附屬公司之累計溢利應佔之暫時性差額於綜合財務狀況表內作出撥備，原因在於本集團控制該等中國附屬公司的股息政策，且該等暫時性差額有可能將不會於可預見將來撥回。

27 股本
股份

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Authorised: 2,000,000,000 (2019: 2,000,000,000) ordinary shares of HK\$0.10 each	法定： 普通股2,000,000,000股 (2019年：2,000,000,000股) 每股面值港幣1角	200,000	200,000
		Number of ordinary share of HK\$0.10 each 每股面值港幣1角 普通股數目	Share capital HK\$'000 股本 港幣千元
Issued and fully paid At 31 March 2019 and 31 March 2020	已發行及繳足 於2019年3月31日及2020年3月31日	1,185,318,349	118,532

28 RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity on pages 87 and 88 of the consolidated financial statements.

29 OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (Note 14) under operating lease arrangements, with leases negotiated for terms ranging from 1 to 10 years (2019: 1 to 3 years). The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the prevailing market conditions.

At 31 March 2020, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Within one year	1年內	7,559	5,723
In the second to fifth year, inclusive	2至5年(包括首尾兩年)	5,809	3,057
Over fifth year	5年以上	4,527	–
		17,895	8,780

(b) As lessee

From 1 April 2019, the Group has recognised right-of-use assets for its operating leases, except for short-term leases and low-value leases, see Note 2.2 and Note 15 for further information. The Group's future minimum lease payments under non-cancellable operating leases are as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Within one year	1年內	–	49,831
In the second to fifth years, inclusive	2至5年(包括首尾兩年)	–	35,615
		–	85,446

28 儲備

本集團儲備以及其於本年及過往年度之變動，載於綜合財務報表第87及88頁之綜合權益變動表。

29 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排租出其投資物業(附註14)，經磋商訂定期租為1至10年不等(2019年：1至3年)。租賃條款亦一般規定租戶須支付擔保按金及根據當時市況定期調整租金。

於2020年3月31日，本集團就與租戶訂立之不可撤銷經營租賃而可於未來收取之最低租金總額到期情況如下：

(b) 作為承租人

自2019年4月1日起，本集團已就其經營租賃確認使用權資產，惟短期租賃及低價值租賃除外，有關進一步資料，請參閱附註2.2及附註15。本集團就不可撤銷之經營租賃而須於未來支付之最低租金總額如下：

30 CAPITAL COMMITMENT

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	2,654	546

31 RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in the consolidated financial statements, the Group has the following significant related party transactions carried out in the normal course of the Group's business during the year.

The Group's key management personnel are the Directors of the Company. Further details of Directors' remuneration are included in Note 34 to the consolidated financial statements.

32 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the year are as follows:

Financial assets at amortised cost

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Trade receivables	貿易應收賬項	43,675	51,713
Deposits and other receivables (excluding prepayments)	按金及其他應收賬項 (預付款項除外)	37,382	55,682
Cash and bank balances	現金及銀行結餘	197,314	198,178
		278,371	305,573

Financial liabilities at amortised cost

		2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Trade and bills payables	貿易應付賬項及票據	44,511	82,291
Accrued liabilities and other payables (excluding non-financial liabilities)	應計負債及其他應付賬項 (非金融負債除外)	25,328	34,222
Lease liabilities	租賃負債	77,520	-
		147,359	116,513

30 資本承擔

年末已簽約但尚未產生的資本開支如下：

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Property, plant and equipment	2,654	546

31 關連人士交易

除於綜合財務報表其他部份所披露者外，年內本集團於本集團之正常業務過程中進行了下列重大關連人士交易。

本集團之主要管理人員為本公司董事。董事酬金之進一步詳情載於綜合財務報表附註34。

32 以類別劃分之金融工具

各類金融工具於年末之賬面值如下：

以攤銷成本入賬之金融資產

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Trade receivables	43,675	51,713
Deposits and other receivables (excluding prepayments)	37,382	55,682
Cash and bank balances	197,314	198,178
	278,371	305,573

