



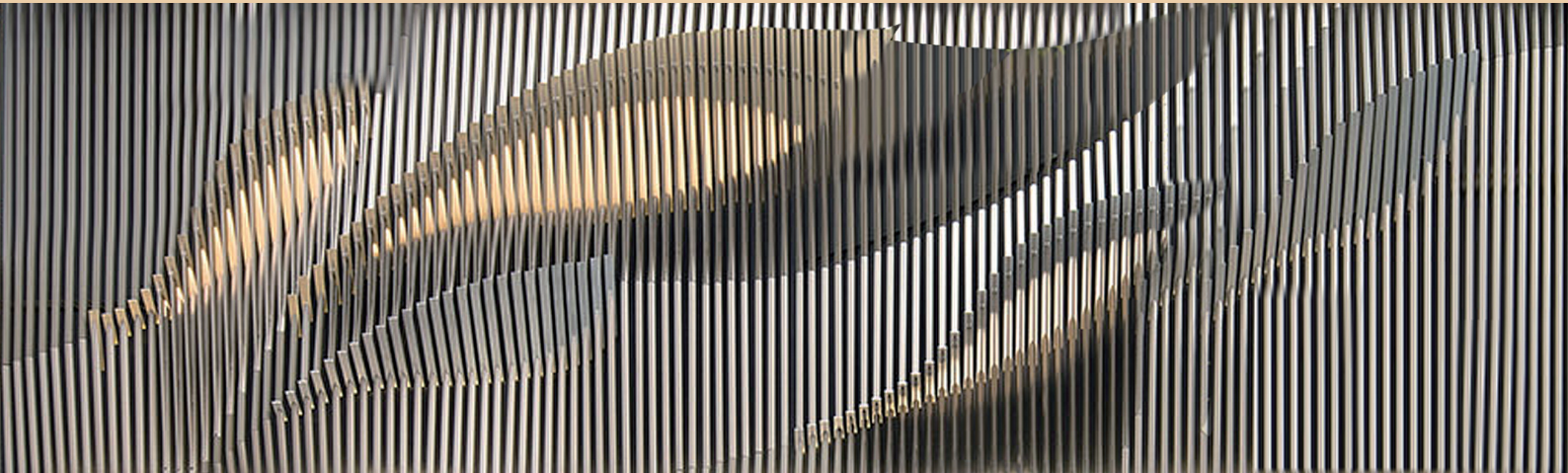
CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號：116



ANNUAL REPORT **2020** 年報

CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Vincent CHOW Wing Shing
Chairman and Group General Manager
Dr. Gerald CHOW King Sing
Mr. Winston CHOW Wun Sing
Group Deputy General Manager

Non-executive Directors

Dr. CHAN Bing Fun*
Mr. Stephen TING Leung Huel
Mr. CHUNG Pui Lam
Mr. LEE Ka Lun*
Dr. LO King Man*
Mr. Stephen LAU Man Lung*

* Independent Non-executive Directors

Company Secretary

Mr. Morison CHAN Chi Kong

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

Principal Place of Business

4/F, Chow Sang Sang Building
229 Nathan Road, Kowloon
Hong Kong

Legal Advisers

Baker & McKenzie
Wilkinson & Grist

Auditor

Ernst & Young
Registered Public Interest Entity Auditor

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Australia and New Zealand Banking Group Limited
Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China Limited

Website

www.chowsangsang.com



You may go to our website by scanning this QR Code
如欲瀏覽集團網頁，可掃描此二維條碼

公司資料

董事會

執行董事

周永成先生
主席兼集團總經理
周敬成醫生
周允成先生
集團副總經理

非執行董事

陳炳勳醫生*
丁良輝先生
鍾沛林先生
李家麟先生*
盧景文博士*
劉文龍先生*

* 獨立非執行董事

公司秘書

陳志光先生

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

主要營業地點

香港
九龍彌敦道229號
周生生大廈4樓

法律顧問

貝克·麥堅時律師事務所
高露雲律師行

核數師

安永會計師事務所
註冊公眾利益實體核數師

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
澳新銀行集團有限公司
恒生銀行有限公司
中國銀行(香港)有限公司
中國工商銀行股份有限公司

網站

www.chowsangsang.com

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The following abbreviations are used in this report:

本年報使用下列簡稱：

	<u>Abbreviations</u>		<u>簡稱</u>
Chow Sang Sang Holdings International Limited	The Company	周生生集團國際有限公司*	本公司
Chow Sang Sang Holdings International Limited and its subsidiaries	The Group	周生生集團國際有限公司及其附屬公司	本集團

* For identification purpose only

* 僅供識別

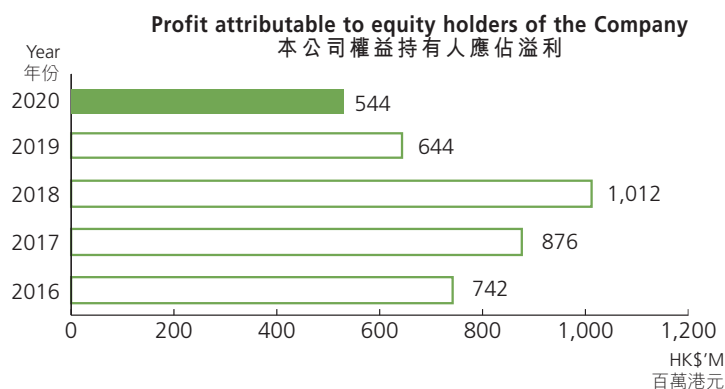
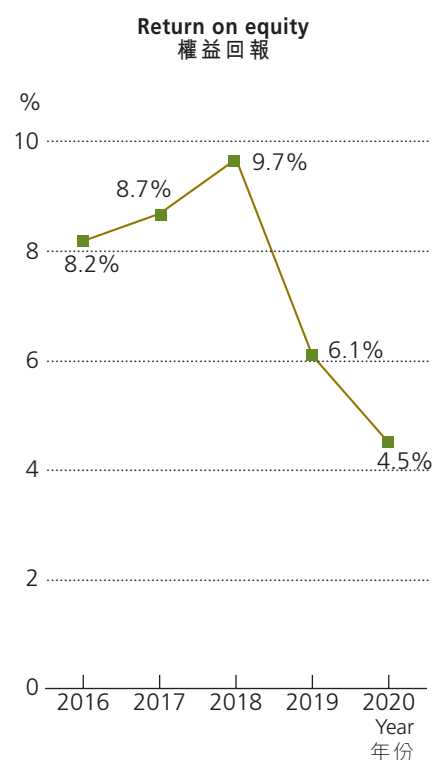
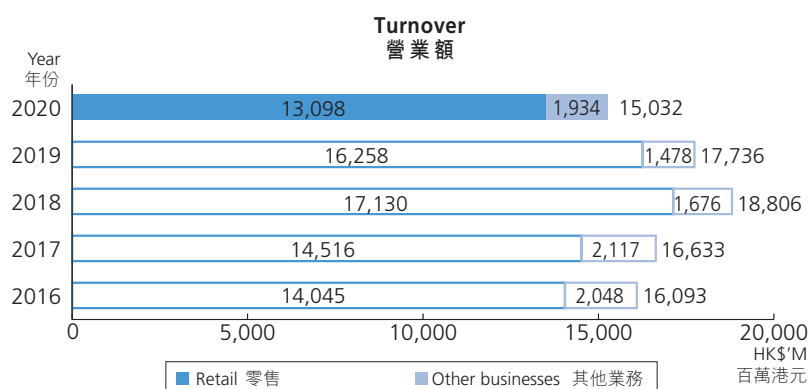
FINANCIAL HIGHLIGHTS

財務摘要

		2020 HK\$'000 千港元	2019 HK\$'000 千港元	Change 變動
Turnover	營業額			
Retail	零售	13,097,720	16,258,416	-19%
Other businesses	其他業務	1,934,700	1,477,810	+31%
		15,032,420	17,736,226	-15%
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	544,464	643,533	-15%
Earnings per share	每股盈利			
- Basic	- 基本	80.4 cents 仙	95.0 cents 仙	-15%
- Diluted	- 攤薄	80.4 cents 仙	95.0 cents 仙	-15%
Dividend per share	每股股息			
- Interim	- 中期	5.0 cents 仙	14.0 cents 仙	
- Final	- 末期	26.0 cents 仙	25.0 cents 仙	
- Special final	- 特別末期	16.0 cents 仙	- cents 仙	
Total dividend per share for the year	全年每股股息總額	47.0 cents 仙	39.0 cents 仙	
Dividend payout ratio [^]	派息比率 [^]	39%	41%	
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	12,019,114	10,632,385	+13%
Equity per share	每股權益	\$17.7 元	\$15.7 元	+13%

[^] Special final dividend excluded

[^] 不包括特別末期股息



CHAIRMAN'S MESSAGE

A year into the pandemic, science and technology seem to be coming to grips with covid-19. Vaccines are available; but with their efficacy less than definitive, they are being accepted less speedily than desired. International travel without lengthy quarantine remains nowhere in sight.

Beside the pandemic, global geopolitical rivalry is another immense weight on the mind. One can only hope that the world is not slipping into another cold-war era.

Back on home ground, I can report that to date the recovery in Mainland China has been encouraging, but in Hong Kong and Macau far less so. In Hong Kong, we are still shackled by a few ongoing shop leases with rental charges far exceeding what the business volume can sustain. The scarcity of visitors is clearly having a dire impact on the economy in both Hong Kong and Macau.

E-commerce is growing unabated, but competition is intense and causing costs to jump. In Hong Kong, online domestic or international sales have made remarkable progress in 2020. The pandemic has boosted online shopping of not just staples but even mid- to low- end jewellery.

Even before the pandemic, we have been working on a system that will enable us to serve our customers online and offline seamlessly. Our goal is to allow our customers to shop as they like, and to take delivery at their convenience. Subject to constraints imposed by customs or tax boundaries, or by commercial agreements, from our entire inventory our customers can order finished pieces, or pick a gem and have it set, and choose the mode of delivery. It will enable us to leverage on our non-franchised physical shops and our strong e-commerce presence in the post-pandemic era.

Our securities and futures trading arm is a retail outfit with a risk profile different from that of our jewellery business. We decided to close it down, and the cessation process has begun. We have enlisted brokerage houses to assist our clients to transfer their accounts and holdings. Many of our staff will be joining them without a break in their employment. Many of our clients, and many of our staff too, have been with us a long time. We are thankful for the association and we wish them all the best.

主席致辭

疫情蔓延了一年多，科學及科技誠然已掌握了2019冠狀病毒的竅門。疫苗已有所供應，但由於其功效並不完全確切，市民的接種率不如預期。看來國際旅遊要免卻冗長隔離檢疫期，仍然遙不可及。

疫情以外，最令人憂心忡忡的當是全球地緣政治引發的大國間角力爭鋒。世界倘能避過新冷戰時代一劫，實是萬眾所祈幸。

說回本家，本人謹告，至目前中國大陸的復甦情況令人鼓舞，然而香港和澳門則遠遠落後。部份香港店舖的租金，經已遠非營業額所能支撐，無奈租約尚未到期而成為我們的沈重枷鎖。香港和澳門的經濟明顯因旅客卻步而承受嚴重打擊。


電子商務的增長勢頭不減，但競爭白熱導致成本激增。在香港，2020年的網上銷售，無論銷至本港或外國均取得顯著進展。疫情不僅增加了網購的需求，甚至促進了中低價位珠寶的網絡銷售。

早在疫症爆發之前，我們已一直在開發能為顧客提供無縫連接的線上線下服務系統。我們的目標是讓顧客能隨心順意地購物，享受便捷的派送服務。在海關或跨境稅務以及商業協議容許下，原則上各地顧客可以從我們整個庫存中訂購成品，又或選擇寶石下單鑲嵌，繼而選擇交貨方式。這制式使我們能夠在後疫情時代充分利用我們全部自營的實體店和強大的電子商務體系發揮更大的效益。

我們的證券及期貨交易業務，以散戶投資者為服務對象，其風險管理與我們的珠寶業務迥異。我們決定終止此業務，並啟動了結業程序。我們已委托了其他經紀行協助我們的客戶轉移其帳戶和資產，我們許多員工將無間斷地就聘於該等經紀行。客戶及員工與我們多有相當綿長的關係，大家的情誼彌足珍貴，謹祝願他們事事順利。

CHAIRMAN'S MESSAGE

I take this opportunity to thank all our stakeholders for their support and confidence. Particularly, in the midst of the pandemic, our frontline staff are the most exposed. I salute them for their dedication and tenacity in manning their posts in the face of adversity.



Vincent CHOW Wing Shing
Chairman

Hong Kong
25 March 2021

主席致辭

本人藉此感謝所有持份者的支持和信任。特別是我們的前線員工，在疫情中首當其衝，他們無懼逆境盡忠職守，為此我向他們致敬。



主席
周永成

香港
2021年3月25日

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Dr. CHAN Bing Fun, MB, BS, DMRT, aged 87, is an Independent Non-executive Director of the Company, and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He has been with the Group for over 45 years. Dr. CHAN is a medical doctor in private practice in Hong Kong.

Mr. Vincent CHOW Wing Shing, SBS, BBS, MBE, JP, aged 74, is an Executive Director of the Company, the Chairman of the Board, the Group General Manager and a director of a number of subsidiaries within the Group. Mr. CHOW is the cousin of Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing and the father of Ms. Genevieve CHOW Karwing. He is a director of Everwin Company Limited, a substantial shareholder of the Company. Mr. CHOW has been with the Group for over 35 years, having been the Group General Manager and the Chairman since 1998 and 2013 respectively. He is appointed by the Home Affairs Bureau's to its Advisory Committee on Arts Development as the Chairman and the Board of Governors of City University of Hong Kong Foundation as a member. Mr. CHOW was made an Honorary Fellow of the Hong Kong Academy for Performing Arts; and he serves as a Director of the Board of The Hong Kong International Film Festival Society Limited, which is a not-for-profit organisation. He is a member of the Board of Governors and a member of the College Council of the UOW College Hong Kong.

Dr. Gerald CHOW King Sing, aged 64, is an Executive Director of the Company. He is a member of the Nomination Committee of the Company and a director of a number of subsidiaries within the Group. He has joined the Group for over 35 years. Dr. CHOW is the elder brother of Mr. Winston CHOW Wun Sing, a cousin of Mr. Vincent CHOW Wing Shing and an uncle of Ms. Genevieve CHOW Karwing. He is a director of Speed Star Holdings Limited, a substantial shareholder of the Company. For community services in Hong Kong, Dr. CHOW is an expert member of the "Managing World Cities" Programme of the Faculty of Social Sciences, The University of Hong Kong. He is a panel member of the Public Affairs Forum under the Home Affairs Bureau, HKSAR until its cessation of operation in 2018, a former member of the Central Policy Unit of the Hong Kong Government (2009-2011) and a former council member of The Better Hong Kong Foundation (2007-2015). Dr. CHOW also served in the Central and Western District Fight Crime Committee (2009-2011). He is an honorary member of the Hong Kong Fire Services Officers' Mess and the founding President of the Central and Western District Fire Safety Ambassador Honorary Presidents' Association of the Hong Kong Fire Services Department. Dr. CHOW has been a voting member of the Po Leung Kuk Advisory Board since 1997. He is also a member of the Bauhinia Foundation Research Centre and the Hong Kong Strategy.

董事會及高級管理人員

陳炳勳醫生，MB·BS·DMRT，87歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼已服務本集團超過45年。陳醫生為香港私人執業醫生。

周永成先生，SBS·BBS·MBE，太平紳士，74歲，本公司之執行董事、董事會主席、本集團總經理及本集團內多家附屬公司之董事。周先生為周敬成醫生及周允成先生之堂兄及周嘉穎女士之父親。彼為本公司主要股東Everwin Company Limited之董事。周先生服務本集團超過35年，彼分別於1998年及2013年起出任本集團總經理及主席。彼獲委任為民政事務局屬下藝術發展諮詢委員會主席及香港城市大學基金理事會委員。周先生獲香港演藝學院頒授榮譽院士銜；彼現為一非牟利機構 – 香港國際電影節協會有限公司之董事。彼現為香港澳大利亞伍倫貢書院校董會及校務委員會之委員。

周敬成醫生，64歲，本公司之執行董事、提名委員會成員及本集團內多家附屬公司之董事。彼服務本集團超過35年。周醫生為周允成先生之兄長、周永成先生之堂弟及周嘉穎女士之堂叔。彼為本公司主要股東Speed Star Holdings Limited之董事。在香港社會公職方面，周醫生現為香港大學社會科學院國際都會之管理研究會顧問委員。彼為香港特區政府民政事務局公共事務論壇成員（直至該論壇於2018年停止運作）、香港政府中央政策組前顧問（2009年至2011年）及香港明天更好基金前理事（2007年至2015年）。周醫生曾擔任中西區撲滅罪行委員會委員（2009年至2011年）。彼為香港消防處長官會名譽會員及香港消防處中西區消防安全大使名譽會長會創會會長。周醫生自1997年起出任保良局諮詢委員會遴選委員，目前並為智經研究中心與群策學社會員。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理人員

Mr. Stephen TING Leung Huel, MH, FCCA, FCPA (Practising), ACA, CTA(HK), FHKIoD, aged 67, was an Independent Non-executive Director and the Secretary of the Company until September 2004. He was re-designated as a Non-executive Director of the Company on 28 September 2004. Mr. TING is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He is an independent non-executive director of seven other listed companies in Hong Kong, namely Tong Ren Tang Technologies Co. Ltd., Tongda Group Holdings Limited, New Silkroad Culturaltainment Limited, Computer And Technologies Holdings Limited, Texhong Textile Group Limited, Dongyue Group Limited and China SCE Group Holdings Limited. Mr. TING is an accountant in public practice and has more than 40 years of experience in this field. Currently, he is a partner of Ting Ho Kwan & Chan, Certified Public Accountants.

Mr. CHUNG Pui Lam, GBS, OBE, JP, LL.B (Lond.) (Hons), aged 80, is a Non-executive Director of the Company, and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 26 June 1995 and re-designated as a Non-executive Director in September 2004. Mr. CHUNG is a solicitor in practice. Apart from being a China-appointed Attesting Officer and a Hong Kong Notary Public, he is also an independent non-executive director of two other listed companies in Hong Kong, namely S E A Holdings Limited and Datronix Holdings Limited.

Mr. Winston CHOW Wun Sing, aged 63, is an Executive Director of the Company, the Group Deputy General Manager and a director of a number of subsidiaries within the Group. Mr. CHOW has been with the Group since 1984 (except 1988 to 1992) and has become the Group Deputy General Manager since 1995. Mr. CHOW is the younger brother of Dr. Gerald CHOW King Sing, a cousin of Mr. Vincent CHOW Wing Shing and an uncle of Ms. Genevieve CHOW Karwing. He has experience in real estate in Canada. Mr. CHOW's key responsibilities include the product development and staff learning and development of the Group's jewellery business in Greater China. He is the Chairman of Jewellery Advisory Committee of the Hong Kong Trade Development Council, a Vice-chairman of the Quality Tourism Services Association, an Executive Committee member of the Hong Kong Retail Management Association and a member of the Jewellery Industry Training Advisory Committee under the Qualifications Framework of the Education Bureau.

丁良輝先生，MH·FCCA·FCPA (Practising)，ACA·CTA(HK)·FHKIoD，67歲，曾為本公司之獨立非執行董事及公司秘書，任期至2004年9月。彼於2004年9月28日調任為本公司之非執行董事。丁先生現為本公司審核委員會、薪酬委員會及提名委員會成員，亦為其他七家香港上市公司之獨立非執行董事，分別為北京同仁堂科技發展股份有限公司、通達集團控股有限公司、新絲路文旅有限公司、科聯系統集團有限公司、天虹紡織集團有限公司、東岳集團有限公司及中駿集團控股有限公司。丁先生為執業會計師，在會計界有超過40年經驗。彼為丁何關陳會計師行合夥人。

鍾沛林先生，GBS·OBE，太平紳士，LL.B (Lond.) (Hons)，80歲，本公司之非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼於1995年6月26日獲委任為本公司之獨立非執行董事，並於2004年9月調任為非執行董事。鍾先生為執業律師，除為中國司法部委託公證人及香港國際公證人外，彼亦為其他兩家香港上市公司之獨立非執行董事，分別為爪哇控股有限公司及連達科技控股有限公司。

周允成先生，63歲，本公司之執行董事、本集團副總經理及本集團內多家附屬公司之董事。周先生自1984年起(1988年至1992年除外)服務本集團，自1995年起出任本集團副總經理。周先生為周敬成醫生之胞弟、周永成先生之堂弟及周嘉穎女士之堂叔。彼曾於加拿大從事地產業。周先生專責統籌本集團於大中華珠寶業務之產品開發及培訓發展工作。彼現任香港貿易發展局珠寶業諮詢委員會主席、優質旅遊服務協會副主席、香港零售管理協會執委會成員及教育局資歷架構下的珠寶業行業培訓諮詢委員會委員。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理人員

Mr. LEE Ka Lun, FCCA, aged 66, is an Independent Non-executive Director of the Company, and the chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 28 September 2004. Mr. LEE is an accountant by profession and has over 25 years of experience in banking and auditing. He was the Regional Deputy Chief Executive of Lloyds TSB Bank plc and Regional Director – Finance and Operation of Lloyds TSB's operations in Asia for over 15 years and has extensive experience in corporate banking, private banking, treasury, operations, IT developments and general management. He serves as an independent non-executive director of five other listed companies in Hong Kong, namely Yuexiu Property Company Limited, Chong Hing Bank Limited ("Chong Hing"), Medicskin Holdings Limited, Ever Harvest Group Holdings Limited and Best Mart 360 Holdings Limited. Mr. LEE is also an independent non-executive director of Yuexiu Financial Holdings Limited, a holding company of Chong Hing.

Dr. LO King Man, SBS, BBS, MBE, JP, FRSA, FHKU, UFHKPU, FHKAPA, DocHKAPA, Cavaliere (Order of Merit, Italy), Chevalier (Order of Arts and Letters, France), aged 83, is an Independent Non-executive Director, a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 28 September 2004. Following a career in higher education management, Dr. LO held appointments as Director of the Hong Kong Academy for Performing Arts during 1993 to 2004 and as Principal of the Canton International Summer Music Academy established by the Guangdong Government during 2004 to 2009. His public service included vice-chairmanship of the former Urban Council and membership of the Hong Kong Special Administrative Region Basic Law Consultative Committee, Examination Authority, Broadcasting Authority, Vocational Training Council and Arts Development Council. He has served on governing boards of numerous educational and cultural organisations. Dr. LO is the Chairman of the Hong Kong Arts Festival Programme Committee and the Vice Chairman of the Hong Kong Arts Festival Executive Committee. Dr. LO is also the Director-general of Musica Viva Limited. He is an independent non-executive director of another listed company in Hong Kong – Sing Lee Software (Group) Limited.

李家麟先生，FCCA，66歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會主席。彼於2004年9月28日獲委任為本公司之獨立非執行董事。李先生為專業會計師，在銀行及審計界服務超過25年。彼曾出任萊斯銀行亞洲區域副行政總裁及財務及營運董事超過15年，具豐富企業銀行、私人銀行、財務、營運、資訊科技發展及管理經驗。彼現任其他五家香港上市公司之獨立非執行董事，分別為越秀地產股份有限公司、創興銀行有限公司（「創興」）、密迪斯肌控股有限公司、永豐集團控股有限公司及優品360控股有限公司。李先生亦於創興一家控股公司越秀金融控股有限公司出任獨立非執行董事一職。

盧景文博士，SBS，BBS，MBE，太平紳士，FRSA，FHKU，UFHKPU，FHKAPA，DocHKAPA，Cavaliere (Order of Merit, Italy)，Chevalier (Order of Arts and Letters, France)，83歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼於2004年9月28日獲委任為本公司之獨立非執行董事。盧博士歷任多家大專學院高級行政職位，於1993年至2004年期間出任香港演藝學院校長，並於2004年至2009年期間出任廣東省政府創辦之中國廣東國際音樂夏令營校長。彼曾獲委任多項公職，包括前市政局副主席、香港特別行政區基本法諮詢委員會、考試及評核局、廣播事務管理局、職業訓練局及藝術發展局委員，亦出任多家大專學府及文化機構之董事會成員。盧博士現為香港藝術節目委員會主席及香港藝術節執行委員會副主席。盧博士亦為非凡美樂有限公司總監。彼為另一家香港上市公司 – 新利軟件(集團)股份有限公司之獨立非執行董事。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理人員

Mr. Stephen LAU Man Lung, OBE, JP, aged 75, is an Independent Non-executive Director of the Company, and a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. He was appointed as an Independent Non-executive Director of the Company on 17 December 2012. Mr. LAU is a qualified electrical engineer, and a member of The Institution of Engineering and Technology, United Kingdom, and with a postgraduate degree of Master of Science from the University of Surrey, England. He has more than 30 years of management and marketing experience, particularly in the textile and apparel field. Mr. LAU is the managing director of The Polyfabrics (Hong Kong) Limited. He was appointed as a member to vice-chairman of the Urban Council from 1978 to 1995. Mr. LAU was also appointed as a member of various committees, boards, and panels, namely the Textiles Advisory Board, the Trade and Industry Advisory Board, the Administrative Appeals Board, the Air Transport Licensing Authority, the Appeal Board Panel (Town Planning), the Board of Review (Inland Revenue Ordinance), the Broadcasting Authority, etc. He also served as a Council Member of The University of Hong Kong from 1985 to 1997. Mr. LAU is active in several charitable organisations and in Chiu Chow community associations.

Mr. Morison CHAN Chi Kong, FCPA, FCCA, FCS, FCG, CFA, MBA, aged 53, is the Company Secretary of the Company and the Group's Chief Financial Officer. Mr. CHAN joined the Group in February 2020 and has over 30 years of experience in accounting, auditing, corporate finance and management. Mr. CHAN is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants ("ACCA"), the Hong Kong Institute of Chartered Secretaries and the Chartered Governance Institute, and a Chartered Financial Analyst. He is the past Chairman of ACCA Hong Kong. Mr. CHAN is currently a member of the Professional Development Sub-committee of ACCA Hong Kong and the Accountancy Training Board.

Ms. Genevieve CHOW Karwing, aged 36, joined the Group in 2010 and is the Group's General Manager of Omni-channel Development. She leads the Group's e-Commerce business and is responsible for the development of strategic initiatives to better position the Company to deliver a holistic omni-channel shopping experience. Since 2018, Ms. CHOW is also Brand Director of EMPHASIS and PROMESSA, overseeing their branding, business development and product management. Ms. CHOW holds a dual Bachelor of Arts Degree in Science of Earth Systems and Economics from Cornell University. She is a GIA Applied Jewellery Professional (A.J.P.) and GIA Diamonds Graduate. Ms. CHOW is a daughter of Mr. Vincent CHOW Wing Shing and a niece of both Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing.

劉文龍先生，OBE，太平紳士，75歲，本公司之獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼於2012年12月17日獲委任為本公司之獨立非執行董事。劉先生為合資格電機工程師，以及英國工程及科技學會會員，並持有英倫University of Surrey理學碩士學位。彼在紡織及成衣界有逾30年之管理及市場行銷經驗。劉先生為港新企業有限公司之執行董事。彼於1978年至1995年期間獲委任為市政局議員及至副主席。劉先生亦曾擔任多個政府委員會及專責小組成員，計有紡織業諮詢委員會、工業貿易諮詢委員會、行政上訴委員會、空運牌照局、上訴委員團（城市規劃）、稅務上訴委員會、廣播事務管理局等。彼亦由1985年至1997年出任香港大學校務委員會委員。劉先生活躍於多個慈善團體及潮州社團。

陳志光先生，FCPA，FCCA，FCS，FCG，CFA，MBA，53歲，本公司之公司秘書及本集團之財務長。陳先生於2020年2月加入本集團，彼於會計、核數、企業財務及管理方面擁有逾30年經驗。陳先生為香港會計師公會、特許公認會計師公會、香港特許秘書公會及特許公司治理公會資深會員，亦同時為特許財務分析師。彼為特許公認會計師公會香港分會前會長。陳先生目前擔任特許公認會計師公會香港分會專業發展委員會及會計業訓練委員會委員。

周嘉穎女士，36歲，於2010年加入本集團，為本集團之全渠道發展總經理。彼監督本集團的電子商務業務，並負責制定業務策略使公司更能提供全面的全渠道購物體驗。自2018年，周女士亦為EMPHASIS和PROMESSA的品牌總監，負責監督這些品牌的定位、業務發展和產品管理。周女士擁有康奈爾大學的地球系統科學和經濟學雙學士學位。彼亦畢業於GIA應用珠寶家(A.J.P.)及GIA鑽石課程。周女士是周永成先生之女兒及周敬成醫生和周允成先生之堂侄女。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Mr. LAU Hak Bun, aged 68, is the Group's General Manager – Retail Operations (Greater China). Mr. LAU has been with the Group for over 50 years. He is well-experienced in sales management. Apart from managing the retail operations in Hong Kong and Macau, Mr. LAU is also responsible for the development of operational strategies in Greater China. He also serves as the Vice-chairman of the Hong Kong Jewellers' & Goldsmiths' Association Ltd. and the Chairman of The Kowloon Pearls, Precious Stones, Jade, Gold and Silver Ornament Merchants Association.

Ms. Susan MAK Wei Yee, FCCA, CPA, aged 64, is the General Manager of Chow Sang Sang Securities Limited. Ms. MAK joined the Group in 2001 and has over 40 years of experience in accounting, banking and finance. Ms. MAK is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

董事會及高級管理人員

劉克斌先生，68歲，本集團之大中華營運總經理。劉先生服務本集團超過50年，對於銷售管理擁有豐富經驗。除管理港澳零售業務外，劉先生亦負責研究及規劃大中華區的運作策略。彼亦擔任香港珠石玉器金銀首飾業商會副理事長及九龍珠石玉器金銀首飾業商會理事長。

麥惠怡女士，FCCA，CPA，64歲，周生生證券有限公司之總經理。麥女士於2001年加入本集團，於會計、銀行及財務方面累積逾40年經驗。麥女士為香港會計師公會及特許公認會計師公會之會員。

Overview

The covid-19 pandemic has been battering economies worldwide since early 2020. Border controls, restrictions on crowd gathering resulting in cancellation of wedding celebrations caused significant disruptions to the Group's jewellery business. The pandemic has brought unprecedented challenges to our retailing business, causing quarterly revenue to drop 45% year-on-year in the first quarter of 2020. Nonetheless, revenue decline started to narrow from the second quarter on. Our jewellery and watch sales in Mainland China regained its growth momentum in the second half of 2020. In Hong Kong and Macau, with the almost total absence of tourists, our 2020 jewellery and watch sales dropped 34%. Remarkable growth in watch sales partly offset the hit.