以攤銷成本入賬之金融負債

	2020 HK\$'000 港幣千元	2019 HK\$'000 港幣千元
Trade and bills payables	44,511	82,291
Accrued liabilities and other payables (excluding non-financial liabilities)	25,328	34,222
Lease liabilities	77,520	-
	147,359	116,513

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY **33 本公司之財務狀況表及儲備變動**

		Note	2020	2019
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司投資		596,606	601,461
Current assets	流動資產			
Prepayments and other receivables	預付款項及其他應收賬項		259	259
Cash and cash equivalents	現金及現金等值項目		700	567
Total current assets	流動資產總額		959	826
Total assets	資產總額		597,565	602,287
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本		118,532	118,532
Reserves	儲備	(a)	478,551	481,524
Total equity	權益總額		597,083	600,056
LIABILITIES	負債			
Current liabilities	流動負債			
Accrued liabilities and other payables	應計負債及其他應付賬項		482	2,231
Total liabilities	負債總額		482	2,231
Total equity and liabilities	權益及負債總額		597,565	602,287

The statement of financial position of the Company was approved by the Board of Directors on 24 June 2020 and was signed on its behalf.

本公司之財務狀況表已於2020年6月24日獲得董事會批准，並授權由下列董事代表簽署。

Sun Tai Lun Dennis
Chairman
孫大倫
主席

Sun Tao Hung Stanley
Deputy Chairman and CEO
孫道弘
副主席及行政總裁

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note (a): Movement of reserves of the Company

33 本公司之財務狀況表及儲備變動(續)

附註(a)：本公司之儲備變動

		Share premium account	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價賬	資本贖回儲備	實繳盈餘	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2018	於2018年4月1日	490,378	1,619	130	(7,886)	484,241
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(2,717)	(2,717)
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	490,378	1,619	130	(10,603)	481,524
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	(2,973)	(2,973)
At 31 March 2020	於2020年3月31日	490,378	1,619	130	(13,576)	478,551

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), a company may make distributions to its members out of the contributed surplus in certain circumstances.

本公司之實繳盈餘為所收購附屬公司股份之公平值超逾本公司就此作出交換而發行之股份之面值之部分。根據百慕達1981年公司法(經修訂)，一間公司可於若干情況下自實繳盈餘向其股東作出分派。

34 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

(a) Directors' emoluments

The remuneration of each Director is set out below:

For the year ended 31 March 2020:

Name of Directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total
董事姓名	袍金	薪金	酌情花紅	僱員之退休福利計劃供款	其他利益的估計貨幣價值	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	(Note (i))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))
	(附註(i))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))
Sun Tai Lun Dennis 孫大倫	150	1,180	–	18	–	1,348
Sun Tao Hung Stanley 孫道弘	110	1,888	410	18	–	2,426
Sun Tao Hsi Ryan (Note (iv)) 孫道熙(附註(iv))	110	944	–	18	–	1,072
Chan Wai Kwan Rita (Note (v)) 陳蕙君(附註(v))	110	1,180	–	18	–	1,308
Au Man Chung Malcolm 區文中(附註(vi)) (Note (vi))	83	–	–	–	–	83
Li Ka Fai David 李家暉	280	–	–	–	–	280
Liu Hui Allan 劉暉	140	–	–	–	–	140
Wong Chi Yun Allan 黃子欣	245	–	–	–	–	245
Fung Yue Chun Stephen 馮裕津	140	–	–	–	–	140
Total 總額	1,368	5,192	410	72	–	7,042

34 董事利益及權益(香港《公司條例》第383條(第622章)、《公司(披露董事利益資料)規例》(第622G章)及香港上市規則規定之披露)

(a) 董事酬金

各董事酬金載列如下：

截至2020年3月31日止年度：

Name of Directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total
董事姓名	袍金	薪金	酌情花紅	僱員之退休福利計劃供款	其他利益的估計貨幣價值	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	(Note (i))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))
	(附註(i))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))