International gold price rose strongly in the first half of 2020 and dipped from its August peak. Surge in gold price hindered gold jewellery sales but helped margin enhancement. The Group recognised impairment losses on right-of-use assets arising from some Hong Kong jewellery stores with declined sales, as well as margin loans arising from our securities and futures broking business.

The Group's consolidated turnover for 2020 decreased by 15% to HK\$15,032 million. Profit attributable to equity holders decreased by 15% to HK\$544 million.

Retail of Jewellery and Watches

Analysis by Geographical Area

綜觀

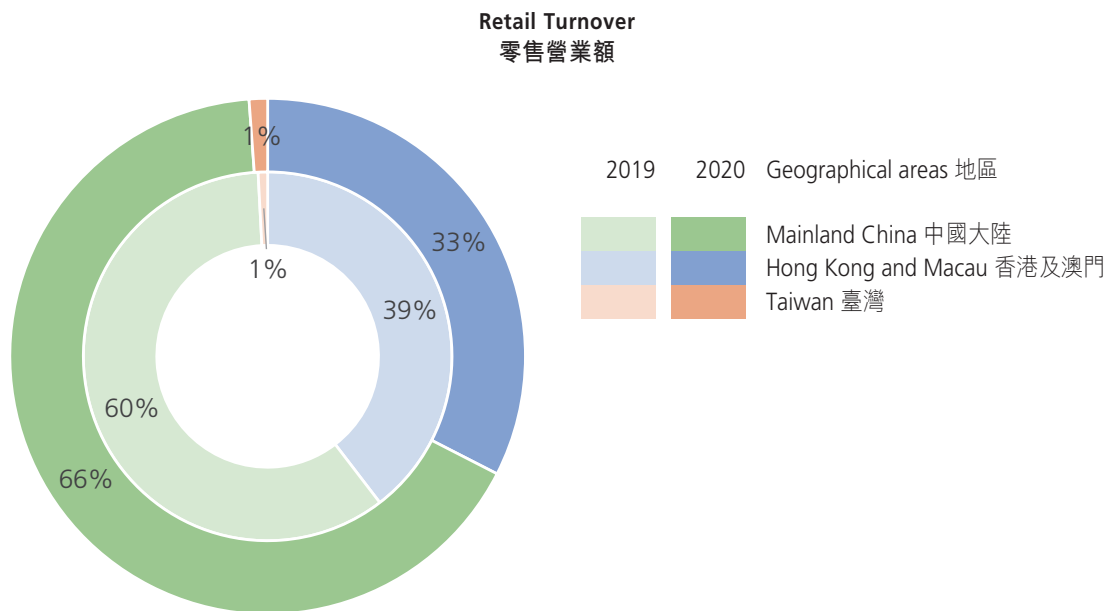
2019冠狀病毒疫情自2020年初以來一直衝擊全球經濟。邊境管制、限聚規定導致婚慶活動取消，對本集團珠寶業務造成嚴重衝擊。疫情為集團的零售業務帶來前所未有的挑戰，導致2020年第一季度的季度收入按年下跌45%。儘管如此，收入跌幅自第二季度起開始收窄。於2020年下半年度，我們在中國大陸的珠寶和鐘錶銷售重拾增長勢頭。在香港和澳門，由於遊客近乎絕跡，我們2020年的珠寶及鐘錶銷售下跌34%。鐘錶銷售的顯著增長抵消了部分下跌的衝擊。

國際金價在2020年上半年度強勁上升及至8月於高位回落。金價飆升阻礙黃金飾品銷售，但有助提升利潤率。本集團就部分銷售下跌的香港珠寶分店之使用權資產，以及證券及期貨經紀業務產生之孖展貸款作出了減值虧損確認。

集團2020年的綜合營業額減少15%至15,032百萬港元。股東應佔溢利減少15%至544百萬港元。

珠寶及鐘錶零售

按地區分析



Retail of Jewellery and Watches (continued)

珠寶及鐘錶零售(續)

Analysis by Geographical Area (continued)

按地區分析(續)

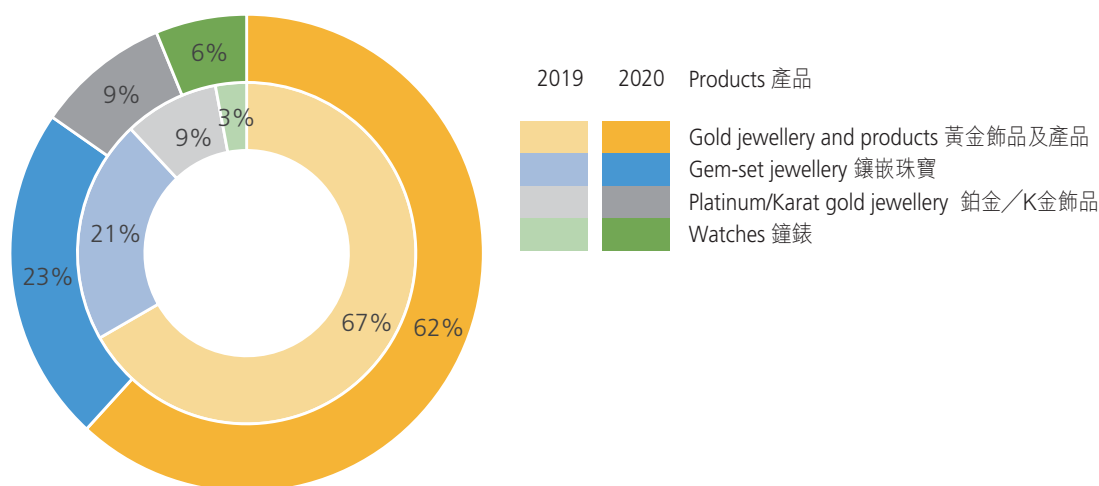
		Segment revenue			Segment results		
		分部收益		+/-	分部業績		+/-
2020	2019		2020		2019		
HK\$'M	HK\$'M		HK\$'M	HK\$'M			
百萬港元	百萬港元		百萬港元	百萬港元			
Mainland China	中國大陸	8,686	9,688	-10%	1,213	1,095	+11%
Hong Kong and Macau	香港及澳門	4,261	6,436	-34%	(310)	180	-272%
Taiwan	臺灣	151	134	+13%	12	7	+71%
Total	合計	13,098	16,258	-19%	915	1,282	-29%

Mainland China

Revenue fell 29% year-on-year in the first half of the year, but rebounded 10% in the second half, thanks to the easing of the covid-19 situation and sales from store expansion. Segment results were up 11% from the previous year, benefiting from the margin enhancement brought by the surge in gold price, as well as the accelerated growth in business conducted through Personalised Jewellery Service.

中國大陸

上半年度收入按年下跌29%，但下半年度反彈10%，這是由於2019冠狀病毒疫情緩和以及分店擴張帶來銷售。受惠於金價飆升帶來的利潤率提升，以及專屬訂製服務業務加速增長，分部業績比去年增長11%。

Mainland China Sales Mix
中國大陸銷售組合

Retail of Jewellery and Watches (continued)

Analysis by Geographical Area (continued)

Mainland China (continued)

Same Store Sales Growth ("SSSG")	同店銷售增長	2020 1H vs 2019 1H	2020 2H vs 2019 2H	2020 FY vs 2019 FY
		2020 年上半年度 比對 2019 年上半年度	2020 年下半年度 比對 2019 年下半年度	2020 年全年 比對 2019 年全年
Gold jewellery and products	黃金飾品及產品	-38%	-5%	-23%
Gem-set jewellery	鑲嵌珠寶	-21%	-2%	-11%
Watches	鐘錶	+27%	+159%	+91%
Overall	整體	-32%	+1%	-16%

- Overall SSSG was narrowed from -45% in the first quarter to -13% in the second quarter. With the pandemic coming under control, SSSG quickly returned to +1% in the second half.
- Rising gold price deterred buyers in the first half. Sales were stabilised in the second half as gold price retreated after its August peak.
- Our Personalised Jewellery Service business continued to grow strongly, supporting gem-set jewellery sales.
- Our watch sales on the Mainland benefitted as consumers, unable to travel outside the country, lavished their spending on the domestic market.

Hong Kong and Macau

2020 revenue was down 34% year-on-year. Jewellery sales were greatly influenced by the lack of visitors and wedding cancellations. Sales across all products except watches took a major downturn. The negative segment results were primarily due to operating deleverage on lower sales volume and impairment losses of HK\$170 million recognised on right-of-use assets arising from some jewellery stores in a prolonged loss situation. Government aid of HK\$79 million and rental relief of HK\$58 million were received which offset part of the loss.

珠寶及鐘錶零售(續)

按地區分析(續)

中國大陸(續)

- 整體同店銷售增長從第一季度的-45%收窄至第二季度的-13%。隨著疫情受控，下半年度同店銷售增長迅速回升至+1%。
- 上半年度金價上漲令買家卻步。隨著金價在8月高位後回落，下半年度的銷售情況趨向穩定。
- 專屬訂製服務業務增長持續強勁，支持鑲嵌珠寶銷情。
- 由於消費者未能出國旅遊而只可在本土市場盡情消費，我們在中國大陸的鐘錶銷售也因此受惠。

香港及澳門

2020年度收入按年下跌34%。珠寶銷售因缺乏訪客和婚禮取消而受極大影響。除鐘錶外，所有產品的銷售均出現大幅下滑。分部業績出現負增長，主要是因為銷量下降導致經營去槓桿化，以及部分珠寶分店長期處於虧損狀態，導致確認了使用權資產減值虧損170百萬港元。來自政府79百萬港元援助及業主減免租金58百萬港元抵銷了部分虧損。

Retail of Jewellery and Watches (continued)

Analysis by Geographical Area (continued)

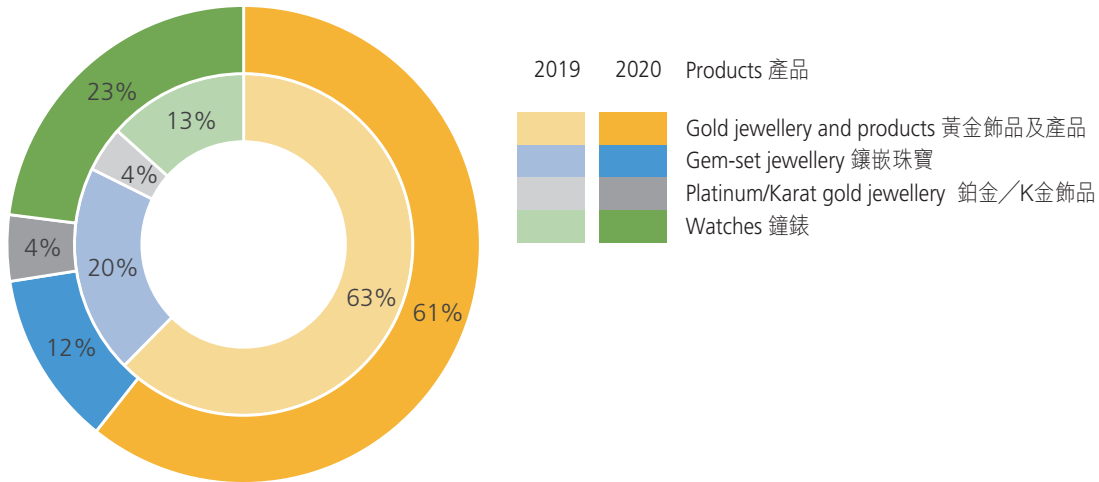
Hong Kong and Macau (continued)

珠寶及鐘錶零售(續)

按地區分析(續)

香港及澳門(續)

Hong Kong and Macau Sales Mix
香港及澳門銷售組合



SSSG	同店銷售增長	2020 1H vs 2019 1H 2020 年上半年度 比對 2019 年上半年度	2020 2H vs 2019 2H 2020 年下半年度 比對 2019 年下半年度	2020 FY vs 2019 FY 2020 年全年 比對 2019 年全年
Gold jewellery and products	黃金飾品及產品	-48%	-25%	-37%
Gem-set jewellery	鑲嵌珠寶	-70%	-44%	-60%
Watches	鐘錶	-5%	+35%	+14%
Overall	整體	-47%	-19%	-34%

- Sales were hit hard by the pandemic in the first half, then eased slightly in the third quarter. Year-on-year decline in the second half eased as 2019 had a lower base caused by social unrest.
- The outbreak of the fourth wave of the pandemic in late November 2020 and tightened crowd control measures hit local consumption again.
- According to provisional figures from Hong Kong Census and Statistics Department, number of marriages in 2020 was down 36.4% year-on-year, which damped the demand for jewellery products.
- As in Mainland China, robust sales of Rolex watches helped ease the pain.

- 上半年度銷售受到疫情重創，到第三季度稍為緩和。2019年度受社會不穩影響導致基數較低，下半年度的同比下跌因而有所緩和。
- 2020年11月下旬爆發第四波疫情並收緊了人流管控措施，再度重創本地消費。
- 香港政府統計處的臨時數據顯示，2020年結婚人數按年下跌36.4%，抑制了珠寶產品的需求。
- 與中國大陸一樣，勞力士手錶的強勁銷售有助減輕整體銷售下跌的影響。

Taiwan

The pandemic has had a smaller impact in Taiwan than in other regions where our retail stores were operating. Benefitting from solid internal consumption, turnover increased by 13% to HK\$151 million.

臺灣

疫情對臺灣的影響較我們在其他地區經營的零售分店為小。受惠於堅實的內部消費，營業額上升13%至151百萬港元。

Retail of Jewellery and Watches (continued)

珠寶及鐘錶零售(續)

Store Network

分店網絡

Region 地區		As at 31.12.2019 於 2019 年 12 月 31 日	Opening 開業	Closure 結業	Net change 淨變化	As at 31.12.2020 於 2020 年 12 月 31 日
Mainland China 中國大陸	Chow Sang Sang 周生生	561	+62	-32	+30	591
	周生生 生生•活宇 (Oasis by Chow Sang Sang)	0	+10	0	+10	10
	Rolex/Tudor 勞力士/帝舵	13	0	-1	-1	12
	MINTYGREEN MINTYGREEN	25	+3	-3	0	25
	EMPHASIS EMPHASIS	7	+6	-1	+5	12
	PROMESSA PROMESSA	0	+2	0	+2	2
	MARCO BICEGO MARCO BICEGO	0	+1	0	+1	1
Sub-total: 小計:		606	+84	-37	+47	653
Hong Kong 香港	Chow Sang Sang 周生生	49	0	-1	-1	48
	Rolex/Tudor 勞力士/帝舵	12	0	0	0	12
	EMPHASIS EMPHASIS	4	+1	-1	0	4
	PROMESSA PROMESSA	0	+1	0	+1	1
Sub-total: 小計:		65	+2	-2	0	65
Macau 澳門	點睛品 點睛品	5	+1	-2	-1	4
Sub-total: 小計:		5	+1	-2	-1	4
Taiwan 臺灣	點睛品 點睛品	24	+1	0	+1	25
	PROMESSA PROMESSA	0	+1	0	+1	1
Sub-total: 小計:		24	+2	0	+2	26
Total: 合計:		700	+89	-41	+48	748

MANAGEMENT DISCUSSION AND ANALYSIS

Retail of Jewellery and Watches (continued)

Store Network (continued)

Chow Sang Sang/點睛品

- During the year, 72 new Chow Sang Sang stores were opened in Mainland China and a total of 32 stores were closed. 53 of the new stores were located in shopping malls.
- In September 2020, we launched our line of shops with the moniker “生生·活宇” (Oasis by Chow Sang Sang) in Beijing, PRC. In order to blend into residential neighbourhoods, this line of shops is fitted out in a relaxed, “corner-store” style and carries themed products lines. Total number of stores increased to 10 at the end of the year.
- In Hong Kong, one Chow Sang Sang store, located in Tsuen Wan, was closed.
- There was a net decrease of one 點睛品 store in Macau during the year.
- We added one more 點睛品 store in New Taipei City, Taiwan.

PROMESSA

- PROMESSA is the name of our signature collection of engagement rings and wedding bands, which we now promote on its own in a specialty store designed to evoke an atmosphere suited for making a proposal of marriage.
- The first PROMESSA store was launched in Chongqing in May 2020. Three other PROMESSA stores were then opened in Shanghai, PRC, Tsimshatsui, Hong Kong and Hsinchu City, Taiwan.

EMPHASIS

- EMPHASIS aims to define the new daily wear jewellery.
- Store number has a net increase of 5 to 16 to get connected with customers who love originality and creativity.

MARCO BICEGO

- MARCO BICEGO is an Italian jewellery brand featuring artisanal craftsmanship and contemporary design concepts.
- We have been distributing these all-Italian-made art pieces in our network since 2000. The first MARCO BICEGO specialty store was opened in Beijing in May 2020.

MINTYGREEN

- MINTYGREEN is an affordable daily wear brand that makes items suitable for younger generation to wear every day.
- All MINTYGREEN stores are located in Mainland China and store number stood at 25 at the end of 2020.

管理層討論及分析

珠寶及鐘錶零售(續)

分店網絡(續)

周生生/點睛品

- 年內有72家周生生新店在中國大陸開業，及合共有32家分店結業。新店中有53家設於商場內。
- 於2020年9月，我們在中國北京推出以「生生·活宇」為名的周生生營銷概念分店系列。為了融入社區，該系列店舖以輕鬆的「親民小店」風格設計及經營主題產品系列。於年底店舖總數增至10家。
- 在香港，一家位於荃灣的周生生分店結業。
- 年內澳門點睛品分店淨減一家。
- 我們在臺灣新北市增加了一家點睛品分店。

PROMESSA

- PROMESSA是本集團求婚鑽戒和結婚對戒旗艦系列的名稱，現將其升格為自家品牌專門店及打造成充滿求婚氣氛的場所。
- 首家PROMESSA店於2020年5月在重慶開業。隨後在中國上海、香港尖沙咀及臺灣新竹市開設了另外三家PROMESSA店。

EMPHASIS

- EMPHASIS旨在重新定義日常佩戴珠寶。
- 分店數目淨增5家至16家，與熱愛原創和創新的顧客建立聯繫。

MARCO BICEGO

- MARCO BICEGO為一個以精湛手工藝及當代設計理念為特色的意大利珠寶品牌。
- 我們自2000年起在分店網絡銷售這些充滿藝術風格的全意大利手工製造珠寶。首家MARCO BICEGO專門店於2020年5月在北京開業。

MINTYGREEN

- MINTYGREEN是一個打造適合年輕一代每日佩戴而又價格實惠的首飾品牌。
- 所有MINTYGREEN分店均位於中國大陸，於2020年底之分店數目維持於25家。

Retail of Jewellery and Watches (continued)

Chow Sang Sang Omni-Channel Retailing

On-line Sales

On-line Sales by Market	按市場劃分的 線上銷售	2020 HK\$'M 百萬港元	2019 HK\$'M 百萬港元	+
Mainland China	中國大陸	1,546	1,532	+1%
Hong Kong, Taiwan and Others	香港、臺灣及其他	68	36	+89%

- For e-commerce in the Mainland market, we have set up flagship stores on the main platforms Tmall, JD, VIP as well as smaller ones operated by banks and other entities. In addition, we have our own online stores.
- Mainland China online sales were steady in spite of covid-19 and accounted for about 18% of our Mainland China sales (2019: 16%).
- For Hong Kong and beyond, we operate our online stores in Hong Kong and Taiwan. We work with HKTVmall, Lazada and Amazon.
- Global pandemic has solidified the demand for e-commerce. 2020 online sales to Hong Kong, Taiwan and other markets were almost double that of 2019.

Omni-Remote Sales

- 2020 was a year of milestone significance in respect of Chow Sang Sang omni-channel retailing. It has become the new phenomenon: customers browse and purchase products online, and shop across physical stores and e-commerce platforms.
- With Omni-Remote Sales, we can offer a wider variety of products from both physical store network and distribution centres.
- Personalised Jewellery Service is ideal model which is complementary to and synergistic with omni-channel retailing. Customers can create customised pieces by using designated applications online or with the help of our sales professionals in store, visit any Chow Sang Sang physical store to feel and touch the jewellery, and collect the tailor-made jewellery via in-store pickup or door-to-door delivery.

珠寶及鐘錶零售(續)

周生生全渠道零售

線上銷售

- 對於中國大陸市場的電子商貿，我們已在天貓、京東、唯品會等主要平台開設了旗艦店，並於由銀行和其他單位經營規模較小之平台上營運。此外，我們還有自己的線上商店。
- 儘管受到2019冠狀病毒疫情的影響，中國大陸的線上銷售仍保持穩定，佔中國大陸銷售約18% (2019年：16%)。
- 就香港及其他地區，我們在香港及臺灣經營線上商店，並與HKTVmall，Lazada和Amazon合作。
- 一場全球大流行的疫情鞏固了對電子商貿的需求。香港、臺灣及其他市場2020年的線上銷售額幾乎是2019年的兩倍。

全渠道遙距銷售

- 對於周生生的全渠道零售而言，2020年是具有里程碑意義的一年。全渠道零售已成為一種新現象：顧客在線瀏覽和購買產品，亦可橫跨實體店和電子商貿平台購物。
- 藉全渠道遙距銷售，我們可以從實體店網絡及庫存中提供更多種類的產品供顧客選擇。
- 專屬訂製服務是與全渠道零售相輔相成的理想模式。顧客可於線上使用指定的應用程式，或在店內的專業銷售人員協助下訂製專屬的珠寶首飾，並可親臨任何一家周生生實體店，親身感受和觸摸首飾，然後可透過到店提貨或送貨上門服務以收取度身訂造的珠寶首飾。

Retail of Jewellery and Watches (continued)

Chow Sang Sang Omni-Channel Retailing (continued)

Omni-Remote Sales (continued)

- In February 2020, we introduced our Star Concierge Service, which empowers our store staff with the communication tools to judiciously approach their customers and guide them to conclude sales.
- Omni-Remote Sales include sales generated from e-commerce platforms, Star Concierge Service and other remote sales concluded out of in-person branch environment or with remote inventory. As a percentage to total sales in Mainland China, 2020 sales surged to 32% (2019: 21%).

Products and Marketing

- Personalised Jewellery Service offers high degree of personalisation and seamless O2O experience to our customers. We have continued to optimise our product offering and enhance customer experience, including launch of more variety of products, introduction of patented ring with adjustable shank for try-on and addition of sales mini-programs in various e-commerce platforms.
- Diamond jewellery sales from this service for the Group surged over 300% to HK\$536 million, representing 23% of corresponding sales (2019: 5%).
- Customers are still eager for value-preserving and hard-to-find consumer products on the market. Rolex sales growth in 2020 has been remarkable. We also added a new category of gold ingot products in Hong Kong to meet the needs of customers who treasure craftsmanship as well as product value as investment.
- Chow Sang Sang takes inspiration from Chinese culture and portrays the classic elements with modern artistry. Collections steeped in Chinese heritage and aesthetics have been well-received by the market.
- The Group participated in 10 wedding expos in Mainland China, Hong Kong and Taiwan in 2020 to attract young couple clientele.
- We organised over 4,600 hours of live streaming shows on various e-commerce platforms in 2020.

珠寶及鐘錶零售(續)

周生生全渠道零售(續)

全渠道遙距銷售(續)

- 2020年2月，我們推出了星導賞服務，這賦予我們的店員透過通訊工具，恰當地聯絡他們的客戶，並協助他們完成選購。
- 全渠道遙距銷售包括：從電子商貿平台、星導賞服務產生的銷售及在親臨分店環境以外或遙距庫存環境下完成的遙距銷售。2020年此銷售佔中國大陸總銷售的百分比激增至32% (2019年：21%)。

產品發展及營銷推廣

- 專屬訂製服務為我們的顧客提供高度個性化和無縫O2O體驗。我們繼續優化產品供應及提升客戶購物體驗，包括擴大產品種類、引入可調較戒圈的專利設計戒指供試戴，以及增加不同電商平台導購小程序。
- 本集團此項服務的鑽石珠寶銷售金額激增超過300%至536百萬港元，佔我們相應鑽石銷售23% (2019年：5%)。
- 顧客對具保值能力及難求的消費品需求仍然殷切。同時，勞力士在2020年的銷售增長出色。我們亦在香港的金片產品中增加了一項新類別，以滿足顧客重視產品工藝及其投資價值的需要。
- 周生生從中國文化中汲取靈感，並以現代藝術風格描繪出經典元素。滲入中國傳統和美學的產品系列受到市場歡迎。
- 本集團於2020年在中國大陸、香港及臺灣參加了10場婚博會，以吸引年輕夫婦及情侶客群。
- 2020年，我們在多個電子商貿平台舉辦了超過4,600小時的直播節目。

MANAGEMENT DISCUSSION AND ANALYSIS

Wholesale of Precious Metals

Although gold wholesale business contracted slightly, sales of other metals achieved satisfactory growth. 2020 turnover was up 31% to HK\$1,885 million and segment operating profit increased to HK\$11 million.

Securities and Futures Broking

IPO fundraising and securities transactions in Hong Kong were active in 2020, with average daily turnover up 49% compared to 2019. Commission income from securities and futures broking business increased by 45% to HK\$35 million.

Nevertheless, in January 2021, the Board came to the decision to wind down the operation of the securities and futures broking business and it is expected that it will cease its operations in May 2021. The Board believes that the cessation will have no material adverse impact on the operations of the Group, but will conserve resources for the better development of its jewellery business.

The Group has initiated legal proceedings in the Court of First Instance of the High Court of Hong Kong by issuing writs of summons on 1 February 2021 against some customers (the "Default Customers") who defaulted on the payment of commission fees and margin facility interests and/or the repayment of margin loans, their respective guarantors and the introducer who referred those customers to the Group.

Provisions for impairment losses totalling HK\$44 million and HK\$446 million were made on loans due from the Default Customers for the years ended 31 December 2020 and 2019 respectively. As at 31 December 2020, total loans due from the Default Customers (being part of receivables arising from securities and futures broking conducted in the ordinary course of business in note 22 to the consolidated financial statements) and corresponding total credit loss allowance on such receivables amounted to HK\$711 million and HK\$490 million respectively.

管理層討論及分析

貴金屬批發

儘管黃金批發業務略有收縮，惟其他金屬的銷售卻取得滿意的增長。2020年營業額增長31%至1,885百萬港元，分部經營溢利增加至11百萬港元。

證券及期貨經紀

2020年香港首次公開招股集資及證券交投活躍，平均每日成交量較2019年上升49%。證券及期貨經紀業務的佣金收入增加45%至35百萬港元。

然而，董事會於2021年1月決定終止證券及期貨經紀業務，並預期於2021年5月終止營運。董事會相信終止將不會對集團之營運造成重大不利影響，卻能善用資源以加強發展其珠寶業務。

本集團已於2021年2月1日在香港高等法院原訟法庭提出法律訴訟，發出傳訊令狀予一些拖欠支付佣金費及孳展融資利息及／或償還結欠之孳展貸款的客戶（「違約客戶」）及彼等各自之擔保人，以及引薦這些客戶予本集團的介紹人。

截至2020年12月31日及2019年12月31日止年度就違約客戶之貸款計提減值虧損撥備分別合共為44百萬港元及446百萬港元。於2020年12月31日，違約客戶的貸款總額（包含在日常業務中證券及期貨經紀產生之應收賬款（載於綜合財務報告附註22））和此應收賬款相關信貸虧損撥備總額分別為711百萬港元及490百萬港元。

Investments

Investment Properties

The Group holds various properties with a total carrying value of HK\$333 million for rental purpose. Rental income from investment properties amounted to HK\$11 million, which is less than 1% of the Group's turnover.

Shares in Hong Kong Exchanges and Clearing Limited ("HKEC")

The Group's investment in 3,326,800 shares or 0.26% of HKEC is of strategic nature and is the remaining part of the distribution received from the reorganisation of the then exchanges in the year 2000. Such investment was carried at fair value of HK\$1,414 million, representing 8.4% of the Group's total assets as at 31 December 2020.

During the year, the Group received dividends in the amount of HK\$24 million and recorded a gain of HK\$611 million recognised in other comprehensive income in respect of fair value change of the Group's financial assets designated at fair value through other comprehensive income. Also, the Group sold 235,000 shares in HKEC. The disposal enables the Group to realise cash and unlock the value in its investment in HKEC at fair market value. The accumulated gain recognised in other comprehensive income of HK\$101 million was transferred to retained profits.

Capital Expenditure

The Group incurred capital expenditure of HK\$244 million of which HK\$200 million was spent on new openings and refitting of stores.

Finance

Financial Position and Liquidity

The Group generates strong recurring cashflow from its retailing business and continues to enjoy a solid cash position. As at 31 December 2020, the Group had cash and cash equivalents of HK\$1,654 million (2019: HK\$1,028 million). Cash is mostly held in Renminbi or Hong Kong dollar and deposited in leading banks with maturity dates falling within one year.

The Group was well supported by over HK\$6,222 million in banking facilities including bank borrowings and bullion loans, out of which HK\$782 million are committed facilities. As at 31 December 2020, the total unutilised banking facilities amounted to HK\$4,083 million (2019: HK\$3,992 million).