Sun Tai Lun Dennis 孫大倫	150	1,180	–	18	–	1,348
Sun Tao Hung Stanley 孫道弘	110	1,888	410	18	–	2,426
Sun Tao Hsi Ryan (Note (iv)) 孫道熙(附註(iv))	110	944	–	18	–	1,072
Chan Wai Kwan Rita (Note (v)) 陳蕙君(附註(v))	110	1,180	–	18	–	1,308
Au Man Chung Malcolm 區文中(附註(vi)) (Note (vi))	83	–	–	–	–	83
Li Ka Fai David 李家暉	280	–	–	–	–	280
Liu Hui Allan 劉暉	140	–	–	–	–	140
Wong Chi Yun Allan 黃子欣	245	–	–	–	–	245
Fung Yue Chun Stephen 馮裕津	140	–	–	–	–	140
Total 總額	1,368	5,192	410	72	–	7,042

34 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(a) Directors' emoluments (Continued)

For the year ended 31 March 2019:

Name of Directors	Fees	Salary	Discretionary bonus	Employer's contribution to a retirement benefit scheme	Estimated money value of other benefits	Total
董事姓名	袍金	薪金	酌情花紅	僱員之退休福利計劃供款	其他利益的估計貨幣價值	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	(Note (i))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))	(Note (ii))
	(附註(i))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))	(附註(ii))
Sun Tai Lun Dennis 孫大倫	150	1,200	40	18	–	1,408
Sun Tao Hung Stanley 孫道弘	110	1,865	651	18	–	2,644
Ng Yuk Wah Eileen (Note (iii)) 吳玉華(附註(iii))	110	1,200	40	18	–	1,368
Sun Tao Hsi Ryan (Note (iv)) 孫道熙(附註(iv))	110	720	24	17	–	871
Au Man Chung Malcolm 區文中(附註(vi))	220	–	–	–	–	220
Li Ka Fai David 李家暉	280	–	–	–	–	280
Liu Hui Allan 劉暉	140	–	–	–	–	140
Wong Chi Yun Allan 黃子欣	220	–	–	–	–	220
Fung Yue Chun Stephen 馮裕津	140	–	–	–	–	140
Total 總額	1,480	4,985	755	71	–	7,291

34 董事利益及權益(香港《公司條例》第383條(第622章)、《公司(披露董事利益資料)規例》(第622G章)及香港上市規則規定之披露)(續)

(a) 董事酬金(續)

截至2019年3月31日止年度：

34 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(a) Directors' emoluments (Continued)

Note:

- (i) Emoluments paid to or receivable by these Directors in respect of their services as Directors to the Group.
- (ii) Emoluments paid to or receivable by these Directors in respect of their management services to the Group.
- (iii) Resigned on 31 March 2019.
- (iv) Appointed on 1 April 2018.
- (v) Appointed on 1 April 2019.
- (vi) Resigned on 16 August 2019.

(b) Directors' retirement benefits and termination benefits

None of the Directors received or will receive any retirement benefits or termination benefits during the year (2019: Nil).

(c) Consideration provided to or receivable by third parties for making available Directors' services

During the year ended 31 March 2020, the Group did not pay consideration to any third parties for making available Directors' services (2019: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors

As at 31 March 2020, there are no loans, quasi-loans and other dealing arrangements in favour of Directors, controlled bodies corporate by and controlled entities with such Directors (2019: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2019: Nil).