投資

投資物業

本集團持有作收租用途之物業，而其賬面總值333百萬港元。投資物業帶來之租金收入為11百萬港元，佔本集團營業額少於1%。

香港交易及結算所有限公司(「港交所」)股份

本集團持有3,326,800股或0.26%港交所的股份為策略性投資，該等股份乃於2000年交易所重組而獲分配的剩餘部分。該投資的公平價值為1,414百萬港元，佔本集團於2020年12月31日總資產的8.4%。

年內，本集團收取24百萬港元股息，以及就指定為按公平價值計入其他全面收益的財務資產之公平價值變動，錄得611百萬港元收益計入其他全面收益中。此外，本集團沽出235,000股港交所股份，讓本集團以合理市價變現其於港交所的投資。於其他全面收益確認之累計收益101百萬港元已轉撥至保留溢利。

資本性開支

本集團的資本性開支為244百萬港元，其中200百萬港元用於新店開業及店舖重新裝修。

財務

財務狀況及流動資金

本集團的零售業務提供本集團充裕的現金。於2020年12月31日，本集團手頭現金及現金等價物為1,654百萬港元(2019年：1,028百萬港元)。大部分現金以人民幣或港元以不超過一年期存於大型銀行。

本集團獲得超過6,222百萬港元的銀行融資支持，包括銀行貸款及貴金屬借貸，其中782百萬港元為保證融資。於2020年12月31日，未動用之銀行融資總額為4,083百萬港元(2019年：3,992百萬港元)。

Finance (continued)

Financial Position and Liquidity (continued)

As at 31 December 2020, total bank borrowings and bullion loans amounted to HK\$1,080 million and HK\$1,002 million respectively, most of which were unsecured in accordance with the Group's policy. The weighted average tenure of bank borrowings is around three years. The gearing ratio was 17.3%, based on total bank borrowings and bullion loans of HK\$2,082 million as a percentage of total equity of HK\$12,019 million. The current ratio of the Group was 3.5.

The Group manages risk of credit cost and availability by several means: cultivating relationship with a large number of lending banks; diversifying the funding sources by engaging a number of local and overseas banks; putting some loans on a term basis; and fixing interest costs on loans as appropriate. The Group had 27% of its bank loans at fixed rates as at 31 December 2020, decreased from 32% as at 31 December 2019.

As at 31 December 2020, outstanding derivatives on the books were mainly bullion contracts for hedging the bullion price exposure. Management monitors the hedging policy closely and the hedging level of the Group is approximately 40% of the total gold inventories.

Foreign Exchange Risk Management

The Group's assets and liabilities, revenue and expenses are mostly denominated in Hong Kong dollar, Renminbi and US dollar. As such, the risk is easily manageable and slight. Simultaneously, the Group maintains an appropriate level of foreign currency borrowings for natural hedge and cross currency swaps, to mitigate foreign exchange exposure. As at 31 December 2020, the borrowing denominated in New Taiwan dollar amounted to NT\$100 million.

Charge on Assets, Lease Liabilities and Contingent Liabilities

As at 31 December 2020, listed equity investments of HK\$850 million (2019: HK\$784 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

As at 31 December 2020, the Group had lease liabilities of HK\$1,001 million (2019: HK\$1,300 million) and had no material contingent liabilities.

財務(續)

財務狀況及流動資金(續)

於2020年12月31日，本集團總銀行貸款及貴金屬借貸分別為1,080百萬港元及1,002百萬港元，按本集團政策大部分以無抵押方式取得。銀行貸款的加權平均期限約為三年。按總銀行貸款及貴金屬借貸為2,082百萬港元，以權益總額12,019百萬港元為基準，資本負債比率為17.3%。本集團之流動比率為3.5。

本集團以多種方式管理信貸成本風險及可用額度：與多家提供融資的銀行維持良好伙伴關係、向多家本地及海外銀行申請融資以分散資金來源、將部分借貸轉為長期貸款及按情況固定利息支出。於2020年12月31日，本集團的銀行貸款中有27%為定息借貸，較2019年12月31日的32%為低。

於2020年12月31日，賬面上未平倉之衍生工具主要為用作對沖貴金屬價格風險的貴金屬合約。管理層密切監控對沖政策，現時本集團的對沖水平約為黃金總存貨的40%。

外匯風險管理

本集團資產及負債、收入及支出大部分以港元、人民幣及美元計值，此等風險較容易掌握及有限。同時，本集團維持適當水平的外幣借款作自然對沖及交叉貨幣掉期對沖，以減低外匯風險。於2020年12月31日，新臺幣的貸款為100百萬新臺幣。

資產抵押、租賃負債及或然負債

於2020年12月31日，本集團以850百萬港元(2019年：784百萬港元)的上市股份投資作為本公司若干附屬公司取得銀行信貸之抵押。

於2020年12月31日，本集團之租賃負債為1,001百萬港元(2019年：1,300百萬港元)及並無重大或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS

Human Resources

The Group maintains its long-established performance-based remuneration policies with a discretionary annual performance bonus. Training has been provided to new and existing staff at a pace commensurate with the expansion of the networks in all territories.

On 11 June 2020, the shareholders of the Company approved and adopted a new share option scheme and terminated the share option scheme adopted on 7 December 2010. The new share option scheme is to provide incentives or rewards to eligible participants for their contribution to the Group and enabling the Group to attract and retain valuable employees. Details of the schemes are set out in note 34 to the consolidated financial statements.

As at 31 December 2020, the total number of employees of the Group was 10,109, of whom 8,453 in Mainland China, 1,474 in Hong Kong and Macau, and 182 in Taiwan. During the year ended 31 December 2020, total staff costs amounted to HK\$1,401 million.

Outlook

Stepping into 2021, overseas visitors to Hong Kong remained at zero, and crowd control measures continued to halt most wedding plans. China's pace to rebuilding its economy under covid-19 and the ongoing China-US friction is of paramount importance to the world's economic recovery and our business outlook. With global vaccinations underway, we have seen encouraging surges in consumer spending in our major markets during the Chinese New Year period.

The pandemic has pushed people to change and adopt digitalisation. It is now well accepted that the real and virtual market places are converging. Based on our system comprising finely segmented brands, two e-commerce centres and multiple platforms, more than 700 physical stores all self-owned and operated, an intelligent fulfilment centre coupled with a manufacturing facility in Shunde, we are uniquely positioned to offer our customers a seamless shopping experience. Going forward, we will continue to optimise our omni-channel retailing ecosystem. These tasks include further integration of multi-brand store network with digital platforms, upgrading retail management system and engaging customers with quality products and services. Our customers can shop whenever they want, from wherever they are, choose a product from our national inventory or have one made from our inventory of gems and settings, and take delivery at home or from virtually any store.

管理層討論及分析

人力資源

本集團保持其行之已久按表現為基準的新酬政策，並設置酌情的年終業績獎金。向新入職及現有員工提供培訓，以配合本集團各地分店網絡擴展的步伐。

於2020年6月11日，本公司股東通過及採納新購股權計劃及終止於2010年12月7日採納之購股權計劃。新購股權計劃向合資格參與人就彼等對本集團作出貢獻給予獎勵或獎賞，以及使本集團能吸引並挽留具有價值的僱員。該計劃詳情載於綜合財務報告附註34。

於2020年12月31日，本集團共有10,109位僱員，其中8,453名為中國大陸地區員工，1,474名為香港和澳門地區員工，以及182名為臺灣地區員工。截至2020年12月31日止年度，總員工開支為1,401百萬港元。

展望

踏入2021年，海外訪港旅客僅乎零，而人流管控措施繼續令大部分婚禮計劃停頓。中國大陸在2019冠狀病毒疫情下重建經濟的步伐，以及持續的中美摩擦，對世界經濟復甦和我們的業務前景至關重要。隨著全球進行疫苗接種，於春節期間，我們看到在我們的主要市場出現了令人鼓舞的消費增長。

疫情促使人們改變和採用數位化科技。現在大家公認的是，實體市場和虛擬市場正在融合。基於我們的系統由多個精心細分的品牌、兩個電商中心和多個平台、超過700家自營實體店，及位於順德的智能配送中心和生產廠房組成，在為顧客提供無縫購物體驗方面具有獨特的優勢。展望未來，我們將持續優化全渠道零售生態圈。這些工作包括進一步整合多品牌分店網絡與數碼平台、提升零售管理系統，及以優質的產品及服務吸引顧客。我們的顧客可以隨時隨地購物，從我們全國性的庫存中選擇產品，或從我們的庫存中挑選寶石作鑲嵌訂製，還可以選擇送貨到家中或到幾乎任何一家分店領取。

Outlook (continued)

We realised that offline and online channels share the same importance in achieving success. 2020 has been a milestone in the context of Chow Sang Sang multi-brand implementation. We added three more categories of stores, namely PROMESSA, 生生·活宇 (Oasis by Chow Sang Sang) and MARCO BICEGO. PROMESSA is the line of stores that is devoted to our signature collections of engagement rings, wedding bands and related merchandise. Our mainline store brand is Chow Sang Sang. These stores are fully scaled, carrying all our lines of merchandise. We have evolved a new line of stores bearing the moniker 生生·活宇 (Oasis by Chow Sang Sang) as a subtext to Chow Sang Sang. This line of stores is fitted out in a relaxed, "corner-store" style designed to blend into residential neighbourhoods. They are generally smaller than the mainline stores and they typically carry products following one of three themes: culture, lifestyle and romance. We envisage that by means of this line we can speed up the expansion of our network's geographical coverage and deepen our penetration of the lower-tiered cities in Mainland China. In Hong Kong, we will continue to adjust our store network to better serve local customers. We plan to open a total of some 100 stores in 2021 in accordance with our multi-brand strategy.

展望(續)

我們意識到線下及線上渠道在實現成功的過程中具有同樣的重要性。2020年是周生生執行多品牌策略的一個里程碑。我們增加了三個分店類別，分別是PROMESSA、生生·活宇及MARCO BICEGO。PROMESSA是專門經營求婚鑽戒和結婚對戒旗艦系列及相關商品的分店。我們的主線分店品牌周生生是具規模分店，銷售我們所有的產品系列。我們由此演化了一個新的分店類別，以生生·活宇為名，作為周生生的副線分店。這類分店以輕鬆的「親民小店」風格設計，旨在融入社區。它們的規模一般比主線分店小，並通常銷售帶有傳統文化、時尚日常或愛情小品三個主題的特色產品。我們預計透過這個分店類別可以加快擴大分店網絡的地理覆蓋面，並加強中國大陸較低線城市的滲透度。在香港，我們將繼續調整店舖網絡，加強服務本地客群。按照我們的多品牌策略，我們計劃在2021年共開設約100家分店。

REPORT OF THE DIRECTORS

The Directors present their report and the audited consolidated financial statements for the year ended 31 December 2020.

Principal Activities

The principal activity of the Company is investment holding. Its subsidiaries are active in the field of the manufacture and retail of jewellery, distribution of watches, wholesale of precious metals, and securities and futures broking. Details of the principal activities of the subsidiaries are set out in note 45 to the consolidated financial statements.

Results and Dividends

The Group's profit for the year ended 31 December 2020 and the Group's financial position as at that date are set out in the consolidated financial statements on pages 72 to 192.

An interim dividend of HK5.0 cents per ordinary share was paid on 24 September 2020. The Directors recommend the payment of a final dividend of HK26.0 cents per ordinary share and a special final dividend of HK16.0 cents per ordinary share in respect of the year to shareholders whose names appear on the register of members of the Company on 10 June 2021.

Business Review

A fair review and the outlook of the Group's business are provided in the Chairman's Message on pages 3 and 4 and the Management Discussion and Analysis on pages 10 to 22 of this annual report. Details of the significant event of the Group after reporting period are set out in note 43 to the consolidated financial statements. Certain financial key performance indicators are provided in the Financial Highlights on page 2.

An account of the Group's key relationships with its employees, customers and suppliers as well as the principal risks and uncertainties of the Group are shown in the Corporate Governance Report on pages 50 to 62.

In addition, discussions on the Group's environmental policies and performance, and compliance with relevant laws and regulations are included in the Environmental, Social and Governance Report on pages 33 to 49.

The above review constitutes part of this report.

董事會報告

董事會謹此呈交截至2020年12月31日止年度之報告及經審核綜合財務報告。

主要業務

本公司之主要業務為投資控股。其附屬公司活躍於珠寶製造及零售、鐘錶分銷、貴金屬批發，以及證券及期貨經紀範疇。附屬公司之主要業務詳情載於綜合財務報告附註45。

業績及股息

本集團截至2020年12月31日止年度之溢利及本集團於該日之財政狀況載於綜合財務報告第72至192頁內。

本公司於2020年9月24日派發中期股息每普通股5.0港仙。董事會建議派發本年度末期股息每普通股26.0港仙及特別末期股息每普通股16.0港仙予名列於2021年6月10日本公司股東名冊上之股東。

業務審視

對本集團業務之中肯審視及展望載述於本年報第3及4頁之主席致辭以及第10至22頁之管理層討論及分析內。有關本集團於報告期後發生之重大事件，詳情載於綜合財務報告附註43。若干財務主要表現指標載於第2頁之財務摘要。

有關本集團與其員工、客戶及供應商之重要關係，以及本集團之主要風險及不確定因素載於第50至62頁之企業管治報告。

此外，本集團環保政策及表現之討論，以及相關法律及規例之合規事宜載於第33至49頁之環境、社會及管治報告。

上述審視構成本報告之一部分。

Five-year Financial Summary

A summary of the published results, and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out below. This summary does not form part of the audited consolidated financial statements.

五年財務摘要

下文載列本集團過去五個財政年度之已公布業績、資產及負債之概要(乃摘錄自經審核綜合財務報告並按適當情況重新分類)。此概要並不構成經審核綜合財務報告之一部分。

Results

業績

		Year ended 31 December 截至 12 月 31 日止年度				
		2020	2019	2018	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Turnover	營業額					
Retail	零售	13,097,720	16,258,416	17,130,414	14,516,326	14,045,322
Other businesses	其他業務	1,934,700	1,477,810	1,675,928	2,117,055	2,047,215
		15,032,420	17,736,226	18,806,342	16,633,381	16,092,537
Operating profit	經營溢利	920,920	883,291	1,322,406	1,132,949	996,055
Share of profits of associates, net	應佔聯營公司溢利，淨值	-	-	245	4,550	4,207
Profit before tax	除稅前溢利	920,920	883,291	1,322,651	1,137,499	1,000,262
Income tax	所得稅	(376,456)	(239,758)	(310,394)	(261,081)	(258,086)
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔年內溢利	544,464	643,533	1,012,257	876,418	742,176

Assets and Liabilities

資產及負債

		As at 31 December 於 12 月 31 日				
		2020	2019	2018	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	16,826,467	16,236,438	13,838,036	13,670,115	12,201,400
Total liabilities	總負債	(4,807,353)	(5,604,053)	(3,419,099)	(3,545,040)	(3,163,502)
		12,019,114	10,632,385	10,418,937	10,125,075	9,037,898

REPORT OF THE DIRECTORS

Charitable Contributions

During the year, the Group made charitable contributions totalling HK\$2,136,000.

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 are set out in notes 14 and 15 to the consolidated financial statements, respectively. Further details of the Group's properties are set out on pages 193 to 196 of this annual report.

Share Capital

There were no movements in the Company's share capital during the year.

Equity-Linked Agreements

Save for the share option schemes as set out below, there was no equity-linked agreement entered into by the Company during the year.

Share Option Schemes

On 11 June 2020, the shareholders of the Company approved and adopted a new share option scheme (the "New Scheme") and terminated the share option scheme adopted on 7 December 2010 (the "Old Scheme").

A summary of the Old Scheme and the New Scheme, and details of the movements in share options of the Company under the Old Scheme and the New Scheme during the year are set out in note 34 to the consolidated financial statements.

Emolument Policy

The long-established performance-based emolument policy for the employees of the Group operates on the basis of rewarding performance, with appropriate consideration on experience and prevailing industry practices.

The Company determines the emoluments of the Directors on the basis of the comparable companies, time commitment, responsibilities, employment conditions, the Board's corporate goals and objectives, individual performance and comparable market statistics.

Details of the Directors' emoluments and the five highest paid employees of the Group are set out in notes 8 and 10 respectively to the consolidated financial statements.

董事會報告

慈善捐款

年內本集團之慈善捐款共2,136,000 港元。

物業、機器及設備及投資物業

年內本集團之物業、機器及設備及投資物業之變動詳情分別載於綜合財務報告附註14及15。本集團物業之進一步詳情載於本年報第193至196頁內。

股本

年內本公司之股本並無變動。

股票掛鈎協議

除下文載列的購股權計劃外，本公司於年內並無訂立股票掛鈎協議。

購股權計劃

於2020年6月11日，本公司股東通過及採納新購股權計劃（「新計劃」）及終止於2010年12月7日採納之購股權計劃（「舊計劃」）。

舊計劃及新計劃之概要，以及年內舊計劃及新計劃下本公司購股權變動之詳情載於綜合財務報告附註34。

薪酬政策

本集團行之已久按表現為分發基準之僱員薪酬制度以獎勵卓越表現之基準運作，同時適當地考慮僱員之資歷及當時之行業慣例。

本公司按照同類型公司支付之薪酬、需付出之時間、責任、僱傭條件、董事會所訂之企業方針及目標、個人表現及可供比較之市場數據來釐定董事之薪酬。

董事酬金及本集團五名最高薪酬僱員之詳細資料分別載於綜合財務報告附註8及10。

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.

Dividend Policy

The Company has adopted a dividend policy (the "Dividend Policy") which sets out the guideline on declaring and recommending the payment of dividends.

In proposing any dividend payout, the Board shall take into account, inter alia, the following factors:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

The Company intends to distribute between 30% to 40% of the Group's annual consolidated net profits as dividends to its shareholders. The Board will review the Dividend Policy as appropriate from time to time.

Distributable Reserves

As at 31 December 2020, the Company's reserves available for distribution, calculated in accordance with the provisions of the Bermuda Companies Act 1981, amounted to HK\$1,947,293,000, of which HK\$176,133,000 and HK\$108,389,000 have been proposed as final dividend and special final dividend respectively for the year. The Board considers it appropriate to distribute special final dividend in recognition of shareholders' support.

優先購股權

本公司之章程細則或百慕達法例均無載列有關優先購買權之條文，而規定本公司須按持股比例向現有股東提呈發售新股。

購買、贖回或出售本公司之上市證券

年內本公司或其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

股息政策

本公司已採納股息政策(「股息政策」)，當中載有釐定宣派和建議派發股息的指引。

建議派發股息時，董事會須考慮(其中包括)下列因素：

- 財務業績；
- 現金流狀況；
- 業務狀況及策略；
- 未來營運模式及盈利；
- 資金需求及支出計劃；
- 股東利益；
- 派發股息的任何限制；及
- 董事會認為相關的任何其他因素。

本公司擬將本集團年度綜合淨溢利的30%至40%作為股息分派予本公司股東。董事會將在有需要時檢討股息政策。

可分派儲備

於2020年12月31日，本公司根據百慕達1981年公司法條文計算之可分派儲備達1,947,293,000港元，其中176,133,000港元及108,389,000港元擬分別派發為本年度之末期股息及特別末期股息。董事會認為派發特別末期股息以感謝股東的支持為恰當。

Major Customers and Suppliers

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year. Purchases from the Group's five largest suppliers accounted for 68% of the total purchases for the year and purchases from the largest supplier included therein amounted to 35%.

None of the Directors of the Company or any of their close associates or any shareholders (which to the 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 suppliers.

Directors

The Directors of the Company during the year and up to the date of this report were:

Executive Directors:

Mr. Vincent CHOW Wing Shing
Dr. Gerald CHOW King Sing
Mr. Winston CHOW Wun Sing

Non-executive Directors:

Dr. CHAN Bing Fun*
Mr. Stephen TING Leung Huel
Mr. CHUNG Pui Lam
Mr. LEE Ka Lun*
Dr. LO King Man*
Mr. Stephen LAU Man Lung*

** Independent Non-executive Directors*

Mr. Vincent CHOW Wing Shing, Dr. CHAN Bing Fun and Mr. CHUNG Pui Lam shall retire by rotation at the 2021 annual general meeting (the "2021 AGM") pursuant to the Company's bye-laws. All the retiring Directors, being eligible, offer themselves for re-election at the 2021 AGM.

主要客戶及供應商

於本回顧年，本集團五大客戶所佔銷售額佔全年總銷售額少於30%。本集團五大供應商所佔採購額佔全年總採購額68%，當中包括最大供應商所佔採購額達35%。

概無本公司董事或其任何緊密聯繫人士或任何股東(就董事所知擁有本公司已發行股本逾5%之股東)於本集團五大供應商中擁有任何實益權益。

董事

年內及截至本報告日期本公司之董事如下：

執行董事：

周永成先生
周敬成醫生
周允成先生

非執行董事：

陳炳勳醫生*
丁良輝先生
鍾沛林先生
李家麟先生*
盧景文博士*
劉文龍先生*

** 獨立非執行董事*

根據本公司章程細則，周永成先生、陳炳勳醫生及鍾沛林先生須於2021年股東週年大會(「2021年股東週年大會」)上輪席退任。所有退任董事均合資格於2021年股東週年大會上膺選連任。

REPORT OF THE DIRECTORS

Directors' Service Contracts

None of the Directors proposed for re-election at the 2021 AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' and Senior Management's Biographies

Biographical details of the Directors and senior management up to the date of this report are set out on pages 5 to 9 of this annual report.

Directors' Material Interests in Transactions, Arrangements or Contracts

Save as detailed in note 38 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or his connected entity had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

Management Contracts

Save for employment contracts, no other contracts relating to the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the year.

Permitted Indemnity

Pursuant to the Company's bye-laws and subject to the provisions of the statutes, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group during the year ended 31 December 2020 which is still in force.

董事會報告

董事之服務合約

擬於2021年股東週年大會上膺選連任之董事，概無與本公司訂立本公司不可於一年內無須賠償(法定賠償除外)而終止之服務合約。

董事及高級管理人員履歷

董事及高級管理人員截至本報告日期之履歷詳情載於本年報第5至9頁內。

董事於交易、安排或合約之重大權益

除綜合財務報告附註38所詳述外，於年內或年底概無存續由本公司或其任何附屬公司訂立，而本公司董事或其有關連實體於當中直接或間接擁有重大權益之有關本集團業務之任何重大交易、安排或合約。

管理合約

除僱傭合約外，年內概無訂立或存在其他與本公司整體或任何重大部分業務有關之管理及行政合約。

獲准許彌償

根據本公司章程細則及符合法規條文之情況下，本公司每名董事或其他高級職員就有關彼履行職務或在其他有關情況所蒙受或產生之所有損失或責任，有權由本公司資產中撥付彌償。截至2020年12月31日止年度，本公司已為本集團董事及高級職員安排合適且依然有效之董事及高級職員責任保險。

Directors' Interests in Shares

As at 31 December 2020, the interests of the Directors in the issued share capital of the Company or 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:

Long positions:**董事於股份之權益**

於2020年12月31日，各董事於本公司或其相聯法團(定義見《證券及期貨條例》第XV部)已發行股本中，按《證券及期貨條例》第352條本公司須予保存之名冊內所記錄，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)必須向本公司及香港聯合交易所有限公司(「聯交所」)具報之權益如下：

好倉：

Name of Directors	董事姓名	Number of shares held				Total	Approximate percentage of shareholding
		Personal interest	Family interest	Corporate interest	Trustee interest		
Mr. Vincent CHOW Wing Shing	周永成先生	-	-	-	136,271,595 ⁽¹⁾	136,271,595	20.12
Dr. Gerald CHOW King Sing	周敬成醫生	960,000	70,398 ⁽²⁾	74,995,996 ⁽²⁾	-	76,026,394	11.22
Mr. Winston CHOW Wun Sing	周允成先生	28,681,104	52,800 ⁽²⁾	14,244,316 ⁽²⁾	32,616,000 ⁽²⁾	75,594,220	11.16
Dr. CHAN Bing Fun	陳炳勳醫生	1,320,000	-	-	-	1,320,000	0.19

Note:

⁽¹⁾⁽²⁾ Please refer to the notes in the section headed "Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares".

附註：

⁽¹⁾⁽²⁾ 請參考「主要股東及其他人士於股份及相關股份之權益」一節之附註。

Save as disclosed above, as at 31 December 2020, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations 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.

除上文披露外，於2020年12月31日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中登記擁有根據《證券及期貨條例》第352條規定須予以記錄或根據標準守則必須向本公司及聯交所具報之權益或淡倉。

Directors' Rights to Acquire Shares or Debentures

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事購買股份或債券之權利

本公司於年內任何時間概無授予任何董事或其各自之配偶或年幼子女可購入本公司股份或債券而獲益之權利；或由彼等行使任何該等權利；或由本公司或其任何附屬公司安排致令董事可於任何其他法人團體獲得該等權利。

Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares

As at 31 December 2020, the interests of those persons in the issued share capital of the Company as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Long positions:

Name	Capacity	Number of shares held	Approximate percentage of shareholding
名稱	身份	持股數目	持股權概約百分比
Everwin Company Limited	Beneficial Owner 實益持有人	120,000,000 ⁽¹⁾	17.71
Speed Star Holdings Limited	Beneficial Owner and Interest of Controlled Corporation 實益持有人及受控制公司之權益	74,995,996 ⁽²⁾	11.07
Schroders plc	Investment Manager 投資管理人	54,052,447 ⁽³⁾	7.98
Happy Family Limited 快樂家庭有限公司	Beneficial Owner 實益持有人	53,909,932 ⁽⁴⁾	7.96

Notes:

- (1) 136,271,595 shares in the Company were held by a discretionary trust of which Mr. Vincent CHOW Wing Shing was the beneficiary. The trustee of the trust was Cititrust Private Trust (Cayman) Limited, which held the interests in the Company through the following companies:

Name of companies
公司名稱

Everwin Company Limited
Golden Court Limited

No. of shares held
持股數目

120,000,000
16,271,595

Accordingly, Cititrust Private Trust (Cayman) Limited was deemed to have interests in the 136,271,595 shares. Mr. Vincent CHOW Wing Shing was deemed to have interests in the 136,271,595 shares in the Company.

主要股東及其他人士於股份及相關股份之權益

於2020年12月31日，根據《證券及期貨條例》第336條，本公司須予保存之權益名冊紀錄內擁有本公司已發行股本人士之權益如下：

好倉：

Name	Capacity	Number of shares held	Approximate percentage of shareholding
名稱	身份	持股數目	持股權概約百分比
Everwin Company Limited	Beneficial Owner 實益持有人	120,000,000 ⁽¹⁾	17.71
Speed Star Holdings Limited	Beneficial Owner and Interest of Controlled Corporation 實益持有人及受控制公司之權益	74,995,996 ⁽²⁾	11.07
Schroders plc	Investment Manager 投資管理人	54,052,447 ⁽³⁾	7.98
Happy Family Limited 快樂家庭有限公司	Beneficial Owner 實益持有人	53,909,932 ⁽⁴⁾	7.96

附註：

- (1) 一項全權信託持有本公司136,271,595股股份，周永成先生為該信託之受益人。而Cititrust Private Trust (Cayman) Limited為該信託之信託人，其透過下列公司擁有本公司之權益：

Name of companies
公司名稱

Everwin Company Limited
Golden Court Limited

No. of shares held
持股數目

120,000,000
16,271,595

因此，Cititrust Private Trust (Cayman) Limited被視為擁有136,271,595股股份權益。周永成先生被視為擁有本公司136,271,595股股份權益。

Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares (continued)

主要股東及其他人士於股份及相關股份之權益(續)

Notes: (continued)

附註：(續)

- (2) 70,398 shares and 52,800 shares in the Company were held by the respective spouse of Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing.

- (2) 周敬成醫生及周允成先生各自之配偶分別持有本公司70,398股及52,800股股份。

60,751,680 shares in the Company were held by Speed Star Holdings Limited, a company beneficially owned by Dr. Gerald CHOW King Sing and his spouse.

Speed Star Holdings Limited 持有本公司60,751,680股股份，該公司由周敬成醫生及其配偶實益擁有。

14,244,316 shares in the Company were held by Eimoling Company Limited, in which Speed Star Holdings Limited and Mr. Winston CHOW Wun Sing owned 44.5% of the equity interest respectively.

Eimoling Company Limited 持有本公司14,244,316股股份，Speed Star Holdings Limited及周允成先生分別擁有該公司44.5%之股本權益。

32,616,000 shares in the Company were held by CWS Holdings Limited, a company beneficially owned by a discretionary trust of which Mr. Winston CHOW Wun Sing was the founder and one of the beneficiaries. The trustee of the trust was UBS TC (Jersey) Ltd. and, accordingly, it was deemed to have interests in the 32,616,000 shares in the Company.

CWS Holdings Limited 持有本公司32,616,000股股份，該公司由一項全權信託實益擁有，周允成先生為該信託之成立人及其中一名受益人。UBS TC (Jersey) Ltd. 為該信託之信託人，因此被視為擁有本公司32,616,000股股份權益。

Accordingly, Dr. Gerald CHOW King Sing and his spouse were deemed to have interests in the 75,066,394 shares and 75,955,996 shares in the Company respectively. Mr. Winston CHOW Wun Sing and his spouse were deemed to have interests in the 46,913,116 shares and 75,541,420 shares in the Company respectively.

因此，周敬成醫生及其配偶分別被視為擁有本公司75,066,394股及75,955,996股股份權益。周允成先生及其配偶分別被視為擁有本公司46,913,116股及75,541,420股股份權益。

- (3) Schroders plc through its subsidiaries, namely Schroder Investment Management (Hong Kong) Limited, Schroder Investment Management (Singapore) Ltd, Schroder Investment Management Limited and Schroder & Co (Asia) Limited, held 33,129,447 shares, 16,269,000 shares, 4,592,000 shares and 62,000 shares in the Company respectively, and was accordingly deemed to be interested in the respective shares held by the aforesaid companies.

- (3) Schroders plc透過其附屬公司Schroder Investment Management (Hong Kong) Limited、Schroder Investment Management (Singapore) Ltd、Schroder Investment Management Limited及Schroder & Co (Asia) Limited分別持有本公司33,129,447股、16,269,000股、4,592,000股及62,000股股份，因此被視為擁有上述公司各自持有之股份權益。

- (4) 53,909,932 shares in the Company were held by Happy Family Limited, in which the late Mr. CHOW Kwen Ling had a 20% equity interest.

- (4) 快樂家庭有限公司持有本公司53,909,932股股份，而已故周君令先生持有其20%股本權益。

Save as disclosed above, as at 31 December 2020, no person, other than the Directors of the Company whose interests are set out in the section headed "Directors' Interests in 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.

除上文披露外，於2020年12月31日，除以上「董事於股份之權益」一節所載擁有權益之本公司董事外，並無其他人士於本公司股份或相關股份中登記擁有根據《證券及期貨條例》第336條須予記錄之權益或淡倉。

REPORT OF THE DIRECTORS

Connected Transactions

During the year, the Group did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the year and up to the date of this report.

Event after the Reporting Period

Save as disclosed in note 43 to the consolidated financial statements, there is no significant event of the Group after the reporting period and up to the date of this annual report.