34 董事利益及權益(香港《公司條例》第383條(第622章)、《公司(披露董事利益資料)規例》(第622G章)及香港上市規則規定之披露)(續)

(a) 董事酬金(續)

附註：

- (i) 董事就其擔任本集團董事之服務已獲支付或應收之酬金。
- (ii) 董事就其為本集團提供管理服務已獲支付或應收之酬金。
- (iii) 於2019年3月31日辭任。
- (iv) 於2018年4月1日獲委任。
- (v) 於2019年4月1日獲委任。
- (vi) 於2019年8月16日辭任。

(b) 董事退休福利及終止僱用福利

年內概無董事已收取或將收取任何退休福利或終止僱用福利(2019年：無)。

(c) 就提供董事服務向第三方提供或彼等應收的代價

截至2020年3月31日止年度，本集團概無就提供董事服務向任何第三方支付代價(2019年：無)。

(d) 有關以董事、其受控法團及其關連實體為受益人的貸款、準貸款及其他交易的資料

於2020年3月31日，概無以董事、其受控法團或受控實體為受益人的貸款、準貸款及其他交易安排(2019年：無)。

(e) 董事於交易、安排或合約的重大權益

年內，本公司概無訂立與本集團業務有關，而本公司董事直接或間接擁有重大權益且於年末或年內任何時間存在的重大交易、安排及合約(2019年：無)。

35 CASH FLOW INFORMATION**(a) Significant non-cash transaction**

During the year ended 31 March 2020, certain capital injection made by a non-controlling shareholder was conducted through a transfer of furniture and fixture of HK\$126,000.

(b) Reconciliation of liabilities arising from financing activities

		Lease liabilities 租賃負債 HK\$'000 港幣千元
At 31 March 2019, as previously presented	於2019年3月31日，如先前列報	-
Changes in accounting policies (Note 2.2)	會計政策之變動(附註2.2)	91,070
At 1 April 2019, as restated	於2019年4月1日，經重列	91,070
Cashflows	現金流量	(50,935)
Addition	增加	39,180
Rent concession from lessors	出租人租金寬減	(1,795)
At 31 March 2020	於2020年3月31日	77,520

		Dividend payable 應付股息 HK\$'000 港幣千元
At 1 April 2018	於2018年4月1日	821
Cashflows	現金流量	(821)
At 31 March 2019	於2019年3月31日	-

36 EVENTS AFTER THE REPORTING PERIOD

Following the outbreak of the COVID-19 in early 2020, a series of precautionary and control measures have been and continued to be adopted by the Group. Subsequent to 31 March 2020 and up to the date of this report, the Group's sales have gradually recovered as the situation of the outbreak of COVID-19 improves in Hong Kong. The Group has been actively adopting cost control measures including re-prioritising work plans to improve liquidity position, closely monitoring the market situation and timely adjusting the business strategies in view of the development of the COVID-19.

35 現金流量資料**(a) 重大非現金交易**

截至2020年3月31日止年度，非控制性股東透過傢俬及裝置轉移港幣126,000元作若干注資。

(b) 融資活動產生的負債對賬**36 報告期間後事項**

隨著COVID-19於2020年初爆發，本集團已經並將繼續採取一系列預防及控制措施。自2020年3月31日起直至本報告日期，本集團的銷售額已隨著COVID-19在香港爆發的情況改善而逐步恢復。本集團一直積極採取成本控制措施，包括重新釐定工作計劃的優先次序以改善流動資金狀況、密切監察市場情況、並因應COVID-19的發展，適時調整業務策略。