Auditor

The consolidated financial statements for the year ended 31 December 2020 have been audited by Ernst & Young, who will retire, and being eligible, offer itself for re-appointment at the 2021 AGM.

On behalf of the Board

Vincent CHOW Wing Shing
Chairman

Hong Kong
25 March 2021

董事會報告

關連交易

年內本集團並無任何關連交易須根據聯交所證券上市規則(「上市規則」)第十四A章之要求作出申報。

足夠公眾持股量

本公司根據公開資料及就董事所知，於整年及截至本報告日期，本公司一直維持上市規則規定之公眾持股量。

報告期後事項

除綜合財務報告附註43所披露外，本集團於報告期後及截至本年報日期並無發生重大事項。

核數師

安永會計師事務所已審核截至2020年12月31日止年度之綜合財務報告，並將於2021年股東週年大會上告退，惟符合資格並願膺聘連任。

承董事會命

主席
周永成

香港
2021年3月25日

The Group complies with the Environmental, Social and Governance (“ESG”) Reporting Guide published by The Stock Exchange of Hong Kong Limited (the “HKEx ESG Guide”). The main purpose of this report is to disclose the Group’s current management approach, strategies and performance in social and environmental responsibility as well as its vision for sustainable development strategies.

This report covers our performance for the year ended 31 December 2020. Unless specified otherwise, all policies and management systems described in this report refer to our manufacturing and retailing of luxury products in Greater China. ESG performance indicators reported in this report cover our main operations in Hong Kong and Mainland China unless specified otherwise. Revenue contribution and the associated ESG impacts are the primary factors in defining the reporting boundary. The operations in Hong Kong and Mainland China contributed the majority of our total revenue. As our operations have continued to expand, the number of retail stores included in this report has also been increased.

The Group follows all four Reporting Principles in the HKEx ESG Guide, namely materiality, quantitative, consistency and balance, in preparing the ESG report. This report prioritises and details the issues deemed important from the perspectives of our stakeholders and business. In addition to policy and programme descriptions, performance data of the current and previous years and corresponding narratives are provided for more comprehensive account of our ESG management. We adopt the same methodologies to derive the disclosed data unless otherwise specified.

The Board is responsible for formulating the Group’s ESG strategy and reporting while our management is responsible for implementing ESG management and objectives.

Stakeholder Engagement

The Group has established various means to communicate with internal and external stakeholders comprising employees, customers, investors, suppliers, trade associations, institutions and charitable organisations that we support. The channels used to communicate with these stakeholders include online questionnaires, interviews, feedback forms and courtesy visits.

本集團遵守香港聯合交易所有限公司頒布的《環境、社會及管治報告指引》(「港交所環境、社會及管治指引」)。本報告旨在披露本集團在社會及環境責任方面的現行管理方針、策略及表現，以及對可持續發展策略的願景。

本報告記載本集團截至2020年12月31日止年度的表現。除另有指明外，本報告所述的所有政策及管理機制與本集團於大中華區的奢侈品零售及製造業務有關。除另有指明外，本報告所呈報的環境、社會及管治表現指標涵蓋本集團於香港及中國大陸的主要業務。收益貢獻及相關之環境、社會及管治影響為界定報告範圍的主要因素。香港及中國大陸的業務佔我們總收益的大部分。隨著業務持續擴充，本報告所包含的零售店數目亦有所增加。

本集團在編製環境、社會及管治報告時遵循港交所環境、社會及管治指引的所有四項匯報原則，即重要性、量化、一致性及平衡。本報告從持份者及業務的角度優先處理及詳述被視為重要之事宜。除政策及計劃之描述外，我們亦提供本年度及過往年度的表現數據及相應敘述，以更全面地反映我們在環境、社會及管治方面的管理。除另有指明外，我們採用相同的方法以獲得所披露的數據。

董事會負責制定本集團環境、社會及管治的策略及匯報，而管理層則負責實施環境、社會及管治管理及目標。

持份者的參與

本集團建立多個與內部及外部持份者溝通的方法，持份者包括員工、顧客、投資者、供應商、商會、我們支持的機構及慈善機構。與持份者溝通的渠道包括網上問卷、會晤、意見調查表及拜訪。

Materiality Analysis

The Group reviews the feedback from stakeholders periodically to evaluate the materiality of the ESG topics in an ongoing manner. It has conducted a focused stakeholder engagement exercise, with the purpose to identify material aspects within different subject areas. Stakeholders were invited to assess the importance of various ESG aspects with reference to the HKEx ESG Guide. The issues deemed material were reviewed and endorsed by the Board and management for their relative materiality and priorities.

The result of the exercise prioritised ESG subject areas and aspects in the following order:

重要性分析

本集團定期檢討持份者的反饋以持續評估環境、社會及管治議題的重要性。本集團與持份者進行了重點關注的調查活動，旨在於不同的範疇中識別最為重要的議題。我們邀請持份者根據港交所環境、社會及管治指引就著環境、社會及管治各個範疇之重要性作出評估。由董事會及管理層檢討及確認有關議題的重要性及優先序。

分析結果根據其優先次序顯示本集團較為重要的環境、社會及管治議題的範疇及層面如下：

Subject Area 主要範疇	Most Material Aspects within the Subject Area 當中最為重要的議題
Social – Operating practices 社會 – 營運守則	Ensuring service and product quality 確保服務及產品質素 Protecting customer data 保障客戶資料
Social – Employment and labour practices 社會 – 僱傭及勞工守則	Providing a safe working environment 提供安全工作環境 Ensuring employees’ occupational safety and health 確保僱員的職業安全與健康
Environmental 環境	Energy and wastewater management 能源及廢水管理
Social – Community 社會 – 社區	Contribution to community development 社區發展的貢獻

While we strive for overall balance in the disclosure of the Group’s ESG initiatives and performance, emphasis will be placed on issues which are considered more material to our business.

我們務求在披露本集團環境、社會及管治措施及表現達致平衡的同時，將會對業務較為重要的議題作出重點闡述。

Operating Practices

The Group is committed to ensuring that its products are of premium quality, obtained through verified and ethical sources and that processes are well controlled to prevent the occurrences of corrupt practice. We were not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group, concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress during the year.

營運守則

本集團致力提供優質產品，其產品必須通過認證及合法來源取得，過程須受嚴密監控，防止出現不當舞弊行為。針對在提供產品及服務時，與健康及安全、廣告、標籤及私隱事宜和補救方法相關而對本集團有重大影響的法律和法規，我們並不知悉年內有任何抵觸相關規例的事件。

Operating Practices (continued)*Product Responsibility and Service Quality*

The Group has systems in place to ensure that all products marketed are monitored for (a) the fineness and veracity of materials; (b) the presence of toxic elements as prescribed by national standards; and (c) conformance with our defined levels of workmanship.

Management protocols in place define the testing methods and sampling procedures for different products and materials. Tests using both surface spectrometric and destructive methods are done by the Group's externally-accredited laboratories located in Hong Kong and Shunde. Workmanship inspection is conducted at several stages on all products as they go through the supply chain. With the stringent quality assurance process, there were no records of products sold or shipped subject to recall for safety and health reasons during the year (2019: Nil).

Management has established policies to ensure that the advertising and labelling of our products are in line with applicable laws and regulations. Moreover, in conformance with the Group's Code of Conduct, management has systems in place to ensure that intellectual property rights, both our own and of other parties, are observed and respected in our business dealings.

The Group attaches importance to the interests of our customers in the context of applicable legal provisions. Should there be any enquiries or complaints, the Group has a dedicated team of customer relations personnel for quick response. Customers can reach the team via various channels, including:

- service hotlines;
- LIVE CHAT; and
- social media platforms including Facebook, Weibo, WeChat and Instagram.

In addition, all shop staff are trained to handle queries on products, maintenance and repair. All customer correspondence through the proper channels are logged and documented. 86 product- and service-related complaints were received during the year as compared to 92 in 2019.

Our high-quality service was recognised and the Group was awarded 2020 Quality Service Retailer of the Year of Chain Stores (Above 5 Outlets) – Grand Awards' Gold Award and 2020 Quality Service Retailer of the Year – Category Awards in Watch and Jewellery Category from Hong Kong Retail Management Association.

營運守則(續)*產品責任及服務質素*

本集團設有機制對所有推出市面的產品在下列範疇進行監察：(a) 原材料的成色及達標度；(b) 有否含有國家標準所指的有毒元素；及(c) 符合本集團釐定的工藝水平。

本集團制定管理標準流程，為不同產品及材料訂立測試方法及抽樣檢查程序。本集團於香港及順德設立經外部認可的實驗室，測試透過表面光譜法檢測及破壞性檢測。所有產品通過供應鏈時，將進行多重工藝檢查。在嚴格的品質保證程序下，年內本集團並無因安全及健康理由而需回收出售或付運的產品(2019年：零)。

管理層制訂政策以確保產品廣告及標籤符合適用法律及規例。此外，為符合本集團的行為守則，管理層設有制度確保於業務往來中本集團及其他各方的知識產權得到遵守和尊重。

本集團在適用法律條文的背景下重視顧客利益。本集團設有專責為客人提供服務的團隊，旨在迅速回應任何查詢或投訴。顧客可透過不同渠道與我們的團隊聯絡，包括：

- 服務熱線；
- 在線服務；及
- 社交媒體平台(包括Facebook、微博、微信及Instagram)。

此外，所有店舖員工均接受處理有關產品、保養及維修詢問的培訓。所有客戶通訊資料皆通過合適渠道取得及記錄存檔。年內，我們接獲86宗與產品及服務有關的投訴，2019年則有92宗。

我們的優質服務廣受認同，本集團獲香港零售管理協會頒發「2020最佳優質服務零售商大獎 – 連鎖店(5間以上店舖)之金獎」及「2020最佳優質服務零售商組別獎 – 鐘錶及珠寶店組別」。

Operating Practices (continued)*Customer Data Protection*

The Group maintains a database of customers. We have policies and procedures that ensure compliance with the relevant local laws and regulations and General Data Protection Regulation (GDPR) of the European Union, which govern the collection, use, retention and protection of the customers' personal data. We collect and maintain a minimal amount of their personal details in the database. The database is well protected both on policy and technological terms. Even within the Group, customer data are released strictly on a need-to-know basis, and the same will not be released without prior consent to outside parties or even to units within the Group that are not the original data collectors. Relevant details of our privacy policy are readily available on our website.

Supply Chain Management

The Group has comprehensive procurement and supply chain management policies which are benchmarked against the highest best practice principles in the trade. During the supplier selection process, we not only consider the infrastructure, production capacity and market reputation of the potential suppliers, but also their commitment in compliance with legal, ethical and social aspects.

Diamond suppliers are required to provide documented proof of the ethical provenance of their goods. All materials and finished goods are monitored as stated under the paragraph "Product Responsibility and Service Quality" and only those that passed the tests are accepted. Through prioritising suppliers with demonstrated management and high performance on ESG aspects, relevant risks arisen from the supply chain are mitigated and managed. We strive to work out a solution with suppliers once substandard goods and materials are identified. These suppliers are subject to a system of warnings, temporary or even permanent blocking of orders if no improvements have been made thereafter.

Where possible, the Group maintains relationships with multiple suppliers in order to avoid the risks inherent in over-reliance on suppliers. The Group also supports fair competition when selecting potential suppliers by observing relevant laws and regulations. This commitment is communicated with the procurement staff in the procurement and supply chain management policies.

營運守則(續)*保障客戶資料*

本集團備存一個顧客資料庫。我們制訂了政策和程序，確保遵守規管客戶個人資料的收集、使用、儲存及保障的相關本地法律及規例，以及歐盟《一般資料保護規則》(GDPR)。我們僅收集及保留最少數量的個人資料於資料庫內。資料庫在政策及技術上均得到充分保障。即使於本集團內部，亦嚴格遵照需要知道才會披露客戶資料的原則；未經事先同意，不會向外界或甚至本集團內並非原有資料收集者的部門披露。我們的網站載有私隱政策的相關詳情。

供應鏈管理

本集團擁有以業內最佳做法為標準之全面採購及供應鏈管理政策。在挑選供應商時，我們不僅考慮潛在供應商的基礎設施、生產能力及市場聲譽，亦會考慮他們在遵從法律、道德及社會方面的承諾。

鑽石供應商須提供文件證明其貨物來源合乎道德標準。所有材料及成品均按照「產品責任及服務質素」一段所述進行監控，以及只接受通過測試的產品。透過優先挑選於環境、社會及管治方面有優良管理及優秀表現的供應商，能減低和管理由供應鏈引起的相關風險。一旦發現不合標準產品及材料，我們會盡力與供應商尋求解決方案。若及後並無作出改善，有關供應商會受到警告、臨時或甚至永久性不獲授訂單。

在可行的情況下，本集團與多個供應商維持合作夥伴關係，以防產生過度依賴之風險。本集團甄選供應商時遵守相關的法律及規例，以支持公平競爭。此承諾以採購及供應鏈管理政策傳達給採購部職員。

Operating Practices (continued)*Anti-corruption*

In accordance with relevant laws and regulations, our employees are required to comply with the rules stipulated in our Employee Handbook (the "Handbook"), which provide for definitions of permissible and impermissible giving and receiving of advantages and gifts. Employees are required to report receipts and subsequent disposal of gifts. Our employees are also required to follow the Group's Code of Conduct, which defines appropriate methods in handling conflict of interests. In addition, the Group has implemented the Prevention of Money Laundering Policy, which spells out the principles, work and reporting mechanism in relation to criminal activity.

The management has arranged online trainings to employees on their expected conduct upon the identification of potential incidents of corruption or bribery within the workplace. A mandatory anti-corruption training, which has been updated, was provided to all new employees. Under the whistleblowing policy, employees are protected if they submit signed reports on suspicious activities. During the year, there were no reported cases of corruption, bribery, extortion, fraud and money laundering (2019: Nil).

Employment and Labour Practices

Training and development programmes, employee welfare and relationship building initiatives have always been important to our business. The Group is proactive in adopting best practices for human resource management to cope with the ever-changing business environment. In recognition of the performance, the Group was awarded Best HR Teams in Greater China 2020 from HRoot, 2020 Top Human Resources Management Awards from 51job and 2020 AmCham's CHRMA HR Best Practice Premium Innovation Pioneer Gold Award.

Employment

The Group observes relevant employment laws and regulations. Being an equal opportunities employer, the Group and its management embrace diversity in its workforce and ensure that the employees are not discriminated against due to their ethnicity, age, gender, marital status, religion or belief.

Complying with relevant laws and regulations, the use of child labour is strictly prohibited by the Group. Human Resources Department verifies candidates' identity through checking their identity documents as well as relevant certificates of proof. Similarly, forced labour is not tolerated.

On the other hand, the Group requires employees to comply with its code of conduct, which stipulates the Group's value and expectations on employees to uphold high standard of ethics and integrity. The document/handbook containing the code of conduct is available on the Group's intranet.

營運守則(續)*反貪污*

根據相關的法律及規例，本集團員工必須遵守員工手冊(「手冊」)訂明的規定，該手冊列明容許及不允許員工給予或接受優惠及禮品的原則。員工必須申報其所收取禮品及後續的處理。員工亦須遵從本集團的行為守則，當中界定處理利益衝突的適當方法。此外，本集團亦實施防止洗黑錢政策，當中列明與犯罪活動有關的原則、操作及舉報機制。

管理層向員工安排就有關在工作場所一旦發現潛在貪污或賄賂事件時應有行為的線上培訓。所有新入職員工已接受一個經更新的必修反貪污培訓。根據舉報政策，倘員工署名舉報可疑活動，彼等將受到保障。年內，本集團並無接獲有關貪污、賄賂、勒索、欺詐和洗黑錢的訴訟個案(2019年：零)。

僱傭及勞工守則

培訓及發展計劃、僱員福利及建立僱傭關係措施對本集團業務尤為重要。本集團積極採納人力資源管理的最佳實踐，以應付瞬息萬變的商業環境。我們獲HRoot頒發「2020大中華區最佳人力資源團隊」、獲前程無憂頒發「2020人力資源管理傑出獎」及獲華南美國商會人力資源協會頒發「2020最佳人力資源管理實踐創新先鋒之金獎」，表揚集團之表現。

僱傭

本集團遵守相關僱傭法律及規則。作為平等機會僱主，本集團及其管理層支持勞動力多元化，並確保員工不會因為種族、年齡、性別、婚姻狀況、宗教或信仰而遭歧視。

本集團遵守相關法律及規則嚴禁僱用童工。人力資源部透過檢查求職者的身份證明文件以及相關證明書，以核實彼等的身份。同樣地，我們亦絕不容許僱用強制勞工。

另一方面，本集團要求僱員遵守所訂立的行為守則，該守則列明本集團對員工維持高道德及誠信標準的價值觀及期望。載有該行為守則之文件／手冊可於本集團內聯網查閱。

Employment and Labour Practices (continued)*Employee Welfare*

Beyond the requirements stipulated in the applicable laws and regulations, the Group maintains an open and standardised framework for employment, salary review and promotion. Apart from basic salary, employees are rewarded with performance-based bonuses. Benefits such as paid vacation leave and insurance are commensurate with, or better than local practices and legal requirements. Relevant policies are fully communicated to the employees through the Handbook.

To strengthen overall communication across various departments and ranks within the Group, the Group has introduced a mobile application "CChat". The application allows employees to receive updates on corporate and training information, as well as personal exchanges.

Management level of the Group regularly reviews employees' goal alignment, job performance and working conditions to ensure that the employees' personal development and job performance improvement are in alignment with business priorities. Grievance procedures are in place for the protection of employees. Personal details of employees are strictly protected.

Work Safety and Health

The Group adheres to the principle of "safety and prevention first" to create an accident-free working environment for the employees. As such, the Group has various committees established to ensure the employees have a safe and healthy working environment and to further strengthen the implementation of relevant initiatives at divisional level. Safety risks in various facilities have been identified, assessed and managed with corresponding preventive measures. Monthly committee meetings are held to closely monitor our occupational health and safety performance as well as conducting regular safety inspections. Safety- and health-related awareness building trainings are conducted for the benefit of all staff.

We complied with all the relevant laws and regulations related to providing safe environment at all locations of operations and protecting employees from potential occupational hazards. We had zero work-related fatality in the last three years and 544 lost days due to work-related injury in 2020 (2019: 476). Follow-up work had been carried out immediately to reduce the likelihood of similar events in the future.

僱傭及勞工守則(續)*僱員福利*

在適用法律及規例列明的規定外，本集團設有公開而統一的僱員聘用、薪酬檢討及晉升機制。除基本薪金外，員工亦可享與表現掛鈎的花紅，以及與當地慣例及法律規定相符甚至更佳之有薪假期及保險等福利。手冊詳細列出相關政策供員工參閱。

本集團引入「CChat」手機應用程式，加強本集團各個部門及職級的整體溝通，讓僱員能夠獲得企業及培訓最新資訊，以及用作個人交流。

本集團管理層定期檢討僱員的工作目標、工作表現及工作環境，以確保僱員個人發展及工作表現提升可配合集團重點業務。本集團制定申訴程序以保障員工，而員工的個人資料亦受到嚴格保障。

工作安全與健康

本集團堅守「安全第一、預防為主」的原則，為僱員營造零意外的工作環境。因此，本集團成立不同的事務委員會，確保員工有一個安全及健康的工作環境並進一步於部門層面加強實施相關的措施。本集團已識別、評估及處置各項設施的安全風險，並透過相應預防措施管理有關風險。委員會每月均召開會議，以密切監測我們的職業健康和安全管理表現及定期進行安全檢查，並會舉行安全及健康意識培訓，以保障各員工。

我們遵守所有相關法律及規例，以確保於所有營運地點提供安全的環境及保護僱員免受潛在的職業性危害。於過去三年，本集團並無員工因工死亡，而2020年因工傷而損失的工作日數為544日(2019年：476日)。事後我們立即進行跟進工作以減低日後發生類似事件的可能性。

Employment and Labour Practices (continued)*Work Safety and Health (continued)*

During the outbreak of covid-19, we have implemented flexible working hours and working from home arrangements as well as a number of precautionary and safety measures to protect our employees, including:

- setting up temperature checkpoints at store and office entrances;
- placing of disinfected carpets at office entrance;
- distributing alcohol cotton balls for sanitising office or store supplies; and
- distributing surgical masks and gloves.

Development and Training

To cope with the development of the Group's omni-channel retailing and multi-brand strategy, the Group and its management oversee the design and execution of various onboarding and on-the-job training programmes for new and current employees, which cover topics such as product knowledge, customer service, consultative selling skill, store marketing and team management, property security and risk management, and occupational safety. All these programmes are designed to support and upskill both online and offline employees of different ranks and responsibilities. Apart from face-to-face training, on-site coaching is also a crucial part of the training programmes. In order to promote continuing education of employees, the Group has set up an online platform, "Channel T", to provide interactive communication between trainers and employees on all aspects related to our business.

To nurture high potential talents for the Group, a Management Trainee Programme was launched in Mainland China during the year. To align with the Group's omni-channel retailing strategy, we provided trainees with well-rounded development experience and exposure through orientation programme, store attachments and back-office project management and execution.

In addition to utilising internal training resources, the Group subsidises employees who require professional qualifications or advanced studies for specific roles and caters to their specific training needs by third-party professional training. The Group and its management are dedicated to the continuous development of our employees' capabilities and we value the personal and professional growth of our employees. By fostering a culture of continuous learning, we seek to cultivate and retain our best talents and maintain our competitive positioning in the market.

Despite pandemic and social distancing measures, the Group continued to organise internal trainings during the year. A number of face-to-face trainings have been converted to trainings via video conferencing platforms such as Zoom.

僱傭及勞工守則(續)*工作安全與健康(續)*

2019冠狀病毒爆發期間，我們實施彈性上班時間及在家工作安排，以及多項預防及安全措施以保護僱員，包括：

- 在店舖及辦公室入口設置體溫驗測點；
- 在辦公室入口放置消毒地毯；
- 派發酒精棉球以消毒辦公室或店內用品；及
- 派發外科口罩及手套。

發展及培訓

為配合本集團全渠道零售及多品牌策略發展，本集團及其管理層監察多個有關新員工入職及在職員工能力提升培訓項目之設計及執行，內容包括產品知識、顧客服務、顧問式銷售技巧、店面營銷及團隊管理、財物保安及風險管理、職業安全等範疇，全部均為支援及提升線上線下的不同職級及職責的員工能力而設。培訓項目除了以面授形式進行，實地教練亦是當中重要的環節。為了鼓勵員工持續學習，本集團設立了網上學習平台「Channel T」，讓培訓導師與員工可以互動方式對所有與業務相關方面進行溝通。

為培育本集團極具潛質的人才，年內已於中國大陸推出管理培訓生計劃。為與本集團的全渠道零售策略一致，我們透過迎新會、短期店內工作及後勤辦公室項目管理及實行，向培訓生提供全方位的拓展經驗及視野。

除了使用內部培訓資源外，本集團亦以資助形式提供外部專業培訓予因應特定職位需持有專業資格或進修的僱員，以配合其特定培訓需求。本集團及其管理層致力持續培育僱員，並重視他們的個人及事業發展。透過培養持續學習的文化，本集團致力培育及留住最優秀的人才，並保持在市場中的競爭力地位。

即使受疫情及社交距離措施所限，年內本集團仍繼續安排內部培訓。多項面對面的培訓已轉為透過Zoom等視像會議平台進行。

Environment

The Group has made an internal environmental protection pledge for environmental sustainability, where the Group fulfills its role as a responsible corporate citizen. For example, the Group bans shark fins, humphead wrasse and other endangered species from the menu at corporate functions. To reduce the generation of plastic and paper waste, wherever feasible reusable cups are provided for drinking. Employees are encouraged to follow suit in their private life.

An Environmental Policy is established to guide us in mitigating greenhouse gas emissions, using energy, water and other resources more efficiently, and handling waste. The Group has also formulated Guidelines for Handling and Discharging Effluent and Flue Gas, which delineates the proper disposal and monitoring procedures for hazardous waste. The commitment to the environment is further communicated to the employees through the Group's Code of Conduct.

We operate in accordance with the local environmental laws and regulations, and were not aware of any material environmental non-compliance that would have a significant impact on the environment or on our Group. We summarise our efforts in managing climate risks, energy and resource use, effluent, waste and emissions of air in the paragraphs below.

Energy and Resources Management

We proactively adopt measures to minimise the environmental impacts caused by our business operation. The management observes and seizes opportunities for overall reduction in energy use across the Group. We have signed up as participants to the Charter on External Lighting organised by the Hong Kong Government, thereby committing to switching off shop lightings by 11 p.m. To foster our employees' awareness, tips and information on carbon reduction and energy conservation are also disseminated on our intranet.

During the year, we continued to carry out multiple energy and water efficiency measures including:

- installing energy saving lights and LED lights in our standardised office, factory and shop lighting when feasible;
- controlling billboard and exterior lighting at street level stores with timer; and
- maintaining indoor temperature at an optimal, comfortable level to conserve energy.

環境

本集團履行作為負責任企業公民的角色，就有關環境可持續性作出內部環保承諾，例如本集團禁止員工於公司活動的菜單加入魚翅、蘇眉及其他瀕危物種。為減少產生塑膠及紙張廢物，我們在可行情況下供應可重複使用的杯子作飲用。此外，我們亦鼓勵員工在私人生活中也秉持同一理念。

本集團已制定了環保政策以指導我們減少溫室氣體排放、更有效使用能源、水及其他資源，以及應如何處理廢物。本集團亦制訂了廢水及廢氣的處理及排放守則，其中制定了有害廢棄物的正確處理及監測程序。藉著本集團之行為守則進一步向員工傳達對環境的承諾。

我們依照當地環保法律及規例營運，並不知悉任何會對環境或本集團造成重大影響的嚴重環境違規事件。我們在管理氣候風險、能源及資源使用、廢水、廢棄物及氣體排放之舉措概述如下。

能源及資源管理

我們積極採納多項措施，盡量減低業務營運對環境的影響。管理層觀察及把握機會減少本集團整體的能源消耗。我們簽署成為香港政府籌劃的《戶外燈光約章》的參與者，承諾於晚上11時關掉店舖燈光裝置。我們亦於內聯網發放減碳及節能的小貼士和資料，讓員工對相關事宜有更多認識。

年內，我們繼續採取多項提高能源效益及節水措施，包括：

- 辦公室、廠房以至店舖照明在可行的情況下一律使用節能燈及LED燈；
- 使用定時器控制地舖的廣告牌及室外照明裝置；及
- 室內溫度維持在最合適及舒適的水平以節約能源。

Environment (continued)*Energy and Resources Management (continued)*

Energy efficiency, water conservation, waste reduction and other environmental impact mitigation have all been carefully considered by the management as part of the design specifications in the erection of the Shunde plant. Based on the experience gained in the construction of the Shunde plant, we would also take these factors into consideration in future building construction. Savings on air-conditioning are achieved by taking measures to mitigate the heating effect of the afternoon sun, to reduce heat generation by eliminating excess lighting, and to isolate furnaces and other heat and emission dissipating equipment from room air. Solar panels are installed to generate electricity for our staff quarters and canteen. In 2020, we have installed a centralised control system to intelligently manage the air conditioning system such as chilled water flow and temperature of air handling unit.

At the same time, various enhancement works have also been implemented or planned. Our Xian plant established charters to avoid energy- and water-wasting behaviour, as well as added an inverter and repurposed used water in our manufacturing process to save the resources. We are gradually upgrading the air conditioners to Grade 1 at Hong Kong plant.

Incorporating green elements into our Xian Glorious Plaza flagship store

We take environmental aspects into consideration during the design and construction of our buildings and stores. As an illustration, we actively work with our landlord of our four-storey flagship store in Glorious Plaza in Xian to make a joint effort in promoting environmental sustainability.

The new facade is built by recovering and reusing nearly half of the existing facade panels, of which many are still in good conditions. For the rearrangement, besides salvaging the existing old facade, with a clever twist, the internal views are opened for pedestrian spectacle and natural lighting. Apart from saving construction cost, this can also reduce waste disposal and initial embodied energy.

In addition, vertical green walls are integrated into two prominent facade corners of the store. Local non-invasive species that can absorb volatile organic compounds are selected to improve the surrounding air quality and reduce carbon emissions incurred from transportation. By reconnecting with the nature, the green wall not only offers aesthetic pleasure, but also helps bring environmental efficiency by reducing summer heat gain.

The building design won the Asia Pacific Property Awards 2020-2021 Best Retail Architecture China 5-Star Winner in the International Property Awards.

環境(續)*能源及資源管理(續)*

在設計順德廠房的規格時，管理層審慎考慮了能源效益、節約用水、減廢及其他減輕對環境影響的因素。根據興建順德廠房時所累積的經驗，我們日後建造樓宇時亦會考慮這些因素。本集團採用環保建築設計以減少使用空調，使中午陽光造成的加熱效應減輕，可減少過多照明使熱能損耗減輕，以及把熔爐及其他熱源及排放設備與室內空氣互相隔離。員工宿舍及飯店已安裝太陽能板以提供電力。於2020年，我們安裝了智能空調中央控制系統，以管理空調系統例如冷凍水流動及空氣處理機組的溫度。

同時，已經實行或計劃多項改善工程。我們的西安廠房已設有約章，以避免浪費能源和水的行為，並於製造過程中增加一台變頻器以及重用水以節省資源。我們正逐步將香港廠房的空調升級至1級能源效益。

為西安大都薈旗艦店添加綠色元素

我們在考慮設計及建造樓宇和裝修店舖時會加入環保元素。例如，我們與業主就西安大都薈四層高旗艦店積極合作，促進環境的可持續性。

我們透過復修及重用將近一半現有的外牆板(當中大部分狀況依然良好)以興建新的外牆。為了重新排布，不但回收現有舊外牆板，更巧妙地扭轉了內部景觀，供行人觀賞及引入天然光線。除節省施工成本外，還可減少棄置廢物及初期能源消耗。

此外，店舖兩道外牆板的角落已裝置垂直綠牆。所挑選植物是本地非入侵品種，可吸收揮發性的有機化合物，以改善周圍的空氣質素及減少運輸所產生的碳排放。與大自然重新連接下，綠牆不僅帶來美學上的享受，亦有助於夏天降暑，提高環境效益。

該樓宇設計於國際房地產大獎中奪得「2020-2021年亞太區房地產大獎 – 中國區最佳零售建築五星大獎」。

Environment (continued)

環境(續)

Energy and Resources Management (continued)

能源及資源管理(續)

Type of Resource 資源類別		Unit 單位	Total Consumption* 總消耗量*		Intensity (Gigajoule (GJ) or Tonnes / HK\$1m Turnover) 密度 (千兆焦耳或噸/ 1百萬港元營業額)	
			2020	2019	2020	2019
Energy 能源	Electricity 電力	Megawatt Hour (MWh) 兆瓦時	23,025	23,868	-	-
		Gigajoule (GJ) 千兆焦耳	82,889	85,923	6.4	5.4
	Fuel ¹ 燃料 ¹	Gigajoule (GJ) 千兆焦耳	1,180	1,589 ¹		
Water 水	Freshwater 淡水	Tonnes 噸	101,945	110,135	7.8	6.8

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

– Energy conversion factors used for LPG and natural gas are from the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industries by National Development and Reform Commission. Energy consumption of towngas was calculated based on the formula provided by The Hong Kong and China Gas Company Limited.