Details of Investment Properties

投資物業詳情

As at 31 March 2020

於2020年3月31日

Location 位置		Category of lease 租約類別	Existing use 現時用途
Unit D on the 1st Floor and Car Park Space Nos. 16 and 17 on the Ground Floor and Car Park Space No. 10 on the Lower Ground Floor Eldex Industrial Building 21 Ma Tau Wai Road Hunghom Kowloon Hong Kong	香港 九龍 紅磡 馬頭圍道21號 義達工業大廈1樓D單位、 地下停車位16及17號及 地下低層停車位10號	Medium term leasehold 中期租約	Warehouse 貨倉
8th Level, Donghai Commercial Centre 588 Yan An East Road Huang Pu District Shanghai People's Republic of China	中華人民共和國 上海 黃浦區 延安東路588號 東海商業中心8樓	Medium term leasehold 中期租約	Commercial 商業
Units 2305 and 2307 on 23rd Floor, Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	香港 新界 德士古道220-248號 荃灣工業中心23樓 2305及2307室	Medium term leasehold 中期租約	Commercial 商業
Unit No. 6 on 6th Floor together with Vehicle Parking Spaces Nos. 37, 51 and 60 on Ground Floor, Block C Ko Fai Industrial Building No. 7 Ko Fai Road Kowloon Hong Kong	香港 九龍 高輝道7號 高輝工業大廈6樓6室及 C座地下車輛停泊號碼37、 51及60號	Medium term leasehold 中期租約	Commercial 商業
Units 2509, 2511-16 on 25th Floor Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	香港 新界 德士古道220-248號 荃灣工業中心25樓 2509及2511-16室	Medium term leasehold 中期租約	Commercial 商業
Vehicle Parking Space No. 72 on 1st Floor Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	香港 新界 德士古道220-248號 荃灣工業中心1樓車輛停泊號碼 72號	Medium term leasehold 中期租約	Commercial 商業
Whole of 27th Level and Car Parking Space Nos. 37, 38 and 39 Guang Fa Bank Building No. 83 Lower Long Lin Road Dongshan District Guangzhou Guangdong Province People's Republic of China	中華人民共和國 廣東省 廣州 東山區 農林下路83號 廣發金融大廈 27樓全層及停車位37、 38及39號	Medium term leasehold 中期租約	Commercial 商業
Units 1401-1408 on 14th Level Jin Cheng Zhong Xin 4th District, Fang Qun Garden Fang Zhuang District Beijing People's Republic of China	中華人民共和國 北京 方庄區 芳群園第四區 金城中心 14樓1401-1408室	Medium term leasehold 中期租約	Commercial 商業
Unit No. 4 on Levels 17/18 together with Car Parking Space No. 10 on 1/F Golden Bridge Mansion 2077 Yan An Road West Changning District Shanghai People's Republic of China	中華人民共和國 上海 長寧區 延安西路2077號 金橋大廈 17/18樓4室及 1樓停車位10號	Long term leasehold 長期租約	Commercial 商業
Unit C-13, C-14, C-15 An'Xin Building Heping Main Road (Yanjiang 4th Road), Haikou Hainan Province People's Republic of China	中華人民共和國 海南省 海口市 和平大道(沿江4路) 安信大廈 C-13、C-14、C-15室	Long term leasehold 長期租約	Commercial 商業

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Sun Tai Lun Dennis (*Chairman*)
Sun Tao Hung Stanley (*Deputy Chairman and Chief Executive Officer*)
Sun Tao Hsi Ryan
Chan Wai Kwan Rita (appointed on 1 April 2019)

NON-EXECUTIVE DIRECTOR

Fung Yue Chun Stephen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Au Man Chung Malcolm (resigned on 16 August 2019)
Li Ka Fai David
Liu Hui Allan
Wong Chi Yun Allan

COMPANY SECRETARY

Chan Wai Kwan Rita

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia) Limited
MUFG Bank, Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITOR

PricewaterhouseCoopers

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

PRINCIPAL OFFICE IN HONG KONG

8th Floor Tsuen Wan Industrial Centre
220-248 Texaco Road
Tsuen Wan, Hong Kong

董事會

執行董事

孫大倫(主席)
孫道弘(副主席及行政總裁)
孫道熙
陳蕙君(於2019年4月1日獲委任)

非執行董事

馮裕津

獨立非執行董事

區文中(於2019年8月16日辭任)
李家暉
劉暉
黃子欣

公司秘書

陳蕙君

主要銀行

中國銀行(香港)有限公司
中國工商銀行(亞洲)有限公司
株式会社三菱UFJ銀行
香港上海滙豐銀行有限公司

核數師

羅兵咸永道會計師事務所

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

香港主要辦事處

香港荃灣
德士古道220-248號
荃灣工業中心8樓



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CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED
中港照相器材集團有限公司
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)