– 液化石油氣及天然氣使用的能源轉換因子來自國家發展和改革委員會《工業其他行業企業溫室氣體排放核算方法與報告指南》。煤氣的能源消耗乃根據香港中華煤氣有限公司提供的公式計算。

Our total energy, water consumption and greenhouse gas emissions decreased between 2019 and 2020 due to the pandemic outbreak which led to suspension of operations and shortening of operating hours. We will keep track of our energy and water consumption and regularly review the effectiveness of our current initiatives to further improve our performance in energy and water use as well as greenhouse gas emissions.

由於疫症爆發導致暫停營運及縮短營業時間，整體能源消耗量、用水量 and 溫室氣體排放於2019年至2020年間有所減少。我們會繼續跟進能源和水的消耗量，並定期檢討現有措施的效益，以進一步改善我們在節約能源、節約用水及減少溫室氣體排放的表現。

¹ Fuel used in the operations includes natural gas, towngas, liquefied petroleum gas and naphtha. As a result of our effort in improving data management, naphtha consumption is newly added to the scope. For comparability, the 2019 figure is also restated.

¹ 營運中使用的燃料，包括天然氣、煤氣、液化石油氣及白電油。由於我們努力改進數據管理，白電油耗用量已予新加入範圍內。為方便比較，2019年數據亦已予重列。

Environment (continued)

環境(續)

Energy and Resources Management (continued)

能源及資源管理(續)

Scope of Greenhouse Gas Emissions 溫室氣體排放範圍	Unit 單位	Total Emission* 總排放量*		Intensity (Tonnes of Carbon Dioxide Equivalent (tCO ₂ e) / HK\$1m Turnover) 密度 (公噸二氧化碳當量 / 1百萬港元營業額)	
		2020	2019	2020	2019
Scope 1 – Direct Greenhouse Gas Emissions 範圍 1 – 直接溫室氣體排放量	Tonnes of Carbon Dioxide Equivalent (tCO ₂ e) 公噸二氧化碳當量	66	89 ²	1.1	0.9
Scope 2 – Indirect Greenhouse Gas Emissions 範圍 2 – 間接溫室氣體排放量	Tonnes of Carbon Dioxide Equivalent (tCO ₂ e) 公噸二氧化碳當量	13,807	14,264		

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

- Direct greenhouse gas emissions are emissions from sources that are owned or controlled by us (Scope 1), including use of fuel for stationary combustion. The data were calculated based on Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong and the World Resources Institute's Greenhouse Gas Accounting Tool for Chinese Cities (Pilot Version 1.0).
- Indirect greenhouse gas emissions are emissions that are a consequence of the activities of our operations, but occur at sources owned or controlled by another entity (Scope 2), including purchased electricity. The data were calculated based on the default factors provided by electricity providers in Hong Kong, such as Power Assets, CLP and The Hong Kong and China Gas Company Limited. The emissions by electricity purchased in China were calculated based on the emission factors in China's Regional Grid Average CO₂ Emission Factors in 2012.

- 溫室氣體的直接排放是來自本集團擁有或控制的來源排放(範圍1)，包括固定燃燒的排放。該等數字乃根據《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》及世界資源研究所的「中國城市溫室氣體核算工具(測試版1.0)」計算。
- 溫室氣體的間接排放是本集團業務活動所導致，但是由另一實體擁有或控制的來源排放(範圍2)，包括所購買電力。該等數字乃根據香港電力供應商(如電能實業和中華電力，以及香港中華煤氣有限公司)提供的排放因子計算。因購買中國電力所導致的排放量乃根據《2012年中國區域電網平均二氧化碳排放因子》計算。

² As a result of our effort in improving data management, naphtha consumption is newly added to the scope. For comparability, the 2019 figure is also restated.

² 由於我們努力改進數據管理，白電油耗用量已予新加入範圍內。為方便比較，2019年數據亦已予重列。

Environment (continued)

Climate Change Management

Climate change brings about potential risks and disturbances to business operations. Consistent with our risk management policies, our management is delegated to identify, analyse, evaluate, respond, monitor and communicate risks related to climate change. To understand and mitigate accordingly the significant climate-related issues that would affect our business, we have commissioned a third-party consultant to conduct a formal climate change impact assessment. The assessment suggests that our manufacturing and retail operations have not been materially impacted by climate-related issues and are subject to limited climate-related risks in the short, medium and long term.

The impact of climate change has been mitigated by various measures implemented in the operations. Business contingency plans for our manufacturing and retail operations are in place. We have also set energy and carbon reduction targets for our factories to enhance climate resilience against future low-carbon policies. We will continue to monitor the situation and update our management approach to climate change.

Wastewater Management

The Group's major use of water occurs at its plants in the course of manufacturing jewellery. The wastewater may contain acids, alkali, various chemicals and heavy metals. At the plants in Shunde and Hong Kong, there is an onsite facility for neutralisation, deionisation and sedimentation of the wastewater. The treated water is certified safe to discharge into the municipal network, and the slag is properly handled by licensed operators. At the smaller plants, wastewater is put in safe storage for removal by licensed operators at regular intervals.

環境(續)

氣候變化管理

氣候變化對商業營運帶來潛在風險及干擾。與我們的風險管理政策一致，管理層致力於識別、分析、評估、回應、監察及傳達與氣候變化有關的風險。為了解及相應減輕可能影響業務的重大氣候相關問題，我們委託了第三方顧問，進行正式氣候變化影響評估。該評估認為我們的製造及零售業務並無受與氣候相關問題的重大影響，以及在短、中、長期內受到與氣候相關的風險亦有限。

通過在營運中實行多項措施已減輕氣候變化的影響。我們的製造及零售業務已設定業務應急計劃。我們亦已為工廠設立節能及減碳目標，以加強氣候變化的適應能力，從而面對日後的低碳政策。我們將持續監察狀況，並更新我們應對氣候變化的管理方針。

廢水管理

本集團主要於製造珠寶時在廠房內用水。廢水可能含有酸、鹼、各種化學品及重金屬。在順德及香港的廠房建有針對廢水進行中和、去離子及沉澱的設施。廢水經處理後可以安全排放至市內管道網絡，廢料將由持牌操作員妥善處理。在小型廠房內，我們把廢水妥善儲存，然後由持牌操作員定期清理。

Type of Emission 排放類別	Unit 單位	Total Volume of Effluent Discharged* 廢水排放總量*	
		2020	2019
Wastewater from Jewellery Manufacturing 珠寶製造產生之廢水	Tonnes 噸	21,681	43,831

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

Compared with 2019, the Group discharged less wastewater due to reduced manufacturing and production activities during the year. We will continue to monitor the volume and quality of the effluent to ensure it is discharged appropriately and responsibly.

與2019年相比，由於製造及生產活動減少，本集團於年內減少排放廢水。我們會繼續監察廢水的總量及質量，以確保適當地和負責任地排放廢水。

Environment (continued)

Waste Management

Another area of focus in the Group’s environmental management policies is waste reduction at source. The Group has placed much emphasis on the reusability in the packaging of its products. Customers will find our boxes useful for storing other items if not used for their jewellery. It is ingrained into our culture to reuse suitable containers and boxes for transportation. As a recognition of our continuous efforts in waste reduction, the office, plant and laboratory of the Group were bestowed the Wastewi\$e Certificate (Excellence Level) by Hong Kong Green Organisation Certification. Compared to 2019, fewer packaging materials were used and distributed in general due to reduction in sales volume this year. The Group will continue to study possible ways to avoid undue and unnecessary use of packaging materials and recycle whenever appropriate.

環境(續)

廢棄物管理

本集團環保管理政策的另一重點為源頭減廢。本集團極為重視可重覆使用的產品包裝。本集團設計的首飾盒，除可存放珠寶外，顧客亦可把盒子作其他儲存用途。於運送產品時重用合適的容器及箱子亦是我們根深蒂固的文化。我們在減少廢物方面的持續努力備受肯定，本集團的辦公室、工廠和實驗室獲得「香港綠色機構認證」下的「減廢證書」(卓越級別)。與2019年相比，由於本年度銷量減少，總體上使用和分發的包裝材料亦較少。本集團將繼續研究一些可行方法，避免過度或不必要地使用包裝物料，並會在適當時候進行回收。

Type of Packaging Material 包裝物料類別	Unit 單位	Amount of Material Used* 物料使用量*	
		2020	2019
Paper Box 紙盒	Tonnes 噸	271	414
Jewellery Pouch 小型珠寶袋	Tonnes 噸	8	11
Paper Bag 紙袋	Tonnes 噸	106	176
Others (e.g. plastic, leather, wood, and etc.) 其他物料 (例如塑膠、皮革、木材等)	Tonnes 噸	10	25

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

There are other measures for small savings but heightened awareness:

- to cut down the use of paper cups, all staff members are encouraged to use glass and cups for their tea and water; and wherever feasible guests are served with those as well;
- to reduce the use of printing paper, the Group and its management require departments to check out their own paper and record total usage; and
- to encourage the use of email and online chats for company business.

本集團亦採用其他措施，雖為少量節約但旨在提高環保意識：

- 為減少使用紙杯，本集團鼓勵所有員工享用茶水時使用玻璃杯及茶杯；於可行的情況下，服務客人亦會採取相同做法；
- 為減少使用打印紙，本集團及管理層要求部門核對及記錄紙張總使用量；及
- 鼓勵使用電子郵件及線上聊天工具執行公司業務。

Recycling bins are generally available and employees are encouraged to make use of them. We have participated in the Hong Kong Awards for Environmental Excellence for several years and recycled resources used in our operations. All recyclables are collected and handled by recognised recycling organisations.

本集團一般設有回收箱及鼓勵員工使用。過去數年我們均有參加香港環境卓越大獎，並回收本集團營運所用的資源。所有回收物料皆由認可回收組織收集及處理。

Environment (continued)*Waste Management (continued)*

Where options of recycling and reuse have been fully considered, the Group engages authorised or licensed contractors in the disposal of general waste and hazardous waste generated at our manufacturing factories or at our offices.

The Group endeavours to reduce use of hazardous materials wherever feasible. For example, the plant in Hong Kong has changed its electroforming processes to use non-cyanide chemicals. Overall, hazardous waste is always handled by qualified contractors in compliance with applicable local laws.

The following tables outline waste which is materially generated and recycled in our operations. Common office materials such as paper and toner cartridges are also included.

環境(續)*廢棄物管理(續)*

在充分考慮回收及重用的選擇後，本集團僱用獲授權或許可之承包商，處理在生產廠房或辦公室所產生的一般廢棄物及有害廢棄物。

本集團致力在可行情況下減少使用有害物料。例如，香港廠房已改變絨毛電鑄工序，採用非氰化物的化學品進行。總體而言，有害廢棄物必定是由合資格承辦商以符合當地法律方式處理。

下表概述集團業務內主要產生及回收之廢棄物，並且包括一般辦公室物料如紙張及碳粉盒。

Type of Hazardous Waste 有害廢棄物類別	Unit 單位	Amount of Waste Generated 廢棄物產生量	
		2020	2019
Highly Acidic Waste 高酸性廢物	Tonnes 噸	4.2	7.0
Others (e.g. waste with lead, inorganic cyanide, mercury, organic solvent) 其他廢物（例如含鉛廢物、無機氰化物廢物、水銀、有機溶液廢料）	Tonnes 噸	3.5	7.5

Type of Non-Hazardous Waste 無害廢棄物類別	Unit 單位	Amount of Waste* 廢棄物量*			
		2020		2019	
		Generated 產生	Recycled 回收	Generated 產生	Recycled 回收
Paper 紙張	Tonnes 噸	43	7	46	19
Toner Cartridge 碳粉盒	Pieces 個	2,822	825	3,889	748
General Waste 一般廢棄物	Tonnes 噸	23	–	37	–

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

In comparison with last year, less hazardous waste was generated during the year as a result of reduced production activities. Meanwhile, the Group has made continuous progress in generating less non-hazardous waste. We will continue to promote waste reduction measures, such as reuse and recycling, in our operations to improve resource effectiveness.

與去年相比，由於生產活動減少，導致年內產生較少的有害廢棄物。與此同時，本集團在減少排放無害廢棄物方面持續取得進展。我們將會繼續推廣減廢措施，如於業務中把物料回收重用以改善資源的使用效益。

Environment (continued)*Air Emissions Management³*

Jewellery manufacturing generates air emissions that may contain acids, alkali, other chemicals or traces of metals and dust. Our workplaces are equipped, depending on the scale of the operation and the nature of the processes employed, with equipment ranging from fume cupboards and filters to full-scale scrubber networks to render the air clean for discharge into the atmosphere as per the requirement of local regulatory authorities. In particular, the scrubber system in Shunde plant has airflow control to keep noxious emissions out of the working area.

Community Involvement

The Group believes that its involvement in the community can foster social harmony and development and is simply good corporate citizenship.

Promotion of Arts and Cultural Development

The Group is keen to foster the growth and development of Hong Kong's arts and cultural landscape, and we believe this encourages positive societal values for the expression of thoughts and feelings through design and innovation. For example, we have been a corporate partner with Hong Kong Sinfonietta and Maestro Circle member of the Hong Kong Philharmonic Orchestra for several years. The Hong Kong Repertory Theatre has likewise been receiving programme sponsorship.

Community Development

The Group has contributed to various charitable themes such as youth education, social service, community care, child and elderly care, care for special needs and groups on raising environmental awareness. During the year, we have supported many charitable organisations through monetary and in-kind donations and through participation in their charitable events. The Group donated to a number of organisations including The Salvation Army, St. James' Settlement People's Food Bank and Yan Chai Hospital.

Recognising the importance of quality education for young people, the Group provides scholarship funds to The Hong Kong Academy for Performing Arts, the City University of Hong Kong and have subsidised the "Sustained Vitality, Ever Rejuvenated education aid fund" (生生不息愛心助學基金) run by Shanghai Education Foundation of Huangpu District.

³ Air emissions are not material to the Group's jewellery manufacturing and retail businesses. The types of emissions and respective emissions data of HKEx ESG Guide are therefore not reported.

環境(續)*廢氣排放管理³*

珠寶製造產生的廢氣排放可能含有酸、鹼、其他化學物質或金屬及粉塵。我們的工作場所視乎操作規模及所用的工藝性質，設有通風櫃及過濾器，以至全面洗滌塔設備，按照當地監管機構規定將潔淨的空氣排放到大氣中。其中，順德工廠的洗滌系統具有氣流控制功能，可使有害排放物遠離工作區域。

社區參與

本集團相信參與社區活動有助促進社會和諧及發展，能彰顯本集團履行良好企業的公民責任。

推廣藝術及文化發展

本集團熱衷於促進香港藝術文化領域的成長及發展，並相信設計及創新意念能表達思想情感，宣揚正面的社會價值。例如本集團多年來為香港小交響樂團的企業夥伴及香港管弦樂團的大師會會員，我們亦有贊助香港話劇團。

社區發展

本集團捐助多項公益活動，如青年教育、社會服務、關懷社區、兒童及長者護理、關懷有特殊需要人士及提高環保意識團體。年內，我們透過金錢及實物捐助，以及參加公益活動以支持多間慈善機構。本集團捐贈予多間機構，包括救世軍、聖雅各福群會眾膳坊及仁濟醫院。

我們認為提供優質教育予青年尤為重要，故本集團提供獎學金予香港演藝學院及香港城市大學，並資助上海市黃浦區教育基金會主理的「生生不息愛心助學基金」。

³ 本集團的珠寶製造過程及零售業務並無產生大量廢氣排放，所以港交所環境、社會及管治指引下的排放種類及相關排放數據並無呈列。

Community Involvement (continued)*Community Development (continued)*

The Group not only supports Hong Kong community but also extends the support to Mainland China, Macau and Taiwan. Our offices in all regions are encouraged to initiate or participate in charitable events targeted to serve local community associations and organisations for youngsters, elderly and the environmental protection. To encourage participation by our staff, the Group sponsors the activities and encourages interested employees to become volunteers. Employees are eligible to apply for volunteer leave, which further encourages the participation of meaningful charitable work.

In 2020, we launched an event called “周生生公益林” via the Ant Forest online platform where we encouraged our staff to perform low-carbon activities such as doing more exercise and participating in environmental recycling projects. These activities would then be converted into “green energy” for watering “virtual tree” online. Once the “virtual tree” has fully grown, Ant Forest would plant a real tree in desertified areas in Mainland China. With the tremendous support of our staff, a total of 63 real trees were planted after the event. On the other hand, we have also organised a visit to a cultural community centre in Shunde to support their local flea market and promote environmental sustainability.

Laws and Regulations

Based on various aspects of the subject areas in the HKEx ESG Guide, we have identified the laws and regulations that are the most relevant to the Group:

社區參與(續)*社區發展(續)*

本集團不但支援香港社區，亦將社區服務擴展至中國大陸、澳門及臺灣。我們鼓勵各地區辦事處舉辦或參與公益活動，旨在服務當地的青少年、長者及環境保護之組織及機構。為鼓勵員工參與社區服務，本集團贊助該等活動並鼓勵有興趣員工成為義工。為更進一步鼓勵員工參與富有意義的慈善工作，員工可申請義工假。

於2020年，我們透過螞蟻森林線上平台推出名為「周生生公益林」的活動，鼓勵員工進行低碳行動，如多做運動及參加環保回收項目。此等活動將轉換成「綠色能量」並於線上為「虛擬樹」澆水。當「虛擬樹」長大後，螞蟻森林繼而於中國大陸荒漠化地區種植一棵真樹。在員工鼎力支持下，活動結束後共種植63棵真樹。另一方面，我們亦安排遊覽順德市的文化社區中心，支持他們的當地跳蚤市場及推廣環境的可持續性。

法律及規例

根據港交所環境、社會及管治指引主要範疇的多個層面，我們識別到對本集團最為相關的法律及規則：

Aspects 層面	Hong Kong Laws & Regulations 香港法律及規例	Mainland China Laws & Regulations 中國大陸法律及規例
A. Environmental 環境		
Aspect A1: Emissions 層面 A1：排放物	<ul style="list-style-type: none"> Water Pollution Control Ordinance 《水污染管制條例》 Waste Disposal Ordinance 《廢物處置條例》 Waste Disposal (Chemical Waste) (General) Regulation 《廢物處置(化學廢物)(一般)規例》 Air Pollution Control Ordinance 《空氣污染管制條例》 	<ul style="list-style-type: none"> Law of People's Republic of China on Prevention and Control of Water Pollution 《中華人民共和國水污染防治法》 Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Waste 《中華人民共和國固體廢物污染環境防治法》 Law of People's Republic of China on the Prevention and Control of Atmospheric Pollution 《中華人民共和國大氣污染防治法》

Laws and Regulations (continued)

法律及規例(續)

Aspects 層面	Hong Kong Laws & Regulations 香港法律及規例	Mainland China Laws & Regulations 中國大陸法律及規例
B. Social 社會		
Aspect B1: Employment and Labour Practices 層面 B1 : 僱傭及勞工常規	<ul style="list-style-type: none"> Sex Discrimination Ordinance 《性別歧視條例》 Disability Discrimination Ordinance 《殘疾歧視條例》 Family Status Discrimination Ordinance 《家庭崗位歧視條例》 Race Discrimination Ordinance 《種族歧視條例》 Employment Ordinance 《僱傭條例》 Minimum Wage Ordinance 《最低工資條例》 	<ul style="list-style-type: none"> Employment Promotion Law of the People's Republic of China 《中華人民共和國就業促進法》 Labour Law of the People's Republic of China 《中華人民共和國勞動法》 Social Insurance Law of the People's Republic of China 《中華人民共和國社會保險法》 Provisions on Minimum Wages 《最低工資規定》
Aspect B2: Health and Safety 層面 B2 : 健康與安全	<ul style="list-style-type: none"> Occupational Safety and Health Ordinance 《職業安全及健康條例》 Factories and Industrial Undertakings (Safety Management) Regulation 《工廠及工業經營(安全管理)規例》 	<ul style="list-style-type: none"> Work Safety Law of the People's Republic of China 《中華人民共和國安全生產法》 Provisions on the Supervision and Administration of Occupational Health at Work Sites 《工作場所職業衛生監督管理規定》
Aspect B4: Labour Standards 層面 B4 : 勞工準則	<ul style="list-style-type: none"> Employment of Children Regulations 《僱用兒童規例》 	<ul style="list-style-type: none"> Provisions on Prohibition of Child Labour 《禁止使用童工規定》 Law of the People's Republic of China on the Protection of Minors 《中華人民共和國未成年人保護法》
Aspect B5: Supply Chain Management 層面 B5 : 供應鏈管理	<ul style="list-style-type: none"> Competition Ordinance 《競爭條例》 	<ul style="list-style-type: none"> Law of the People's Republic of China on Bid Invitation and Bidding 《中華人民共和國招標投標法》
Aspect B6: Product Responsibility ⁴ 層面 B6 : 產品責任 ⁴	<ul style="list-style-type: none"> Trade Descriptions Ordinance 《商品說明條例》 Trade Marks Ordinance 《商標條例》 Sale of Goods Ordinance 《貨品售賣條例》 Personal Data (Privacy) Ordinance 《個人資料(私隱)條例》 	<ul style="list-style-type: none"> Advertising Law of the People's Republic of China 《中華人民共和國廣告法》 Trademark Law of the People's Republic of China 《中華人民共和國商標法》 Patent Law of the People's Republic of China 《中華人民共和國專利法》 Product Quality Law of the People's Republic of China 《中華人民共和國產品質量法》 Law of the People's Republic of China on the Protection of Consumer Rights and Interests 《中華人民共和國消費者權益保護法》
Aspect B7: Anti-corruption 層面 B7 : 反貪污	<ul style="list-style-type: none"> Prevention of Bribery Ordinance 《防止賄賂條例》 	<ul style="list-style-type: none"> Interim Provisions on Prohibition of Commercial Bribery 《關於禁止商業賄賂行為的暫行規定》

⁴ The Group also complies with the General Data Protection Regulation (GDPR) of the European Union.

⁴ 本集團亦有遵守歐盟之《一般資料保護規則》。

Corporate Governance Practices

The Group as a whole strives to adhere to the highest standards of transparency, accountability and corporate governance, balancing and protecting the interests of shareholders, employees, customers and suppliers. The Company has complied throughout the year 2020 with the applicable code provisions of the Corporate Governance Code (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for the deviation from code provision A.2.1 of the Code and which is explained in the relevant part of this report.

The Board

Board composition

The Board comprises nine Directors, of whom three Executive Directors (“EDs”), two Non-executive Directors (“NEDs”) and four Independent Non-executive Directors (“INEDs”). In addition, a list containing the names of the Directors and their roles and functions is available on the websites of the Company and Hong Kong Exchanges and Clearing Limited (“HKEX”).

Chairman and Group General Manager

Code provision A.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Vincent CHOW Wing Shing holds both positions of the Chairman and the Group General Manager of the Company. The Board is of the opinion that the present board structure provides the Group with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

Independence of Directors

Save for the relationships disclosed in the biographical details set out on pages 5 to 8 of this annual report, the Directors do not have family, material financial, business or other relationships with one another.

The Company has received from each of the INEDs written annual confirmation of his independence as required under the Listing Rules and therefore the Board considers all INEDs to be independent.

Re-election of Directors

All NEDs (including INEDs) are appointed for specific terms of not more than three years. In addition, all Directors are subject to retirement by rotation at least once every three years and re-election in annual general meetings of the Company in accordance with the Code and the Company’s bye-laws.

企業管治常規

本集團全體員工致力維持集團最高標準之透明度、問責制及企業管治，以平衡及保障股東、員工、客戶及供應商之利益。本公司於2020年整年一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「守則」)之適用守則條文，惟本報告相關部分說明偏離守則第A.2.1項守則條文之情況除外。

董事會

董事會組成

董事會由九名董事組成，包括由三名執行董事、兩名非執行董事及四名獨立非執行董事組成。此外，董事名單與彼等角色和職能已載於本公司及香港交易及結算有限公司(「港交所」)之網站。

主席及集團總經理

守則第A.2.1項守則條文訂明，主席與行政總裁之角色應有區分，並不應由一人同時兼任。

周永成先生同時擔任本公司主席兼集團總經理，董事會認為現行之董事會架構為本集團提供穩健而一致之領導，能使本集團有效及高效率地制定規劃，以及執行業務決定及策略。

董事獨立性

除了於本年報第5至8頁的董事履歷詳情披露彼等之關係外，董事之間概無親屬、重大財務、業務或其他關係。

本公司已接獲各獨立非執行董事根據上市規則規定就其獨立性發出之年度確認函，因此董事會認為所有獨立非執行董事均屬獨立人士。

董事重選

所有非執行董事(包括獨立非執行董事)獲委任之指定任期均不超過三年。此外，根據守則及本公司之章程細則所有董事亦須最少每三年於本公司之股東週年大會上輪席退任及膺選連任。

The Board (continued)*Securities transactions*

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the Company's code of conduct regarding Directors' securities transactions. Directors are reminded on a regular basis of their obligations under the Model Code.

All Directors have written to confirm, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year.

Employees who have access to inside information of the Group are also subject to compliance with written internal guidelines (the "Written Internal Guidelines") that follow the Model Code.

Directors' continuous professional development

Directors have continuously been updated on major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices.

During the year, the Directors participated in continuous professional development to develop and refresh their knowledge and skills and provided their records of training to the Company. Details are as follows:

董事會(續)*證券交易*

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)，作為本公司董事進行證券交易之行為守則。本公司定期提醒各董事於標準守則下須履行之責任。

全體董事經本公司作出特定查詢後已書面確認，彼等整年均一直遵守標準守則所載之規定標準。

若員工接觸到本集團之內幕消息，亦須遵守按標準守則訂立之書面內部指引(「書面內部指引」)。

董事之持續專業發展

本公司持續向董事提供最新有關上市規則及其他適用監管規定之重大發展，以確保彼等遵守及秉持良好企業管治常規。

年內董事參與持續專業發展，以發展及更新彼等之知識及技能，並且向本公司提供彼等之培訓紀錄。詳情如下：

Name of Directors	董事姓名	Training ^(Note) 培訓 _(附註)
Executive Directors:	執行董事：	
Mr. Vincent CHOW Wing Shing	周永成先生	✓
Dr. Gerald CHOW King Sing	周敬成醫生	✓
Mr. Winston CHOW Wun Sing	周允成先生	✓
Non-executive Directors:	非執行董事：	
Mr. Stephen TING Leung Huel	丁良輝先生	✓
Mr. CHUNG Pui Lam	鍾沛林先生	✓
Independent Non-executive Directors:	獨立非執行董事：	
Mr. LEE Ka Lun	李家麟先生	✓
Dr. CHAN Bing Fun	陳炳勳醫生	✓
Dr. LO King Man	盧景文博士	✓
Mr. Stephen LAU Man Lung	劉文龍先生	✓

Note:

The mode of trainings includes but not limited to attending online trainings and seminars, and/or reading materials on relevant topics.

附註：

培訓方式包括但不限於參加網上培訓及研討會，及／或閱讀相關題材的材料。

Roles and Responsibilities of the Board

The Board assumes responsibility for leadership and control of the Group. It determines the overall strategic direction and management objectives, oversees significant operational and financial matters and ensures a framework of risk controls is in place.

The Company has provided to each Director a Directors' Manual, which includes the statutory obligations, duties and responsibilities for being a director. The Directors' Manual is updated from time to time to reflect the latest developments in those areas.

Internal guidelines with continuing updates in areas on the Company's and the Directors' obligations under the Listing Rules, and the latest developments or material changes on ordinances, rules or regulations are provided to Directors from time to time.

The Board has delegated day-to-day operations to management, who is responsible for implementing the Group's business strategies and managing the daily business operations under the leadership of the Chairman/Group General Manager and the Group Deputy General Manager, both of whom are EDs.

Management support

All Directors were provided with monthly updates on the Group's business, operations, and financial matters as well as timely information that may have affected the Group's businesses. Comprehensive Board papers are prepared and distributed quarterly to Directors to keep them informed.

Directors have free access to management for additional information, as and when required and may solicit independent professional advice at the Company's expenses.

董事會角色及責任

董事會負責領導及管控本集團。其釐定整體策略性方向及管理目標、監督重大運作及財務事宜，並確保本集團具備風險管控架構。

本公司已向各董事提供董事手冊，當中載有作為董事之法定責任、職務及職責。本公司不時更新董事手冊，以反映相關部分之最新發展。

本公司不時向董事提供持續更新之內部指引，當中載有本公司及董事根據上市規則之責任，以及條例、規則或法規之最新發展或重要變動。

董事會將日常運作授權予管理層負責，管理層在均為執行董事之董事會主席／集團總經理及集團副總經理領導下，負責執行本集團之業務策略及管理日常業務運作。

管理層支援

所有董事均獲得有關本集團業務、營運及財務事宜之每月最新資料，以及可能影響本集團業務之適時資料。管理層每季皆編製及向董事提供詳盡之董事會文件，使彼等獲得有關資料。

董事可隨時接觸管理層以取得額外資料，如有需要時亦可尋求獨立專業意見，費用由本公司承擔。

Attendance Records of Directors

The attendance records of each Director at the Board and Board Committee meetings and the annual general meeting held in 2020 are set out as follows:

Name of Directors	董事姓名	Attendance/Number of Meetings					Annual General Meeting 股東週年大會
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	會議出席次數/舉行次數	
Executive Directors:		執行董事：					
Mr. Vincent CHOW Wing Shing <i>Chairman and Group General Manager</i>	周永成先生 <i>主席兼集團總經理</i>	5/5	-	-	-	1/1	
Dr. Gerald CHOW King Sing	周敬成醫生	4/5	-	-	1/1	1/1	
Mr. Winston CHOW Wun Sing <i>Group Deputy General Manager</i>	周允成先生 <i>集團副總經理</i>	5/5	-	-	-	1/1	
Non-executive Directors:		非執行董事：					
Mr. Stephen TING Leung Huel	丁良輝先生	5/5	2/2	1/1	0/1*	1/1	
Mr. CHUNG Pui Lam	鍾沛林先生	5/5	2/2	1/1	1/1	1/1	
Independent Non-executive Directors:		獨立非執行董事：					
Mr. LEE Ka Lun <i>Chairman of the three Committees</i>	李家麟先生 <i>三個委員會之主席</i>	5/5	2/2	1/1	1/1	1/1	
Dr. CHAN Bing Fun	陳炳勳醫生	5/5	2/2	1/1	1/1	1/1	
Dr. LO King Man	盧景文博士	4/5	2/2	1/1	1/1	1/1	
Mr. Stephen LAU Man Lung	劉文龍先生	5/5	2/2	1/1	1/1	1/1	

- *The Director is not a member*

* *Antecedent to the appointment of Mr. Stephen TING Leung Huel as a member of the Nomination Committee on 19 June 2020, there was one Nomination Committee meeting held.*

During the year, the Chairman held a meeting with the INEDs without the presence of other Directors in accordance with the Code.

Directors who are considered having conflict of interests or material interests in proposed transactions or contemplated issues are required to abstain from voting on the relevant resolution.

Board Committees

The Board is supported by three committees, namely Audit Committee, Remuneration Committee and Nomination Committee, whose respective terms of reference are available on the websites of the Company and HKEC.

Composition of each of the three committees is shown in the section headed "Attendance Records of Directors" above.

董事的出席紀錄

各董事出席於2020年內舉行的董事會及董事委員會會議，以及股東週年大會的紀錄載列如下：

- *董事並非成員*

* *丁良輝先生於2020年6月19日獲委任為提名委員會成員之前，只舉行了一次提名委員會會議。*

年內主席根據守則在其他董事避席的情況下與獨立非執行董事舉行了一次會議。

若董事於建議交易或擬進行事項中存有利益衝突或擁有重大權益，則須就相關決議案放棄投票。

董事委員會

董事會由三個委員會支援，分別為審核委員會、薪酬委員會及提名委員會，其相關職權範圍載於本公司及港交所之網站。

三個委員會的組成詳列於上文「董事的出席紀錄」一節。

Board Committees (continued)*Audit Committee*

The principal duties are to monitor the integrity of the Group's consolidated financial statements, oversee the Group's financial reporting systems, internal control and risk management procedures and the relationship with the external auditor. Members possess appropriate professional qualifications, accounting or management expertise as required under the Listing Rules.

During the year, the Committee reviewed the Group's accounting principles and practices, development in accounting standards and associated impacts on the Group, risk management issues, audit findings, compliance, strategy summary and financial reporting matters, and the effectiveness of the Group's risk management and internal control systems. The Committee discussed the above matters, where appropriate, with management and external auditor. An enterprise risk management framework has also been adopted so as to enhance the Group's ability to secure an early-mover positioning in a fast-changing business environment.

Remuneration Committee

The principal functions include reviewing and making recommendations to the Board on the remuneration policies and packages for Directors and senior management.

The remuneration of Directors consists of a basic annual fee with additional payments for serving on Committees. It is not set individually. EDs receive additional pay packages by virtue of their positions in management.

During the year, the Committee reviewed the remuneration package and bonus payment of Directors and senior management; and reviewed and made recommendation to the Board on Directors' fees.

Nomination Committee

The main duties include reviewing the structure, size and composition of the Board, assessing the independence of INEDs, making recommendations to the Board on the appointment or re-appointment of Directors and determining the policy for nomination of Directors.

The Board has adopted a board diversity policy (the "Board Diversity Policy") which sets out the approach to achieve diversity of the Board. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's corporate strategy. All Board appointments are based on meritocracy, and candidates are considered against objective criteria, having due regards for the benefits of diversity on the Board.

In determining the Board composition, the Committee considers a number of aspects as set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, industry and regional experience and other qualities.

董事委員會(續)*審核委員會*

審核委員會主要職責為監察本集團綜合財務報告完整性、監督本集團財務匯報制度、內部管控及風險管理程序，以及與外聘核數師之關係。委員會成員皆具備上市規則規定之合適專業資格、會計或管理專長。

年內委員會審閱本集團之會計原則及慣例、會計準則發展及對本集團之相關影響、風險管理事項、審計結果、法規遵守、策略概要及財務報告事宜，以及本集團風險管理及內部管控系統之有效性。委員會適當地與管理層及外聘核數師討論上述事宜。本集團亦已採納企業風險管理架構，以加強本集團在瞬息萬變的營商環境中取得先驅者地位的能力。

薪酬委員會

薪酬委員會主要職能包括檢討董事及高級管理人員之薪酬政策及待遇，以及向董事會提出建議。

董事薪酬包括基本年度袍金及出任委員會成員之額外酬金。該薪酬並非以個別董事釐定。執行董事按彼等在管理層之職位而獲取額外薪酬待遇。

年內委員會就董事及高級管理人員之薪酬待遇及花紅支付作出檢討，並就董事袍金進行檢討及向董事會提出建議。

提名委員會

提名委員會主要職責包括檢討董事會之架構、人數及組成、評核獨立非執行董事之獨立性、就董事委任或重新委任向董事會提出建議，以及釐定提名董事之政策。

董事會已採納董事會成員多元化政策(「董事會成員多元化政策」)，當中載有達致董事會多元化的方向。本公司認同並深信董事會成員多元化的裨益，致力確保董事會就適合集團企業策略所需之技能、經驗及多元化方面取得平衡。為有效達致董事會成員多元化，所有董事會成員委任乃基於用人唯才，並考慮候選人之客觀條件。

在確定董事會的組成時，委員會考慮董事會成員多元化政策中規定的若干方面，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、行業及地區經驗以及其他方面。

Board Committees (continued)*Nomination Committee (continued)*

The Board has adopted a director nomination policy (the “Nomination Policy”) which sets out the selection criteria and process in relation to nomination and appointment of directors of the Company and aims to ensure the continuity of the Board and appropriate leadership at Board level.

The 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 business and corporate strategy of the Group;
- the Board Diversity Policy and any measurable objectives adopted by the Committee for achieving diversity on the Board;
- requirement for the Board to have independent directors in accordance with the Listing Rules and assessment of the independence of the candidates; and
- commitment to understanding the Company and its industry, willingness to devote adequate time to discharge duties as a member of the Board.

Upon receipt of a proposal on appointment of new director, the Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship. If the process yields one or more desirable candidates, the Committee and/or the Board should rank them by order of preference based on the needs of the Group and the Committee should then make recommendation to the Board. For any person nominated by shareholder(s) for election as a director at the general meeting of the Company, the Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine the eligibility of such candidate, and thus make recommendation to the shareholders on the proposed election of director at the general meeting.

董事委員會(續)*提名委員會(續)*

董事會已採納董事提名政策(「提名政策」)，當中載有有關本公司董事提名及委任之遴選準則和程序，旨在確保董事會之連續性及董事會層面上具備適當的領導力。

提名政策載有評估建議候選人的適合性及可能對董事會帶來貢獻之因素，包括但不限於以下各項：

- 品格與誠信；
- 資格，包括專業資格、技能、知識及與本集團業務及企業策略相關的經驗；
- 董事會成員多元化政策，以及委員會為達致董事會多元化而採取的任何可衡量目標；
- 根據上市規則的規定，董事會須包括獨立董事，並評估候選人的獨立性；及
- 致力於了解本公司及其行業，並願意投入足夠的時間，以履行作為董事會成員之職責。

在收到委任新董事的建議後，委員會及／或董事會應根據上述準則評估該候選人，以判斷該候選人是否合資格擔任董事。如過程涉及一個或多個合意的候選人，委員會及／或董事會應根據本集團之需要排列彼等的優先次序，然後委員會向董事會提出推薦建議。就任何經由股東提名於本公司股東大會上選舉為董事的人士，委員會及／或董事會應根據上述準則評估該候選人，以判斷該候選人的資格，然後就於股東大會上選舉董事的提案向股東提出推薦建議。

Board Committees (continued)*Nomination Committee (continued)*

For re-election of director at the general meeting, the Committee and/or the Board should review the overall contribution and service made by the retiring director to the Group, and consider whether the retiring director's level of participation and performance on the Board meet the criteria as set out above. The Committee and/or the Board should then make recommendation to the shareholders on the proposed re-election of director at the general meeting.

During the year, the Committee reviewed the structure, size and composition of the Board and recommended the addition of new board member so as to work towards age and gender diversity of the Board. It also assessed and confirmed the independence of the INEDs, and made recommendation to the Board on the nomination of Dr. Gerald CHOW King Sing, Mr. LEE Ka Lun and Dr. LO King Man, the retiring directors, for re-election as Directors by the shareholders at the annual general meeting of the Company held on 11 June 2020. The Committee considered that an appropriate balance of diversity perspectives of the Board is still maintained.

Corporate Governance Functions

The Board has undertaken the corporate governance functions as required under the Code and is responsible for determining the policy for the corporate governance of the Company and keeping up to date with the latest requirements of the Code and the Listing Rules.

During the year, the Board 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 the Written Internal Guidelines, and the Company's compliance with the Code and the disclosure in this report.

Financial Reporting*Directors' responsibilities*

The Board is responsible for the preparation of the Group's consolidated financial statements which give a true and fair view of the Group's state of affairs, results and cash flows in accordance with statutory requirements and applicable accounting standards.

董事委員會(續)*提名委員會(續)*

就於股東大會上重選董事而言，委員會及／或董事會應審閱退任董事對本集團作出的整體貢獻及服務，並考慮退任董事於董事會之參與程度及表現是否符合以上準則。然後，委員會及／或董事會就於股東大會上建議重選董事向股東提出推薦建議。

年內委員會檢討董事會之架構、人數及組成，並建議新增董事會成員，以努力實現董事會的年齡和性別多元化。委員會亦評核及確認獨立非執行董事之獨立性，並建議董事會提名退任董事周敬成醫生、李家麟先生及盧景文博士供股東於本公司2020年6月11日舉行之股東週年大會上重選為董事。委員會認為就董事會多元化範疇依然維持了適當平衡。

企業管治職能

董事會按守則之要求承擔了企業管治職能及負責釐定本公司企業管治之政策，並掌握守則及上市規則之最新規定。

年內董事會檢討本公司之企業管治政策及常規、董事及高級管理人員之培訓及持續專業發展、本公司在遵守法律及監管規定方面之政策及常規、遵守標準守則及書面內部指引，以及本公司遵守守則及於本報告作出披露的情況。

財務匯報*董事責任*

董事會負責根據法定要求及適用之會計準則編製本集團之綜合財務報告，以真實和公平地反映本集團之財務狀況、業績及現金流量。

Financial Reporting (continued)*External auditor*

The reporting responsibilities of the Group's independent external auditor, Ernst & Young, on the Group's consolidated financial statements are set out in the Independent Auditor's Report on pages 63 to 71 of this annual report.

The Board is satisfied with the audit fees, process and effectiveness of Ernst & Young and has recommended its re-appointment as the Company's external auditor at the forthcoming annual general meeting. The services provided by Ernst & Young and the associated fees thereof paid/payable for 2020 were as follows:

Audit	審計
Taxation	稅務
Others	其他

財務匯報(續)*外聘核數師*

本集團之獨立外聘核數師安永會計師事務所對本集團綜合財務報告之申報責任載於本年報第63至71頁之獨立核數師報告內。

董事會信納安永會計師事務所之審計費用、審計過程及有效性，並建議於應屆舉行之股東週年大會上續聘其出任為本公司之外聘核數師。安永會計師事務所於2020年提供之服務及已付／應付相關費用如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元
3,741	4,063
1,921	1,555
553	1,955
6,215	7,573

Risk Management and Internal Control

The Board is responsible for ensuring that adequate risk management and internal controls are in place to safeguard the Group's assets and manage risks. The Board reviews the effectiveness of the risk management and internal control systems on an ongoing basis. Policies and procedures are designed for providing reasonable assurance against material misstatement or loss and managing risks of failure in operational systems and achievement of the Group's objectives.

Risk Management

Management is delegated to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. For risk control and monitoring, it involves making decisions regarding which risks are acceptable and how to address those that are not. Management develops action plans to address potential risks and contingency plans for possible loss scenarios. Accidents and other situations involving loss or near-loss will be investigated and properly documented as part of the effort to manage risks. Risk assessment is carried out biannually. Key risks and action plans are identified by management and reported to the Audit Committee and the Board.

風險管理及內部管控

董事會負責確保本集團有足夠風險管理及內部管控，以保障本集團資產及管理風險。董事會持續檢討風險管理及內部管控制度的效力。政策及程序乃為重大誤報或損失提供合理保障，並管理運作系統失靈及無法達成本集團目標之風險而設計。

風險管理

管理層獲委派在其職責及權力範圍內，就有關任何活動、職能或程序的風險進行識別、分析、評估、應對、監控及溝通。就風險監控及監察而言，當中涉及就可承受風險作出決定及如何解決不能承受的風險。管理層為應對潛在風險及對可能出現損失的情況分別制訂行動方案及應急方案。意外及其他引致虧損或接近虧損的情況將被調查及妥為存檔作為致力管理風險的一部分。風險評估每兩年進行一次。主要風險和行動方案由管理層確定，並向審核委員會和董事會呈報。

Risk Management and Internal Control (continued)**風險管理及內部管治(續)***Risk Management (continued)**風險管理(續)*

Principal risks and uncertainties facing the Group are set out as follows:

本集團面對的主要風險及不確定因素如下：

- | | |
|---|--|
| <ul style="list-style-type: none"> • Retail market suffers from disruptions caused by covid-19 and the uncertainties in the global economic and political environment and the weakened consumer demand. We see opportunities to grow by adopting omni-channel retailing and increase customer loyalty via product and brand differentiation. • The Group's operations will be affected by multiple risk factors related to the manufacture and retail of jewellery and distribution of watches, wholesale of precious metals, and securities and futures broking. Policies and procedures are designed to minimise the risks. • Adverse effects which may arise from changes in laws and regulations affecting our businesses. Legal and regulatory compliance policies are in place to mitigate against the risks. • Details of financial risk management objectives and policies are set out in note 41 to the consolidated financial statements. | <ul style="list-style-type: none"> • 零售市場受2019冠狀病毒衝擊和全球經濟及政治環境的不確定性，以及疲弱的消費意欲所影響。本集團認為透過採用全渠道零售可使業務增長和產品及品牌差異化可提升客戶忠誠度。 • 本集團業務將受有關珠寶製造及零售及鐘錶分銷、貴金屬批發，以及證券及期貨經紀的多項風險因素所影響。本集團制訂的政策及程序旨在盡量減低該等風險。 • 法律及規例的變更可能對本集團業務造成不利影響。本集團已制訂法律及法規的合規政策以減低該等風險。 • 有關財務風險管理目標及政策之詳情載於綜合財務報告附註41。 |
|---|--|

Internal Control

The purpose of internal control is to reasonably provide the assurance for the compliance of its operation and management with regulations and laws, assets security, and authenticity and integrity of financial report and related information, improve the efficiency and effectiveness of operating activities and promote the realisation of development strategy of the Group.

內部管治

內部管治之目的為合理地保證本集團的經營及管理符合規例及法律、資產安全性、財務報告及相關資料真確完整、提高經營活動效率及成效，以及推動本集團實施發展策略。

Risk Management and Internal Control (continued)*Internal Control (continued)*

Major internal controls currently in place within the Group included the following:

- An Internal Audit team conducts regular audits of different aspects of the operations and reports any findings to the Audit Committee.
- Business plans are prepared annually. Income and expenditure are subject to regular budgetary review.
- Policies are set to cover the integrity of trading practices, safekeeping of customer assets, and credit control for the securities and futures broking business and wholesale of precious metals.
- All inventory movements are properly recorded and reconciled, and verification and cross-checking with source documents procedures are in place. Inventory level is under continuous review and adjusted regularly taking into account of prevailing market conditions.
- Major or material connected transactions require pre-approval of INEDs and all continuing connected transactions are reviewed on a regular basis.
- Information access is managed on a need-to-know basis. Guidelines and procedures are in place to protect personal data and to ensure the integrity of communication systems.
- The Group strictly prohibits unauthorised use of confidential or inside information. Disclosure of inside information guide has been established and only the authorised staff are allowed to communicate with parties outside the Group.

風險管理及內部管治(續)*內部管治(續)*

本集團現有之主要內部管治包括以下各項：

- 系統稽核團隊對業務運作定期進行各方面審核，並向審核委員會報告所有調查結果。
- 每年編制業務計劃。收入及開支受定期預算檢討之管治。
- 證券及期貨經紀業務及貴金屬批發業務均有政策管理交易之完整性、妥善保管客戶資產及信貸控制。
- 所有存貨流動均妥善記錄及核對，亦訂有程序與源文件核證及對證。存貨水平會因應當時的市場情況持續檢視並定期作出調整。
- 本集團主要或重大關連交易必須獲得獨立非執行董事預先批准，並定期檢視所有持續關連交易。
- 查閱資訊乃按應知方知基準管理。制訂指引及程序以保障個人資料及確保溝通系統之完整性。
- 本集團嚴禁未經授權使用機密或內幕消息，並制訂披露內幕消息的指引，僅允許獲授權員工向外界人士披露相關資料。

The Board and the Audit Committee have reviewed the Group's risk management and internal control systems for the year ended 31 December 2020, with reference to the risk management and internal audit reports and the representations made by management and concluded that adequate and effective risk management and internal control systems of the Group are being maintained. The annual review also considers the adequacy of resources, qualifications and experience of staff of the Group's accounting, internal audit and financial reporting functions, and their training programmes and budget. There were no significant areas of concern identified during the year.

董事會及審核委員會審閱截至2020年12月31日止年度本集團之風險管理及內部管治系統，經參考風險管理及內部稽核報告及管理層作出之陳述後，確認本集團現有足夠並且有效之風險管理及內部管治系統。年度之檢討亦考慮到本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗是否足夠、以及彼等所接受之培訓課程及有關預算是否足夠。年內並無發現重大須關注事項。

Constitutional Documents

During the year, there was no change in the Company's memorandum of association and bye-laws. A copy of the latest consolidated version of the memorandum of association and bye-laws is available on the websites of the Company and HKEC.

Key Relationships with Employees, Customers and Suppliers

The Group recognises that human capital is a key asset to sustainable business growth. The objective of the Group's human resources management is to reward and recognise performing staff by providing a competitive remuneration package and implementing a performance appraisal system with appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement. We believe these measures could further enhance employee involvement and engagement as part of a team.

The Group is committed to providing high-quality products and services to its customers. Apart from our professional sale representatives in stores, we also have a dedicated team of customer relations personnel for quick response to enquiries and complaints. We believe that customer satisfaction is the key to our long-term success.

The Group values mutually beneficial long-term relationships with its suppliers. Steady supply of high-quality raw materials is crucial for us. The Group is committed to developing stable and sustainable partnership among its suppliers.

Corporate Communication*Shareholder communication*

The Board recognises the importance of good communication with the Company's shareholders and other stakeholders. A shareholders' communication policy with the objectives of ensuring a transparent and timely communication with shareholders and other stakeholders via various means has been established. The general meetings of the Company provide a forum for communication between the Board and the shareholders. The chairman of the Board as well as the chairman of the three Committees and other members of the respective committees are available to answer questions at the general meetings.

憲章文件

年內本公司之組織章程大綱及章程細則概無變動。該組織章程大綱及章程細則之最新綜合版本載於本公司及港交所網站。

與員工、客戶及供應商的重要關係

本集團深明人力資本乃可持續業務增長的重要資產。本集團人力資源管理的目標為透過提供具競爭力的薪酬方案及實施具有適當激勵措施的表現評估制度，獎勵及表彰表現良好的員工，並在本集團內透過適當培訓，使員工有事業發展及晉升的機會。我們相信該等措施可進一步加強員工作為團隊一分子的參與及投入。

本集團致力為客戶提供優質產品及服務。除店舖的專業銷售代表外，我們亦設有專責為顧客提供服務的團隊，迅速回應客戶諮詢及投訴。我們相信令客戶滿意是我們長遠成功的關鍵。

本集團重視與供應商互惠互利的長遠關係。優質原材料的穩定供應對我們十分重要。本集團致力與供應商建立穩定及可持續的夥伴關係。

企業傳訊*股東傳訊*

董事會深明與本公司股東及其他持份者保持良好溝通之重要性。本集團制訂股東傳訊政策，旨在確保透過多種方式與股東及其他持份者保持透明及適時之溝通。本公司之股東大會為董事會與股東提供交流平台。董事會主席、三個委員會之主席及各委員會之其他成員皆會出席股東大會以回答提問。

Corporate Communication (continued)

Investor communication

Aside from annual reports and interim reports, the Company disseminates timely information on its website to investors and consumers alike.

Management also attends meetings with financial analysts and fund managers from time to time. These meetings allow management to maintain close contact with investors which facilitate their understanding of the Group's strategies and operations.

Internal communication

The Group's staff members are linked by the Group's intranet for prompt sharing of information. Regular meetings of staff members from Hong Kong, Mainland China and Taiwan are held to share and discuss issues on achieving the Group's strategic objectives, actual operational practices, local rules and regulations and compliance practices.

Shareholders' Rights

Shareholders shall have the right to request the Board to convene a special general meeting ("SGM") of the Company. Shareholders holding in aggregate of not less than one-tenth (10%) of the paid-up capital of the Company may send a written request to the Board of the Company to request for an SGM.

The written requisition, duly signed by the shareholders concerned, must state the purposes of the meeting and must be deposited at the Company's registered office for the attention of the Company Secretary.

The Company would take appropriate actions and make necessary arrangements, and the shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under section 74 of the Bermuda Companies Act 1981 (the "Companies Act") once a valid requisition is received. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the shareholders concerned or any of them representing more than one half of the total voting rights of all of them may do so in the same manner, and all reasonable expenses incurred by the shareholders concerned as a result of the failure of the Board shall be reimbursed to them by the Company.

The following shareholders are entitled to put forward a proposal (which may properly be put to the meeting) for consideration at a general meeting of the Company:

- (a) any number of members representing not less than one-twentieth (5%) of the total voting rights of the Company on the date of the requisition; or
- (b) not less than 100 members holding shares in the Company.

企業傳訊(續)

投資者傳訊

除年報及中期報告外，本公司亦適時於其網站發布消息，供投資者及客戶參閱。

管理層亦不時出席財務分析員及基金經理之會議。此等會議令管理層與投資者保持密切聯繫，有助彼等了解本集團之策略及運作。

內部傳訊

本集團員工透過本集團之內聯網互相連繫，以即時交流資訊。香港、中國大陸及臺灣之同事共同參與定期舉行之會議，以分享及討論達成本集團之策略性目標、實際經營慣例、當地規則及規例，以及合規慣例等事宜。

股東權利

股東有權要求董事會召開本公司之股東特別大會(「股東特別大會」)。持有本公司繳足股本合共不少於十分之一(10%)之股東，可向本公司董事會發送請求書，要求召開股東特別大會。

經有關股東簽妥之請求書須列明會議目的，並送交本公司之註冊辦事處，請註明收件人為公司秘書。

本公司於接獲有效請求書時，將採取適當行動及作出必要安排，有關股東須根據百慕達1981年公司法(「公司法」)第74條之規定承擔由此產生之費用。倘於提交該請求起計21日內，董事會未落實召開有關大會，則有關股東或任何其中代表一半以上總投票權的人士可自行以相同方式召開大會，而本公司須向該等有關股東付還因董事會未有召開大會而產生的所有合理費用。

以下股東有權於本公司股東大會提呈建議(可於會議上正式提呈的建議)，以供考慮：

- (a) 於請求日期佔本公司總投票權不少於二十分之一(5%)之任何成員數目；或
- (b) 不少於100位持有本公司股份之股東。

Shareholders' Rights (continued)

The requisition specifying the proposal, duly signed by the shareholders concerned, together with a statement of not more than 1,000 words with respect to the matter referred to in the proposal must be deposited at the Company's registered office for the attention of the Company Secretary. The Company would take appropriate actions and make necessary arrangements, and the shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under sections 79 and 80 of the Companies Act once valid documents are received.

As regards proposing a person for election as a director of the Company, please refer to the "Procedures for Shareholders to Propose a Person for Election as a Director" available on the website of the Company.

Shareholders may send their enquiries and concerns to the Board in writing through the Company Secretary at 27/F, 9 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong (email: ir@chowsangsang.com).

股東權利(續)

經有關股東簽妥並載列建議之請求書，連同不多於1,000字關於建議內的所述事宜之陳述須送交本公司之註冊辦事處，請註明收件人為公司秘書。本公司於接獲有效文件時，將採取適當行動及作出必要安排，有關股東須根據公司法第79及80條之規定承擔由此產生之費用。

有關提名他人參選本公司董事之程序，請參閱本公司網站所載之「股東提名候選董事的程序」。

股東可透過公司秘書以書面方式向董事會提出查詢及關注，並送交香港九龍長沙灣永康街九號27樓(電郵：ir@chowsangsang.com)。



To the shareholders of
Chow Sang Sang Holdings International Limited
 (Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of Chow Sang Sang Holdings International Limited (the "Company") and its subsidiaries (the "Group") set out on pages 72 to 192, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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

致周生生集團國際有限公司
 (於百慕達註冊成立之有限公司)
 全體股東

意見

本核數師(以下簡稱「我們」)已審計列載於第72至192頁周生生集團國際有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報告，此綜合財務報告包括於2020年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報告附註，包括主要會計政策概要。

我們認為，該等綜合財務報告已根據香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則(「香港財務報告準則」)真實而公允地反映了貴集團於2020年12月31日之綜合財政狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵守香港公司條例之披露規定妥為擬備。

意見之基礎

我們已根據香港會計師公會頒布之香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔之責任已在本報告「核數師就審計綜合財務報告承擔之責任」部分中作進一步闡述。根據香港會計師公會頒布之專業會計師道德守則(「守則」)，我們獨立於貴集團，並已履行守則中之其他專業道德責任。我們相信，我們所獲得之審計憑證能充足和適當地為我們之審計意見提供基礎。

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審計事項

關鍵審計事項是根據我們之專業判斷，認為對本期綜合財務報告之審計最為重要之事項。這些事項是在對綜合財務報告整體進行審計並形成意見的背景下進行處理的。我們不對這些事項提供單獨之意見。我們對下述每一事項在審計中是如何應對之描述也以此為背景。

我們已履行本報告「核數師就審計綜合財務報告承擔之責任」部分闡述之責任，包括與這些關鍵審計事項相關之責任。相應地，我們之審計工作包括執行為應對綜合財務報告重大錯報風險而設之程序。我們執行審計程序之結果，包括應對下述關鍵審計事項所執行之程序，為綜合財務報告整體發表審計意見提供了基礎。

Key audit matters**關鍵審計事項****Net realisable value of inventories****存貨之可變現淨值**

As at 31 December 2020, the carrying amount of inventories (net of inventory provision), mainly comprised of gold, platinum, diamond products and watches, amounted to HK\$8,774,591,000. Significant judgement was required to assess the appropriate level of inventory provision for slow-moving or obsolete products which might be sold below cost. The assessment took into account factors that included but were not limited to, economic outlook, sales forecasts and the forecast market value for the inventory items.

The write-down of inventories to net realisable value during the current year amounted to HK\$29,198,000.

Further details about the Group's inventory provision are included in note 3 to the consolidated financial statements.

於2020年12月31日，存貨(主要包括黃金、鉑金、鑽石產品及鐘錶)的賬面值為8,774,591,000港元(已扣除存貨撥備)。評估該等可能以低於成本價格出售之滯銷或陳舊產品之合適存貨撥備水平須作出重大判斷。該評估計及(包括但不限於)經濟前景、銷售預測及預期存貨項目之市值等因素。

年內，撇銷存貨至可變現淨值為29,198,000港元。

有關 貴集團存貨撥備之進一步詳情載於綜合財務報告附註3。

Valuation of investment properties**投資物業估值**

The Group owned a portfolio of investment properties in Hong Kong and outside of Hong Kong, which was valued at HK\$332,649,000 as at 31 December 2020.

Significant estimation was required to determine the fair value of the investment properties, which reflected market conditions at the end of the reporting period. Management engaged an independent professionally qualified valuer to estimate the value of investment properties at the end of the reporting period.

Further details about the Group's investment properties are included in notes 3 and 15 to the consolidated financial statements.

貴集團於香港及香港境外擁有投資物業組合，其於2020年12月31日之估值為332,649,000港元。

釐定投資物業之公平價值須作出重大估計，其反映於報告期末之市場狀況。管理層委聘獨立專業合資格估值師估計投資物業於報告期末之價值。

有關 貴集團投資物業之進一步詳情載於綜合財務報告附註3及15。

How our audit addressed the key audit matters**該事項在審計中是如何應對的**

We obtained an understanding of management's processes for the initial identification of slow-moving or obsolete products. We reviewed the bases adopted by the Group for its inventory provision policy with reference to historical inventory losses, and evaluated whether the inventory provision was made in accordance with the policy. We also assessed the inventory provision by comparing the selling prices of the inventory items to their costs.

In addition to the above, independent gemologists were engaged by the Group to assess the net realisable values of certain jewellery items held by the Group as at 31 December 2020. We reviewed the sampling approach adopted by the gemologists, which was based on a mix of material and random items. For diamond products assessed by the independent gemologists, we also evaluated the net realisable value with reference to independently published sales prices.

我們了解管理層初步識別滯銷或陳舊產品之過程。我們審閱 貴集團就存貨撥備政策所採用之基準，並參考歷史存貨虧損，以及評價存貨撥備是否按照該政策實施。我們亦透過比較存貨項目之成本及售價，評估存貨撥備。

除上述者外，貴集團委聘獨立寶石鑑定師評估 貴集團於2020年12月31日持有之若干珠寶產品之可變現淨值。我們已審閱寶石鑑定師採用之抽樣法，其乃根據重大及隨機項目進行抽樣。就獨立寶石鑑定師所評估之鑽石產品，我們亦參考個別公布之售價評估可變現淨值。

We evaluated the objectivity, independence and competency of the valuer. We also involved our internal valuation specialists to assist us in reviewing the bases and assumptions adopted in the valuation for estimating the fair value of the investment properties and performed the benchmarking of the value of investment properties held by the Group to other comparable properties. We also assessed the related disclosures in the notes to the consolidated financial statements.

我們評價估值師之客觀性、獨立性及勝任能力。我們亦委聘內部估值專家協助評估為估計投資物業公平價值而進行之估值中所採用基礎及假設，並參考其他可比較物業為貴集團持有之投資物業價值訂定標準。我們亦評估綜合財務報告附註之有關披露。

Key audit matters**關鍵審計事項****Impairment assessment on receivables arising from securities and futures broking****證券及期貨經紀產生之應收賬款的減值評估**

As at 31 December 2020, gross receivables arising from securities and futures broking and the related credit loss allowance amounted to HK\$1,148,417,000 and HK\$489,744,000, respectively.

The assessment of impairment of receivables arising from securities and futures broking involves significant management judgements and estimates on the amount of expected credit loss.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposure since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

The Group's methodology and assumptions used for estimating the amount of future cash flows for receivables arising from securities and futures broking normally encompass the nature and value of collateral held and anticipated receipts; and where applicable the Group performed credit assessment based on the specific circumstances and market conditions which involved significant assumptions.

Further details about the Group's receivables arising from securities and futures broking are included in notes 3 and 22 to the consolidated financial statements.

於2020年12月31日，證券及期貨經紀產生之應收賬款總額及相關信貸虧損撥備分別為1,148,417,000港元及489,744,000港元。

證券及期貨經紀產生之應收賬款減值評估涉及管理層對預期信貸虧損金額作出重大判斷及估計。

於每個報告日期，貴集團比較報告日期與初始確認日期的預計年期內之違約風險，以此評估信貸風險是否自初始確認以來已大幅增加。

貴集團在估計證券及期貨經紀產生之應收賬款之未來現金流量金額時，使用之方法及假設一般涵蓋所持抵押品之性質及價值及預期收款；貴集團在適用情況下按特定情況及基於市況進行信貸評估，當中亦涉及重大假設。

有關貴集團證券及期貨經紀產生之應收賬款之進一步詳情載於綜合財務報告附註3及22。

How our audit addressed the key audit matters**該事項在審計中是如何應對的**

We obtained an understanding of the Group's credit risk management and practices, and assessed the Group's methodologies and assumptions used for estimating the impairment of receivables arising from securities and futures broking. Our procedures to assess the Group's impairment included the following:

- We evaluated the Group's methodologies and assumptions used in expected credit loss estimation.
- We tested the appropriateness of the Group's determination of significant increase in credit risk and the basis for classification of exposures into the 3 stages. Our testing included checking loan overdue information, loan-to-value percentage or other related information, and considering the stage classification determined by the Group.
- We also considered the control procedures performed by the Group over monitoring and valuation of collateral and determined whether there was any shortfall by comparing the loans outstanding with the value of collateral.

We also assessed the adequacy of the Group's disclosures in relation to credit risk.

我們已了解貴集團之信貸風險管理及常規，並已評估貴集團估計證券及期貨經紀產生之應收賬款之減值時所用的方法及假設。我們評估貴集團減值之程序包括以下各項：

- 我們評估貴集團預期信貸虧損估計時所用之方法及假設。
- 我們檢測貴集團確定重大信貸風險增加及3個階段風險分類基準的適當性。我們的檢測包括核查逾期貸款資料、貸款佔價值之百分比或其他相關資料，並考慮貴集團釐定之階段分類。
- 我們亦考慮貴集團對監督及評估抵押品時所用之控制程序，並確定尚未收回貸款與抵押品價值之間是否存在差額。

我們亦評估貴集團針對信貸風險所作披露的充分性。

Key audit matters**關鍵審計事項*****Impairment assessment on property, plant and equipment and right-of-use assets*****物業、機器及設備以及使用權資產的減值評估**

The Group's management performed impairment assessment of property, plant and equipment and right-of-use assets for identified retail stores that continued to underperform by estimating the recoverable amounts of their property, plant and equipment and right-of-use assets based on value-in-use calculations.

During the year, the Group recorded impairment of property, plant and equipment and right-of-use assets of HK\$4,063,000 and HK\$169,572,000, respectively, to reduce the carrying amounts of these assets to the recoverable amounts.

Significant judgements and estimates were involved in the assessment of the recoverable amounts of the property, plant and equipment and right-of-use assets of those retail stores, including assumptions on the budgeted turnover of respective retail stores and discount rates.

Further details about the Group's property, plant and equipment and right-of-use assets are included in notes 3, 14 and 16 to the consolidated financial statements.

貴集團管理層已就若干表現持續欠佳的零售店舖的物業、機器及設備以及使用權資產按使用價值估算該等物業、機器及設備以及使用權資產的可回收金額進行減值評估。

年內，貴集團錄得的物業、機器及設備以及使用權資產減值分別為4,063,000港元及169,572,000港元，以將該等資產的賬面值減少至可回收金額。

評估該等零售店舖的物業、機器及設備以及使用權資產的可回收金額時涉及重大判斷及估計，包括相應零售店舖的預算營業額及貼現率的假設。

有關貴集團物業、機器及設備以及使用權資產之進一步詳情載於綜合財務報告附註3、14及16。

How our audit addressed the key audit matters**該事項在審計中是如何應對的**

We evaluated the Group's policy and procedures in identifying impairment indicators and assessed management's significant assumptions used in the value-in-use calculations by (i) comparing the budgeted turnover with historical results; and (ii) assessing the sensitivity of management's estimates and assumptions used in evaluating whether a reasonably possible change in assumptions could cause the carrying amounts to exceed their recoverable amounts.

We also involved our internal valuation experts to assist us in evaluating the methodologies used and certain key assumptions and estimates made, including the discount rates used in determining the recoverable amounts.

In addition, we evaluated the adequacy of financial statement disclosures relating to impairment of property, plant and equipment and right-of-use assets.

我們透過(i)比較預算營業額與歷史業績；及(ii)評估管理層在評估假設的合理可能變動是否會導致賬面值超過其可回收金額時使用的估計及假設的敏感度，評估貴集團於確定減值指標之政策及程序，及評估管理層於使用價值估算中所用的重大假設。

我們的內部估值專家亦提供協助，參與評價所使用的方法及所作出的若干關鍵假設及估計，包括釐定可回收金額時所使用的貼現率。

此外，我們評估財務報告是否充分披露物業、機器及設備以及使用權資產的減值。

Other information included in the Annual Report

The Directors of the Company are responsible for the other information. The other information comprises 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 the Directors 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The Directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

刊載於年報內之其他信息

貴公司董事須對其他信息負責。其他信息包括刊載於年報內之信息，但不包括綜合財務報告及我們之核數師報告。

我們對綜合財務報告之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之鑒證結論。

結合我們對綜合財務報告之審計，我們之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告或我們在審計過程中所瞭解之情況存在重大抵觸，或者似乎存在重大錯誤陳述。基於我們已執行之工作，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。

董事就綜合財務報告須承擔之責任

貴公司董事須負責根據香港會計師公會頒布之香港財務報告準則及香港公司條例之披露規定擬備真實而公允之綜合財務報告並對其認為使綜合財務報告之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報告時，貴公司董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核委員會協助貴公司董事履行職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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, 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 judgement 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.

核數師就審計綜合財務報告承擔之責任

我們之目標，是對綜合財務報告整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們僅根據百慕達1981年公司法第90條對全體股東作出報告，除此之外本報告並無其他用途。我們不會就報告之內容向任何其他人士負上或承擔任何責任。

合理保證是高水平之保證，但不能保證按照香港審計準則進行之審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報告使用者依賴綜合財務報告所作出之經濟決定，則有關之錯誤陳述可被視作重大。

在根據香港審計準則進行審計之過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報告存在重大錯誤陳述之風險，設計及執行審計程序以應對這些風險，以及獲取充足及適當之審計憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部管控之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險較高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部管控，以設計適當之審計程序，但目的並非對貴集團內部管控之有效性發表意見。
- 評價董事所採用會計政策之恰當性及作出會計估計及相關披露信息之合理性。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, actions taken to eliminate threats or safeguards applied.

核數師就審計綜合財務報告承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審計憑證，確定是否存在與事件或情況有關之重大不確定性，從而可能導致對貴集團持續經營之能力產生重大疑慮。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告中之相關披露，假若有關披露不足，則我們當發表非無保留意見。我們之結論是基於截至核數師報告日止所取得之審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報告之整體列報方式、結構及內容，包括披露，以及綜合財務報告是否公允反映交易及事項。
- 就貴集團實體或業務活動之財務信息獲取充足、適當之審計憑證，以便對綜合財務報告發表意見。我們負責貴集團審計之方向、監督及執行。我們對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之審計範圍、時間安排、重大審計發現等，包括我們於審計中識別出內部管控制之任何重大缺陷。

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之相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性之所有關係及其他事項，以及在適用之情況下，為消除威脅而採取的行動及所採用之防範措施。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Leung Chi Ying.

Ernst & Young

Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

25 March 2021

核數師就審計綜合財務報告承擔之責任(續)

從與審核委員會溝通之事項中，我們確定哪些事項對本期綜合財務報告之審計最為重要，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，除非法律法規不允許公開披露這些事項，或在極端罕見之情況下，如果合理預期在我們報告中溝通某事項造成之負面後果超過其產生之公眾利益，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之審計項目合夥人為梁智英。

安永會計師事務所

執業會計師
香港中環
添美道1號
中信大廈22樓

2021年3月25日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2020

綜合損益表

截至2020年12月31日止年度

		Note	2020	2019
		附註	HK\$'000	HK\$'000
			千港元	千港元
TURNOVER	營業額	5		
Retail	零售		13,097,720	16,258,416
Other businesses	其他業務		1,934,700	1,477,810
			15,032,420	17,736,226
Cost of sales	銷售成本		(10,877,614)	(12,958,750)
Gross profit	毛利		4,154,806	4,777,476
Other income, net	其他收入，淨值		163,055	118,251
Selling and distribution costs	銷售及分銷費用		(2,499,049)	(2,784,708)
Administrative expenses	行政費用		(685,399)	(686,123)
Other losses, net	其他虧損，淨值		(124,629)	(452,443)
Finance costs	財務費用	7	(87,864)	(89,162)
PROFIT BEFORE TAX	除稅前溢利	6	920,920	883,291
Income tax	所得稅	11	(376,456)	(239,758)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔年內溢利		544,464	643,533
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔每股盈利	13		
Basic	基本		80.4 cents 仙	95.0 cents 仙
Diluted	攤薄		80.4 cents 仙	95.0 cents 仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2020

綜合全面收益表

截至2020年12月31日止年度

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
PROFIT FOR THE YEAR	年內溢利	544,464	643,533
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)		
Item that may be reclassified subsequently to profit or loss:	日後可能重新分類至損益表之項目：		
Exchange differences on translation	匯兌差額	434,356	(106,424)
Item that will not be reclassified subsequently to profit or loss:	日後不會重新分類至損益表之項目：		
Changes in fair value of financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產之公平價值變動	611,140	91,208
Other comprehensive income/(loss) for the year	年內其他全面收益／(虧損)	1,045,496	(15,216)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔年內全面收益總額	1,589,960	628,317

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

綜合財務狀況表

於2020年12月31日

		Note	2020	2019
		附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	14	1,019,130	1,014,404
Investment properties	投資物業	15	332,649	333,026
Right-of-use assets	使用權資產	16(a)	793,676	1,270,893
Intangible assets	無形資產	17	271	271
Other assets	其他資產	18	209,359	217,087
Financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產	19	1,446,083	935,599
Deferred tax assets	遞延稅項資產	32	92,201	112,021
Total non-current assets	總非流動資產		3,893,369	3,883,301
CURRENT ASSETS	流動資產			
Inventories	存貨	20	8,774,591	8,932,514
Accounts receivable	應收賬款	21	834,649	915,804
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	22	658,673	585,230
Prepayments, other receivables and other assets	預付款項、其他應收賬款及其他資產	23	507,699	433,861
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	24	9,634	13,394
Derivative financial instruments	衍生金融工具	29	-	145
Tax recoverable	可收回稅項		8,796	66
Cash held on behalf of clients	代客戶持有現金	25	485,289	443,797
Cash and cash equivalents	現金及等同現金	25	1,653,767	1,028,326
Total current assets	總流動資產		12,933,098	12,353,137
CURRENT LIABILITIES	流動負債			
Accounts payable	應付賬款	26	129,803	116,156
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	27	575,052	503,271
Other payables and accruals	其他應付賬款及應計項目	28	520,799	542,920
Derivative financial instruments	衍生金融工具	29	7,054	9,158
Interest-bearing bank borrowings	計息銀行貸款	30	519,022	496,594
Interest-bearing bank borrowings arising from securities and futures broking	證券及期貨經紀產生之計息銀行貸款	30	180,000	280,000
Bullion loans	貴金屬借貸	31	1,002,135	1,473,773
Lease liabilities	租賃負債	16(b)	554,400	572,891
Tax payable	應付稅項		168,756	160,435
Total current liabilities	總流動負債		3,657,021	4,155,198
NET CURRENT ASSETS	流動資產淨值		9,276,077	8,197,939
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		13,169,446	12,081,240

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

綜合財務狀況表

於2020年12月31日

		Note	2020	2019
		附註	HK\$'000	HK\$'000
			千港元	千港元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行貸款	30	380,907	440,330
Lease liabilities	租賃負債	16(b)	446,762	727,010
Deferred tax liabilities	遞延稅項負債	32	322,663	281,515
Total non-current liabilities	總非流動負債		1,150,332	1,448,855
Net assets	資產淨值		12,019,114	10,632,385
EQUITY	權益			
Issued capital	已發行股本	33	169,359	169,359
Reserves	儲備	35	11,849,755	10,463,026
Total equity	總權益		12,019,114	10,632,385

Vincent CHOW Wing Shing
Director

周永成
董事

Winston CHOW Wun Sing
Director

周允成
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2020

			Issued capital	Share premium
		Note	已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元
		附註		
At 1 January 2019	於 2019 年 1 月 1 日		169,359	1,060,356
Profit for the year	年內溢利		-	-
Other comprehensive loss for the year:	年內其他全面虧損：			
Changes in fair value of financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產之公平價值變動		-	-
Exchange differences on translation	匯兌差額		-	-
Total comprehensive income for the year	年內全面收益總額		-	-
Transfer of share option reserve upon the forfeiture of share options	於沒收購股權時轉撥購股權儲備		-	-
Transfer from retained profits	轉自保留溢利		-	-
Dividends declared and paid during the year	年內宣派及繳付股息	12	-	-
At 31 December 2019	於 2019 年 12 月 31 日		<u>169,359</u>	<u>1,060,356*</u>
At 1 January 2020	於 2020 年 1 月 1 日		169,359	1,060,356
Profit for the year	年內溢利		-	-
Other comprehensive income for the year:	年內其他全面收益：			
Changes in fair value of financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產之公平價值變動		-	-
Exchange differences on translation	匯兌差額		-	-
Total comprehensive income for the year	年內全面收益總額		-	-
Transfer of fair value reserve upon the disposal of financial assets at fair value through other comprehensive income	於出售按公平價值計入其他全面收益的財務資產時轉撥公平價值儲備		-	-
Transfer of share option reserve upon the forfeiture of share options	於沒收購股權時轉撥購股權儲備		-	-
Transfer from retained profits	轉自保留溢利		-	-
Dividends declared and paid during the year	年內宣派及繳付股息	12	-	-
At 31 December 2020	於 2020 年 12 月 31 日		<u>169,359</u>	<u>1,060,356*</u>

* These reserve accounts comprise the consolidated reserves of HK\$11,849,755,000 (2019: HK\$10,463,026,000) in the consolidated statement of financial position.

綜合權益變動表

截至2020年12月31日止年度

Share option reserve	Buildings revaluation reserve	Fair value reserve of financial assets designated at fair value through other comprehensive income 指定為按公平價值計入其他全面收益的財務資產之公平價值儲備	Difference arising from acquisition of non-controlling interests 收購非控股股東權益產生之差額	Exchange fluctuation reserve 外匯變動儲備	Reserve funds 儲備金	Retained profits 保留溢利	Total equity 總權益
購股權儲備 HK\$'000 千港元 (Note 34) (附註34)	樓宇重估儲備 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 35) (附註35)	HK\$'000 千港元	HK\$'000 千港元
15,251	343,946	842,426	4,897	(212,675)	410,193	7,763,227	10,396,980
-	-	-	-	-	-	643,533	643,533
-	-	91,208	-	-	-	-	91,208
-	-	-	-	(106,424)	-	-	(106,424)
-	-	91,208	-	(106,424)	-	643,533	628,317
(983)	-	-	-	-	-	983	-
-	-	-	-	-	68,764	(68,764)	-
-	-	-	-	-	-	(392,912)	(392,912)
<u>14,268*</u>	<u>343,946*</u>	<u>933,634*</u>	<u>4,897*</u>	<u>(319,099)*</u>	<u>478,957*</u>	<u>7,946,067*</u>	<u>10,632,385</u>
14,268	343,946	933,634	4,897	(319,099)	478,957	7,946,067	10,632,385
-	-	-	-	-	-	544,464	544,464
-	-	611,140	-	-	-	-	611,140
-	-	-	-	434,356	-	-	434,356
-	-	611,140	-	434,356	-	544,464	1,589,960
-	-	(100,627)	-	-	-	100,627	-
(14,268)	-	-	-	-	-	14,268	-
-	-	-	-	-	68,075	(68,075)	-
-	-	-	-	-	-	(203,231)	(203,231)
<u>-*</u>	<u>343,946*</u>	<u>1,444,147*</u>	<u>4,897*</u>	<u>115,257*</u>	<u>547,032*</u>	<u>8,334,120*</u>	<u>12,019,114</u>

* 此等儲備賬目組成綜合財務狀況表之綜合儲備11,849,755,000港元(2019年: 10,463,026,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2020

綜合現金流量表

截至2020年12月31日止年度

			2020	2019
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量			
Cash generated from operations	經營所得現金	36(a)	2,599,014	911,417
Interest received	已收利息		63,665	69,653
Interest paid	已付利息		(57,956)	(58,237)
Hong Kong profits tax paid	已付香港利得稅		(64,218)	(35,363)
Mainland China tax paid	已付中國大陸稅項		(250,240)	(215,962)
Net cash flows from operating activities	經營業務所得之現金流量淨額		2,290,265	671,508
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Purchases of items of property, plant and equipment	購置物業、機器及設備項目		(233,665)	(414,729)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目所得款項		715	279
Proceeds from disposal of financial assets at fair value through other comprehensive income	出售按公平價值計入其他全面收益的財務資產所得款項	19	100,656	-
Deposits paid for purchases of items of property, plant and equipment	購置物業、機器及設備項目之已付按金		(2,189)	(434)
Increase in other assets	其他資產之增加		(830)	(8,832)
Dividends received from listed investments	已收上市投資股息		24,360	24,710
Dividends received from unlisted investments	已收非上市投資股息		1,018	1,070
Net cash flows used in investing activities	投資活動所用之現金流量淨額		(109,935)	(397,936)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
New bank loans	新增銀行貸款		4,782,000	2,371,140
Repayment of bank loans	償還銀行貸款		(4,920,535)	(2,120,313)
New bullion loans	新增貴金屬借貸		1,912,543	2,102,108
Repayment of bullion loans	償還貴金屬借貸		(2,610,353)	(1,811,132)
Principal portion of lease payments	租賃款項之本金部分	36(b)	(539,329)	(655,508)
Interest paid	已付利息		(31,390)	(30,632)
Dividends paid	已付股息		(203,231)	(392,912)
Net cash flows used in financing activities	融資活動所用之現金流量淨額		(1,610,295)	(537,249)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及等同現金之增加/(減少)淨額		570,035	(263,677)
Cash and cash equivalents at beginning of year	於年初之現金及等同現金		1,028,326	1,302,527
Effect of foreign exchange rate changes, net	外幣匯率變動影響，淨值		55,406	(10,524)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年終之現金及等同現金		1,653,767	1,028,326

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2020

綜合現金流量表

截至2020年12月31日止年度

		2020	2019
	Note	HK\$'000	HK\$'000
	附註	千港元	千港元
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances			
Non-pledged time deposits with original maturity of less than three months when acquired			
	25	1,599,651	900,563
	25	54,116	127,763
		<u>1,653,767</u>	<u>1,028,326</u>

1. Corporate Information

Chow Sang Sang Holdings International Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

During the year, the Group was involved in the following principal activities:

- manufacture and retail of jewellery and distribution of watches
- wholesale of precious metals
- securities and futures broking

Particulars of the Company's subsidiaries are detailed in note 45 to the consolidated financial statements.

2.1 Basis of Preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for investment properties, certain buildings classified as property, plant and equipment, customer gold deposits, bullion loans, derivative financial instruments and certain financial assets which have been measured at fair value as further explained in note 2.4 to the consolidated financial statements. These consolidated financial statements are presented in Hong Kong dollar ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

1. 公司資料

周生生集團國際有限公司乃於百慕達註冊成立之有限公司。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

年內本集團從事之主要業務如下：

- 珠寶製造及零售及鐘錶分銷
- 貴金屬批發
- 證券及期貨經紀

本公司附屬公司詳情載於綜合財務報告附註45。

2.1 編製基準

本綜合財務報告乃按照香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港普遍採納之會計原則及香港公司條例之披露規定而編製。除本綜合財務報告附註2.4所進一步解釋，以公平價值計量之投資物業、分類為物業、機器及設備之若干樓宇、客戶存款、貴金屬借貸、衍生金融工具及若干財務資產外，本綜合財務報告乃按歷史成本慣例編製。本綜合財務報告以港元(「港元」)呈報，除另有指明者外，所有價值均調整至最接近千元。

綜合基準

本綜合財務報告包括截至2020年12月31日止年度之本集團財務報告。附屬公司乃一間由本公司直接或間接控制之實體(包括結構性實體)。當本集團通過參與被投資方的相關活動而承擔可變動回報的風險或有權享有可變動回報，並且有能力運用對被投資方的權力(即使是本集團目前有能力主導被投資方的相關活動的現有權利)影響該等回報時，即取得控制權。

當本公司直接或間接擁有少於被投資方大多數投票權或類似權利時，本集團考慮所有相關因素及情況以評估其是否擁有對被投資方的權力，包括：

- 與被投資方其他投票權持有者之合約安排；
- 從其他合約安排中產生之權利；及
- 本集團之投票權及潛在投票權。

附屬公司的財務報告按本公司之相同報告期間及採用與本公司一致的會計政策編製。附屬公司之業績自本集團取得其控制權之日起綜合計算，至有關控制權終止之日止。

2.1 Basis of Preparation (continued)**Basis of Consolidation (continued)**

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes In Accounting Policies and Disclosures

The Group has adopted the Conceptual Framework for Financial Reporting 2018 and the following revised HKFRSs for the first time for the current year's consolidated financial statements.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendment to HKFRS 16	Covid-19-Related Rent Concessions (early adopted)
Amendments to HKAS 1 and HKAS 8	Definition of Material

The nature and the impact of the Conceptual Framework for Financial Reporting 2018 and the revised HKFRSs are described below:

2.1 編製基準(續)**綜合基準(續)**

損益表及其他全面收益項目之各組成部分歸屬於本公司權益持有人及非控股股東權益，即使這會導致非控股股東權益結餘出現虧損結餘。所有與本集團各成員公司間交易有關之集團內公司間之資產與負債、權益、收入、開支及現金流量，均於綜合賬目內全數對銷。

倘事實及情況顯示上文所述之三項控制權元素之一項或多項出現變動，本集團會重新評估其是否控制投資對象。附屬公司所有權權益變動，而並無失去控制權，則作權益交易入賬處理。

倘本集團失去對附屬公司之控制權，則不再確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股股東權益之賬面值；及(iii)計入權益之累計匯兌差額；並確認(i)已收代價之公平價值；(ii)任何獲保留投資之公平價值及(iii)損益表中任何因此產生之盈餘或虧損。先前已於其他全面收益確認之本集團應佔部分，按假設本集團直接出售相關資產或負債所須採用之相同基準，視乎情況重新分類至損益表或保留溢利。

2.2 會計政策及披露之變動

本集團已於本年度之綜合財務報告首次採納2018年財務報告之概念框架及下列經修訂香港財務報告準則。

香港財務報告準則第3號修訂本	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號修訂本	利率基準改革
香港財務報告準則第16號修訂本	2019冠狀病毒相關租金寬減(已提早採納)
香港會計準則第1號及香港會計準則第8號修訂本	重大性之定義

2018年財務報告之概念框架及經修訂香港財務報告準則的性質及影響如下：

2.2 Changes In Accounting Policies and Disclosures (continued)

Conceptual Framework for Financial Reporting 2018

Conceptual Framework for Financial Reporting 2018 (the “Conceptual Framework”) sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

Amendments to HKFRS 3

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2 會計政策及披露之變動(續)

2018年財務報告之概念框架

2018年財務報告之概念框架(「概念框架」)就財務報告及準則制定提供一整套概念，並為財務報告編製者制定一致的會計政策提供指引，協助所有人理解及解讀準則。概念框架包括有關計量及報告財務表現的新章節、有關資產及負債終止確認的新指引，以及有關資產及負債的最新定義及確認標準。該等框架亦闡明管理、審慎及衡量不確定性在財務報告中的作用。概念框架並非準則，其包含的概念不會凌駕於任何準則中的概念或要求之上。概念框架對本集團的財務狀況及表現並無重大影響。

香港財務報告準則第3號修訂本

香港財務報告準則第3號修訂本澄清及訂明有關業務定義之額外指引。該等修訂釐清，對於視作一項業務的一整套活動及資產而言，其必須至少包含可共同對創造產出的能力做出重大貢獻的輸入資源及實質性過程。在不包含需要創造產出的所有輸入資源及過程的情況下，亦可視作一項業務存在。該等修訂移除了對市場參與者是否能夠取得業務及持續產出產品的評估。相反，其重心放在所取得的輸入資源及所取得的實質性過程是否共同對創造產出的能力做出重大貢獻。該等修訂亦縮小了產出的定義，集中在向客戶提供的貨品或服務、投資收入或來自日常業務的其他收入。此外，該等修訂就評估所取得的過程是否具有實質性提供指引，並引入選擇性公平價值集中度測試，以允許按簡化法評估所取得的一套業務活動及資產是否構成一項業務。本集團已將該等修訂按未來適用法應用於2020年1月1日或之後發生的交易或其他事項。該等修訂並無對本集團的財務狀況及表現造成任何影響。

2.2 Changes In Accounting Policies and Disclosures (continued)**Amendments to HKFRS 9, HKAS 39 and HKFRS 7**

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.

Amendment to HKFRS 16

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

During the year ended 31 December 2020, certain monthly lease payments for the leases of the Group's retail stores have been reduced or waived by the lessors as a result of the pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the pandemic during the year ended 31 December 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of HK\$73,270,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2020.

Amendments to HKAS 1 and HKAS 8

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露之變動(續)**香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號修訂本**

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號修訂本旨在解決以替代無風險利率取代現行利率基準前之期間的財務報告問題。該等修訂提供可在引入替代無風險利率前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規定公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。由於本集團並無任何利率對沖關係，故該等修訂並無對本集團的財務狀況及表現造成任何影響。

香港財務報告準則第16號修訂本

香港財務報告準則第16號修訂本為承租人提供一個實際可行權宜方法以選擇不就2019冠狀病毒疫情之直接後果所產生之租金寬減應用租賃修訂會計處理。該實際可行權宜方法僅適用於疫情直接後果所產生之租金寬減，且僅當(i)租賃款項之變動使租賃代價有所修訂，而經修訂之代價與緊接變動前租賃代價大致相同，或少於緊接變動前之租賃代價；(ii)租賃款項之任何減幅僅影響原到期日為2021年6月30日或之前的付款；及(iii)租賃之其他條款及條件並無實質變動。該修訂於2020年6月1日或之後開始之年度期間生效，並允許提早應用及追溯應用。

於截至2020年12月31日止年度，由於疫情的影響，出租人寬減或免除本集團零售店舖租賃之若干月租付款，而租賃條款並無其他變動。本集團已於2020年1月1日提早採納該修訂，並選擇於截至2020年12月31日止年度不就出租人因疫情而授出之所有租金寬減應用租賃修訂會計處理。因此，租金寬減而導致之租賃款項減少73,270,000港元，已通過終止確認部分租賃負債將其作為可變租賃款項入賬，並計入截至2020年12月31日止年度之損益表內。

香港會計準則第1號及香港會計準則第8號修訂本

香港會計準則第1號及香港會計準則第8號修訂本訂明重大性之新定義。新定義列明，倘可合理預期對資料遺漏、錯誤陳述或陳述不明將可影響使用財務報告作一般用途的主要使用者基於該等財務報告作出的決定，則有關資料視作重大。該等修訂釐清，重大性將取決於資料的性質或牽涉範圍，或兩者兼而有之。該等修訂並無對本集團的財務狀況及表現造成任何重大影響。

2.3 Issued but not yet Effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
HKFRS 17	Insurance Contracts ³
Amendments to HKFRS 17	Insurance Contracts ^{3,6}
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ^{3,5}
Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Annual Improvements to HKFRSs 2018-2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ²

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² Effective for annual periods beginning on or after 1 January 2022
- ³ Effective for annual periods beginning on or after 1 January 2023
- ⁴ No mandatory effective date yet determined but available for adoption
- ⁵ As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause was revised in October 2020 to align the corresponding wording with no change in conclusion
- ⁶ As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

2.3 已頒布但尚未生效之香港財務報告準則

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

香港財務報告準則第3號修訂本	概念性框架之提述 ²
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本	利率基準改革 – 第二階段 ¹
香港財務報告準則第10號及香港會計準則第28號(2011年)修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴
香港財務報告準則第17號	保險合約 ³
香港財務報告準則第17號修訂本	保險合約 ^{3,6}
香港會計準則第1號修訂本	負債分類為流動或非流動 ^{3,5}
香港會計準則第16號修訂本	物業、機器及設備：擬定用途前之所得款項 ²
香港會計準則第37號修訂本	虧損合約 – 履行合約之成本 ²
香港財務報告準則2018年至2020年週期之年度修改	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號相應闡釋範例及香港會計準則第41號修訂本 ²

- ¹ 於2021年1月1日或以後開始之會計期間生效
- ² 於2022年1月1日或以後開始之會計期間生效
- ³ 於2023年1月1日或以後開始之會計期間生效
- ⁴ 尚未釐定強制生效日期惟可供採納
- ⁵ 作為香港會計準則第1號修訂本的結果，香港詮釋第5號財務報告的呈報 – 借款人對載有按要求償還條款的定期貸款的分類已於2020年10月進行修訂，以使相應措詞保持一致而結論保持不變
- ⁶ 作為於2020年10月頒布之香港財務報告準則第17號修訂本的結果，於2023年1月1日之前開始的會計期間，香港財務報告準則第4號已作出修訂，以延長允許保險人應用香港會計準則第39號而非香港財務報告準則第9號的暫時豁免

2.3 Issued but not yet Effective Hong Kong Financial Reporting Standards (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information.

2.3 已頒布但尚未生效之香港財務報告準則 (續)

有關預期適用於本集團之香港財務報告準則之進一步資料如下。

香港財務報告準則第3號修訂本旨在以2018年6月頒布的引用財務報告概念框架取代引用先前財務報告編製及呈列框架，而無須大幅度改變其規定。該等修訂亦就香港財務報告準則第3號就實體引用概念框架以釐定構成資產或負債之內容之確認原則增設一項例外情況。該例外情況規定，對於可能屬於香港會計準則第37號或香港(國際財務報告詮釋委員會)–詮釋第21號範圍內的負債及或然負債而言，倘該等負債屬單獨產生而非於企業合併中產生，則應用香港財務報告準則第3號的實體應分別參考香港會計準則第37號或香港(國際財務報告詮釋委員會)–詮釋第21號，而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認條件。本集團預計自2022年1月1日起提前採納該等修訂。由於該等修訂提前適用於收購日期為首次應用日期或之後的業務合併，因此本集團於過渡日期將不會受該等修訂的影響。

當現行利率基準被可替代無風險利率替代方案替代時，香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本解決先前影響財務報告之修訂未處理的問題。第二階段之修訂提供對於釐定金融資產及負債之合約現金流量之基準之變動進行會計處理時無需調整賬面值而更新實際利率的可行權宜方法，前提為該變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂允許利率基準改革所規定對對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何損益均通過香港財務報告準則第9號的正常規定進行處理，以衡量及確認對沖無效性。倘無風險利率被指定為風險組成部分時，該等修訂亦暫時減輕了實體必須滿足可單獨識別的要求的風險。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該減免允許實體於指定對沖後假定已滿足可單獨識別之規定。此外，該等修訂亦規定實體須披露額外資料，以使財務報告的使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。該等修訂於2021年1月1日或以後開始之會計期間生效，並應追溯應用，但實體無須重述比較資料。

2.3 Issued but not yet Effective Hong Kong Financial Reporting Standards (continued)

The Group had certain interest-bearing bank borrowings denominated in Hong Kong dollars based on the Hong Kong Interbank Offered Rate as at 31 December 2020. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings when the “economically equivalent” criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor’s profit or loss only to the extent of the unrelated investor’s interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity’s right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.

2.3 已頒布但尚未生效之香港財務報告準則 (續)

於2020年12月31日，本集團持有根據香港銀行同業拆息以港元計值的若干計息銀行貸款。倘該等借款的利率於未來期間由無風險利率取代，本集團將在達到「經濟同等」標準時進行修改該等借款時採用此實際的權宜方法，並預計不會因採用此等修改而產生重大的修改損益。

香港財務報告準則第10號及香港會計準則第28號(2011年)修訂本解決香港財務報告準則第10號及香港會計準則第28號(2011年)之間有關投資者與其聯營公司或合營公司之間資產出售或注資兩者規定之不一致情況。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生的收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂本將按未來適用法應用。香港會計師公會已於2016年1月剔除香港財務報告準則第10號及香港會計準則第28號(2011年)修訂本之以往強制生效日期，而新的強制生效日期將於對聯營公司及合營公司的會計處理完成更廣泛的檢討後釐定。然而，該等修訂現時可供採納。

香港會計準則第1號修訂本澄清將負債分類為流動或非流動的規定。該等修訂指明，倘實體延遲償還負債的權利受限於實體符合特定條件，則倘該實體符合當日之條件，其有權於報告期末延遲償還負債。負債的分類不受該實體行使其延遲償還負債權利的可能性的影響。該等修訂亦澄清被視為償還負債的情況。該等修訂於2023年1月1日或以後開始之會計期間生效，並應追溯應用。允許提早應用。該等修訂預期不會對本集團的財務報告造成任何重大影響。

2.3 Issued but not yet Effective Hong Kong Financial Reporting Standards (continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒布但尚未生效之香港財務報告準則 (續)

香港會計準則第16號修訂本禁止實體從物業、機器及設備的成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的全部出售所得款項。實體必須將該等資產的出售所得款項計入當期損益。該等修訂於2022年1月1日或以後開始之會計期間生效，並僅追溯應用實體於首次採用該等修訂的財務報告所呈列的最早期間的期初或之後可供使用的物業、機器及設備項目。允許提前批准。該等修訂預期不會對本集團的財務報告造成任何重大影響。

香港會計準則第37號修訂本澄清，就根據香港會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其他成本分配(例如分配履行合約所用物業、機器及設備項目的折舊開支以及合約管理及監管成本)。一般及行政成本與合約並無直接關連，除非根據合約明確向對手方收取費用，否則不包括在內。該等修訂於2022年1月1日或以後開始之會計期間生效，並適用於實體於其首次應用修訂的年度報告期初尚未履行其所有責任的合約。允許提早應用。初步應用該等修訂的任何累積影響將確認為首次應用日期的期初權益的調整，而無須重列比較資料。該等修訂預期不會對本集團的財務報告造成任何重大影響。

2.3 Issued but not yet Effective Hong Kong Financial Reporting Standards (continued)

Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 Financial Instruments: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- HKFRS 16 Leases: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

2.3 已頒布但尚未生效之香港財務報告準則 (續)

香港財務報告準則2018年至2020年週期之年度修改載有香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號相關闡釋範例及香港會計準則第41號修訂本。預期適用於本集團之修訂詳情於下文載述：

- 香港財務報告準則第9號金融工具：闡明實體於評估新訂或修訂金融負債條款與原始金融負債的條款是否存在實質性差異時所包含的費用。該等費用僅包括於借方與貸方之間支付或收取的費用，包括由借方或貸方代表對方支付或收取的費用。實體將修正案應用於在實體首次應用修正案的年度報告期開始日或之後修改或交換的金融負債。該修訂於2022年1月1日或以後開始之會計期間生效。可提早應用。該修訂預計不會對本集團財務報告產生重大影響。
- 香港財務報告準則第16號租賃：刪除香港財務報告準則第16號相關闡釋範例13中出租人與租賃物業裝修有關的付款說明。以此消除對香港財務報告準則第16號相關租賃激勵措施的任何潛在混淆。

2.4 Summary of Significant Accounting Policies

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

Goodwill previously eliminated against consolidated retained profits

Prior to the adoption of the HKICPA's Statement of Standard Accounting Practice 30 Business Combinations in 2001, goodwill arising on acquisition was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated retained profits and is not recognised in the consolidated statement of profit or loss when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

2.4 主要會計政策概要

商業合併及商譽

商業合併乃以收購法入賬。所轉讓代價按收購日期的公平價值計量，即本集團對被收購方原擁有人所轉讓資產、本集團所承擔負債以及本集團為換取被收購方控制權所發行股權於收購日期之公平價值總和。就各項商業合併，本集團選擇是否以公平價值或被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股股東權益，即賦予持有人在清盤時按比例應佔被收購方的資產淨值的現有所有權權益。非控股股東權益的所有其他組成部分乃按公平價值計量。收購相關成本於產生時支銷。

本集團釐定其已收購一項業務，即一組已收購活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出之能力有重大貢獻。

當本集團收購業務時，根據合約條款、收購日期的經濟狀況及相關條件，評估財務資產及所承擔負債，以作出適合的分類及指定。

收購方所轉讓的任何或然代價於收購日期按公平價值確認。分類為資產或負債的或然代價按公平價值計量，公平價值的變動於損益表確認。分類為權益之或然代價無須重新計量，其後結算在權益中入賬。

商譽初次按成本計量，成本乃所轉讓代價、就非控股股東權益確認之金額與本集團以往所持有被收購方之股本權益之任何公平價值總和，超出所購入可識別資產淨值及所承擔負債之差額。倘該代價與其他項目之總和少於收購所得資產淨值之公平價值，在重新評估後，差額於損益表確認為議價購買收益。

過往自綜合保留溢利撇銷之商譽

於2001年採納香港會計師公會之會計實務準則第30號商業合併前，因收購產生之商譽須於收購年度自綜合保留溢利撇銷。在採納香港財務報告準則第3號後，該等商譽繼續自綜合保留溢利撇銷，及不會於與商譽有關之全部或部分業務出售或與商譽有關之現金產生單位減值時於綜合損益表中確認。

2.4 Summary of Significant Accounting Policies (continued)

Fair value measurement

The Group measures its investment properties, customer gold deposits, bullion loans, derivative financial instruments and certain financial assets at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要(續)

公平價值計量

本集團於每個報告期末按公平價值計量其投資物業、客戶存金、貴金屬借貸、衍生金融工具及若干財務資產。公平價值為市場參與者間於計量日期進行之有序交易中，出售資產所收取或轉讓負債所支付之價格。公平價值計量假設出售資產或轉讓負債之交易於該資產或負債之主要市場，或(在無主要市場之情況下)於對該資產或負債最有利之市場進行。本集團必須可於該主要市場或最有利市場進行交易。資產或負債之公平價值乃採用該市場參與者為資產或負債定價時所用之假設計量，即假設市場參與者按其最佳經濟利益行事。

非財務資產之公平價值計量計入市場參與者透過使用其資產之最高及最佳用途或透過將資產出售予將使用其最高及最佳用途之另一名市場參與者而能夠產生經濟利益之能力。

本集團採用在各情況下適當之估值技術，而其有足夠資料以計量公平價值，以盡量使用相關可觀察之數據及盡量避免使用難以觀察之數據。

所有於綜合財務報告中計量或披露公平價值之資產及負債，乃按對整體公平價值計量具重大影響之最低層數據分類至下述之公平價值等級：

- 級別1 – 根據相同資產或負債於活躍市場之報價(未經調整)
- 級別2 – 按估值技術計量，而該技術採用對公平價值計量具重大影響之最低層數據可直接或間接觀察得出
- 級別3 – 按估值技術計量，而該技術採用對公平價值計量具重大影響之最低層數據難以觀察得出

就於綜合財務報告按經常基準確認之資產及負債而言，本集團於每個報告期末按對整體公平價值計量具重大影響之最低層數據重新評估分類，以釐定各等級之間有否出現轉移。

2.4 Summary of Significant Accounting Policies (continued)**Impairment of non-financial assets**

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策概要(續)**非財務資產減值**

倘若有跡象顯示出現減值或須就資產進行年度減值測試(不包括存貨、遞延稅項資產、財務資產、投資物業及商譽)，則估計資產之可收回金額。資產之可收回金額為資產或現金產生單位之使用價值與公平價值減出售成本之較高者，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產組別產生之現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

如資產之賬面值超逾其可收回金額時，減值虧損方予確認。於評估使用價值時，估計日後現金流量按反映現時市場評估之貨幣時間價值及資產特定風險之稅前折現率折現至現值。任何減值虧損於產生當期之綜合損益表內扣除，除非該資產以重估金額列賬，則該重估資產之減值虧損應根據其相關會計政策處理。

於每個報告期末均會評估是否有跡象顯示過往年度確認之減值虧損不再存在或可能已經減少。倘存有任何該等跡象，便估計可收回金額。除商譽外，僅於釐定該資產之可收回金額之估計出現變動時，於先前已確認之減值虧損方可撥回，惟倘若於過往年度該資產並無確認任何減值虧損，則對比經折舊／攤銷之賬面值，高出金額不得撥回。任何減值虧損之撥回於產生當期計入綜合損益表內，除非該資產以重估金額列賬，則該重估資產之減值虧損撥回應根據其相關會計政策處理。

2.4 Summary of Significant Accounting Policies (continued)**Related parties**

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 主要會計政策概要(續)**關連人士**

在下列情況下，一方將視為與本集團有關連：

- (a) 該方為一名人士或該人士之直系親屬，而該人士：
- (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 該方為實體，而任何以下條件適用：
- (i) 該實體及本集團為同一集團之成員公司；
 - (ii) 一實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營公司；
 - (iii) 該實體及本集團為同一第三者之合營公司；
 - (iv) 一實體為一第三者之合營公司，而另一實體為該第三者之聯營公司；
 - (v) 該實體為本集團或與本集團有關連的實體的僱員而設的受僱後福利計劃；
 - (vi) 該實體受(a)所識別人士控制或共同控制；
 - (vii) (a)(i)所識別之人士對該實體有重大影響力，或為該實體(或該實體之母公司)之主要管理層成員；及
 - (viii) 該實體或其所屬集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

2.4 Summary of Significant Accounting Policies (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Buildings	Over the shorter of the lease terms and 2.5%
Plant and machinery	10% to 30%
Leasehold improvements, furniture, fixtures and equipment	20% to 33%
Motor vehicles	30%

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策概要(續)

物業、機器及設備及折舊

物業、機器及設備(除在建工程外)·按成本或估值減累計折舊及任何減值虧損後列賬。物業、機器及設備項目成本包括購入價及使資產處於擬定用途之運作狀況及地點之任何直接應佔成本。

物業、機器及設備項目投入運作後所產生之支出·如維修及保養·一般於產生該筆支出期間從綜合損益表中扣除。倘符合確認準則·則重大檢查支出會於資產賬面值中資本化作為替換。倘須定期替換大部分物業、機器及設備·則本集團會將該等部分確認為有特定可使用年期之個別資產·並相應地計提折舊。

折舊以直線法計算·按每項物業、機器及設備項目之估計可使用年期撇銷其成本或估值至其剩餘價值。就此而言·所使用之主要年度折舊率如下:

永久業權土地	不予折舊
樓宇	按租賃年期與2.5%兩者較低者
機器及設備	10%至30%
租賃物業裝修、傢俬、裝置及設備	20%至33%
汽車	30%

倘若物業、機器及設備項目之組件可使用年期有所不同·該項目之成本或估值按合理基準予以分配至各組件·而每組件個別計算折舊。剩餘價值、可使用年期及折舊方法於每個財政年度末檢核及作適當調整。

物業、機器及設備項目包括任何經初次確認之主要部分於出售或估計其使用或出售不再產生未來經濟利益時·不再確認入賬。任何出售或棄用之盈虧以出售時所得款項淨額及有關資產賬面值之差額計算·並於不再確認資產之年度在綜合損益表內確認。

2.4 Summary of Significant Accounting Policies (continued)**Property, plant and equipment and depreciation (continued)**

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

The transitional provisions set out in paragraph 80A of HKAS 16 Property, Plant and Equipment have been adopted for property, plant and equipment stated at valuation. As a result, those assets stated at revalued amounts based on revaluations which were reflected in the consolidated financial statements for the year ended 31 December 1993 have not been revalued by class at the end of the reporting period. On disposal of a revalued asset, the relevant portion of the buildings revaluation reserve realised in respect of the previous valuations is transferred to retained profits as a movement in reserves.

Investment properties

Investment properties are interests in buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value.

Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated statement of profit or loss in the year of the retirement or disposal.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 主要會計政策概要(續)**物業、機器及設備及折舊(續)**

在建工程包括處於建造過程中的樓宇，並按成本減任何減值虧損列賬，且不予折舊。成本包括建造工程之直接成本及在建造期間相關借貸資金資本化之借貸成本。在建工程於竣工及可供使用時重新分類至物業、機器及設備之適當類別內。

按估值列賬之物業、機器及設備已採納香港會計準則第16號物業、機器及設備第80A段所載之過渡條款。因此，該等按截至1993年12月31日止年度綜合財務報告所述重估以重估金額列賬之資產，於報告期末並無按其類別再作重估。出售經重估之資產時，就過往估值而需予變現之相關樓宇重估儲備部分，由儲備撥往保留溢利內，作為儲備之變動。

投資物業

投資物業指持作賺取租金收入及/或獲得資本增值之樓宇權益，包括符合投資物業定義持有作使用權資產之租賃物業，其非用作生產或提供貨品或服務或行政用途，或於日常業務過程中出售。該等物業初次按成本計量，包括交易成本。於初次確認後，投資物業按公平價值列賬。

投資物業公平價值變動所產生之盈虧計入產生年度之綜合損益表。

任何棄用或出售投資物業之盈虧在棄用或出售當年度之綜合損益表中確認。

無形資產(商譽除外)

個別購入之無形資產於初次確認時按成本計量。無形資產之可使用年期乃評估為有限或無限。具有限年期之無形資產其後按可使用經濟年期攤銷，並於該無形資產出現減值跡象時作評估減值。具有限可使用年期之無形資產之攤銷年期及攤銷方法須至少於每個財政年度末作檢核。

2.4 Summary of Significant Accounting Policies (continued)**Intangible assets (other than goodwill) (continued)**

The Group's intangible assets, representing eligibility rights to trade on or through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Futures Exchange Limited (the "Futures Exchange"), have indefinite useful lives and are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net sales proceeds and the carrying amount of the relevant asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	50 years
Buildings	2 to 10 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)**無形資產(商譽除外)(續)**

本集團之無形資產乃可於或透過香港聯合交易所有限公司(「聯交所」)及香港期貨交易所有限公司(「期交所」)進行交易之權利，具無限可使用年期並於每年按個別或於現金產生單位檢核作減值測試。該等無形資產並不予以攤銷。具無限年期之無形資產之可使用年期於每年作評估，以釐定無限可使用年期之評估是否持續可靠。如否定，則可使用年期之評估自此由按無限年期更改為按有限年期計量。

不再確認無形資產所產生盈虧按出售所得款項淨額與有關資產賬面值差額計算，並於不再確認該資產時在綜合損益表內確認。

租賃

本集團於合約開始時評估合約是否為租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制使用已識別資產之權利，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產之權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用當日)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量的租賃負債作出調整。使用權資產的成本包括已確認租賃負債金額、已發生初始直接成本及於開始日期或之前支付的租賃款項減已收取的任何租賃優惠。在適用情況下，使用權資產成本亦包括拆除及搬遷相關資產或復原相關資產或其所在場地之估計成本。使用權資產於租期及估計使用年期(以較短者為準)內以直線法折舊，詳情如下：

租賃土地	50年
樓宇	2至10年

倘租賃資產之所有權在租期結束前轉移至本集團或成本反映購買權之行使情況，則使用該資產之估計可使用年期計算折舊。

2.4 Summary of Significant Accounting Policies (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

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

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

The Group's lease liabilities are presented separately in the consolidated statement of financial position.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office properties, retail stores and factories (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 租賃負債

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

於計算租賃款項之現值時,倘租賃中所隱含的利率不易釐定,本集團則於租賃開始日期使用增量借貸利率計算。於開始日期後,租賃負債金額增加反映利息增加,而減少則為租賃款項所致。此外,倘出現修改、租期變動、租賃款項變動(如因指數或比率變動而產生的未來租賃款項變動)或購買相關資產的選擇權評估更改,則租賃負債的賬面值將重新計量。

本集團租賃負債於綜合財務狀況表單獨呈列。

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於辦公室、零售店舖及廠房的短期租賃(即自租賃開始日期起計租期為12個月或以下,並且不包含購買權的租賃)。當本集團訂立低價值資產之租賃時,本集團會決定是否按個別租賃基準將租賃資本化。短期租賃及低價值資產租賃的租賃款項在租期內按直線法確認為開支。

2.4 Summary of Significant Accounting Policies (continued)**Leases (continued)***Group as a lessor*

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in turnover in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as turnover in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Investments and other financial assets*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value designated through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially 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. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value designated through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策概要(續)**租賃(續)***本集團作為出租人*

當本集團作為出租人，其租賃於開始時(或發生租賃變更時)將其所有租賃分類為經營租賃或融資租賃。

所有本集團並未轉讓資產所有權所附帶之絕大部分風險及回報的租賃歸類為經營租賃。倘合約包含租賃及非租賃部分，本集團根據相關獨立售價將合約代價分配至各個部分。租金收入於租期內按直線法列賬，而由於其營運性質，計入綜合損益表之營業額。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值，並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間內確認為營業額。

將相關資產所有權所附帶之絕大部分風險及回報轉移至承租人的租賃，以融資租賃入賬。

投資及其他財務資產*初次確認及計量*

財務資產於初次確認時分類為其後按攤銷成本、指定為按公平價值計入其他全面收益及按公平價值計入損益計量。

財務資產於初次確認時之分類取決於財務資產之合約現金流量特點及本集團管理該等財務資產之業務模式。除不含重大融資成分或本集團已應用權宜方法不調整重大融資部分的影響之應收賬款外，本集團的財務資產初次計量按公平價值加上(倘財務資產並非按公平價值計入損益)交易成本。根據香港財務報告準則第15號，不含重大融資成分或本集團已應用權宜方法之應收款項按交易價格(根據下文「收入確認」所載之政策釐定)計量。

為使財務資產按攤銷成本或按指定為按公平價值計入其他全面收益進行分類及計量，其需產生就未償還本金的純粹支付本金及利息(「SPPI」)之現金流量。就現金流量並非SPPI的財務資產而言，不論其業務模式如何，分類及計量均按公平價值計入損益。

2.4 Summary of Significant Accounting Policies (continued)**Investments and other financial assets (continued)***Initial recognition and measurement (continued)*

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as financial assets designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Financial assets designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要(續)**投資及其他財務資產(續)***初次確認及計量(續)*

本集團管理財務資產之業務模式指其如何管理財務資產以產生現金流量之方式。業務模式釐定現金流量是否源自收取合約現金流量、出售財務資產或同時因兩者而產生。於旨在持有財務資產以收取合約現金流量的業務模式中持有之財務資產，按攤銷成本分類及計量；於旨在持有以收取合約現金流量及出售財務資產之業務模式中持有之財務資產，按公平價值計入其他全面收益分類及計量。並非於上述業務模式中持有之財務資產，乃按公平價值計入損益分類及計量。

正常情況下購入及出售之財務資產於交易日確認，即本集團承諾購入或出售該資產之日期。正常情況下購入或出售乃於規例或市場慣例一般設定之期間內交付購入或出售之財務資產。

其後計量

財務資產之其後計量根據其分類進行，方式如下：

按攤銷成本入賬之財務資產(債務工具)

按攤銷成本入賬之財務資產其後採用實際利率法計量並須計提減值。當資產終止確認、修訂或出現減值時，收益及虧損於綜合損益表內確認。

指定為按公平價值計入其他全面收益的財務資產(股份投資)

於初次確認後，倘股份投資符合香港會計準則第32號金融工具：呈列之界定，且並非持作買賣，本集團可選擇將其股份投資不可撤銷地分類為指定為按公平價值計入其他全面收益的財務資產。分類乃按個別工具基準釐定。

該等財務資產之收益及虧損永不結轉至綜合損益表。倘股息支付權已確立，而股息相關之經濟收益將可能流入本集團並能可靠計算股息金額，則股息於綜合損益表內確認為其他收入，惟倘本集團受惠於該等所得款項作為收回部分財務資產成本則作別論，在此情況下，有關收益於其他全面收益內入賬。指定為按公平價值計入其他全面收益的財務資產無須進行減值評估。

2.4 Summary of Significant Accounting Policies (continued)**Investments and other financial assets (continued)***Subsequent measurement (continued)**Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)**投資及其他財務資產(續)***其後計量(續)**按公平價值計入損益的財務資產*

按公平價值計入損益的財務資產按公平價值於綜合財務狀況表內列賬，其公平價值變動淨額於綜合損益表內確認。

該類別包括本集團並無不可撤銷地選擇按公平價值計入其他全面收益分類之衍生工具及股份投資。分類為按公平價值計入損益的財務資產之股份投資股息在支付權利確立時，且本集團可能有與股息相關之經濟收益並能作出可靠計算時，於綜合損益表內確認為其他收入。

不再確認財務資產

財務資產(或如適用，財務資產其中一部分或一組類似之財務資產其中一部分)主要在下列情況下不再確認(即從本集團之綜合財務狀況表移除)：

- 自該資產收取現金流量之權利已屆滿；或
- 本集團已轉讓其收取來自該資產現金流量之權利，或已根據「轉遞」安排就向第三者承擔責任全數支付已收取現金流量並無重大延誤；及(a)本集團已轉讓該資產之絕大部分風險及回報，或(b)本集團無轉讓或保留該資產之絕大部分風險及回報，惟已轉讓該資產之控制權。

倘若本集團已轉讓其自資產收取現金流量之權利，或已訂立轉遞安排，其評估其有否保留該資產所有權之風險及回報，以及其保留該等風險及回報之程度。倘若並無轉讓或保留資產之絕大部分風險及回報，亦無轉讓資產之控制權之情況下，則本集團繼續以其持續參與該已轉讓資產之程度為限確認該資產。在該情況下，本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團已保留權利及義務之基準計量。

就已轉讓資產作出擔保形式之持續參與，按該項資產之原有賬面值及本集團或須償付代價之上限金額(以較低者為準)計量。

2.4 Summary of Significant Accounting Policies (continued)**Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)**財務資產減值**

本集團就所有並非按公平價值計入損益持有之債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取並按原有實際利率的相若利率貼現的所有現金流量之間的差額計算。預期現金流量將包括出售所持抵押品或合約條款所包含的其他信貸升級所得的現金流量。

一般方法

預期信貸虧損於兩個階段確認。就初次確認後並無顯著增加的信貸風險，預期信貸虧損就可能於未來12個月內(12個月的預期信貸虧損)發生就違約事件而產生的信貸虧損計提撥備。就初次確認後顯著增加的信貸風險，須於信貸虧損風險剩餘年期內計提虧損撥備，不論違約時間(全期預期信貸虧損)。

於各報告日期，本集團評估金融工具的信貸風險是否自初次確認後大幅提高。於作出該評估時，本集團將於報告日期金融工具產生的違約風險與於初次確認時金融工具產生的違約風險進行比較，並考慮在無須付出不必要成本或努力而可獲得合理及可靠資料，包括過往及前瞻性資料。

本集團將合約付款逾期90日的財務資產視作違約。然而，於若干情況下，當內部或外部資料顯示本集團不可能在本集團採取任何信貸提升安排前悉數收回未償還合約金額時，本集團亦可能認為該財務資產違約。倘無法合理預期收回合約現金流量，則撇銷財務資產。

2.4 Summary of Significant Accounting Policies (continued)**Impairment of financial assets (continued)***General approach (continued)*

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For accounts receivable that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.4 主要會計政策概要(續)**財務資產減值(續)***一般方法(續)*

按攤銷成本入賬之財務資產根據一般方法減值及除應收賬款使用下文詳述的簡化方法外，其在以下階段分類用於預期信貸虧損計量。

第1階段 – 信貸風險自初次確認後並無大幅增加的金融工具，其虧損撥備按等於12個月預期信貸虧損的金額計量

第2階段 – 信貸風險自初次確認後大幅增加但並無出現財務資產信貸減值的金融工具，其虧損撥備按等於全期預期信貸虧損的金額計量

第3階段 – 於報告日期已出現信貸減值的財務資產(但在購買或產生之時並無信貸減值)，其虧損撥備按等於全期預期信貸虧損的金額計量

簡化法

就不包含重大融資組成部分的應收賬款或當本集團使用不調整重大融資組成部分影響的可行權宜方法時，本集團計算預期信貸虧損時應用簡化法。根據簡化法，本集團並無追蹤信貸風險的變化，但於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已根據過往信貸虧損經驗，建立撥備矩陣，並就債務人及經濟環境的特定前瞻性因素作出調整。

財務負債*初次確認及計量*

財務負債於初次確認時適當地分類為按公平價值計入損益的財務負債、借貸及貸款或應付款。

所有財務負債初次按公平價值確認，如屬借貸及貸款及應付款，則扣除直接應佔交易成本。

2.4 Summary of Significant Accounting Policies (continued)**Financial liabilities (continued)***Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as follows:

- (a) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in HKFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the consolidated statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the consolidated statement of profit or loss. The net fair value gain or loss recognised in the consolidated statement of profit or loss does not include any interest charged on these financial liabilities.

- (b) Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

2.4 主要會計政策概要(續)**財務負債(續)***其後計量*

財務負債之其後計量根據其分類進行，方式如下：

- (a) 按公平價值計入損益的財務負債
按公平價值計入損益的財務負債包括持作買賣之財務負債及於初次確認時指定為按公平價值計入損益的財務負債。

為於近期內作購回用途而購入之財務負債，均列為持作買賣。此類別包括本集團所訂立根據香港財務報告準則第9號所界定未被指定為對沖關係中對沖工具之衍生金融工具。獨立嵌入式衍生工具亦分類為持作買賣，惟被指定為有效對沖工具除外。持作買賣負債之收益或虧損於綜合損益表確認。於綜合損益表確認之公平價值淨收益或虧損不包括任何對該等財務負債徵收之利息。

初次確認時指定為按公平價值計入損益的財務負債只會在符合香港財務報告準則第9號之條件下於初次確認當日指定。指定為按公平價值計入損益的負債之收益或虧損於綜合損益表確認，惟本集團自有信貸風險產生於其他全面收益呈列及並無後續重新分類至綜合損益表的收益或虧損除外。於綜合損益表確認之公平價值淨收益或虧損不包括任何對該等財務負債徵收之利息。

- (b) 按攤銷成本入賬之財務負債(借貸及貸款)

初次確認後，計息借貸及貸款其後採用實質利率法按攤銷成本計量，除非折現影響不大，在該情況下則按成本列賬。於負債不再確認時以及透過實質利率法計量之攤銷過程之收益及虧損於綜合損益表確認。

攤銷成本之計算包括收購產生之任何折價或溢價以及屬於實質利率組成部分之費用或成本。按實質利率法計量之攤銷包括在綜合損益表之財務費用內。

2.4 Summary of Significant Accounting Policies (continued)**Financial liabilities (continued)***Subsequent measurement (continued)*

(c) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal 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.

Derivative financial instruments*Initial recognition and subsequent measurement*

The Group uses derivative financial instruments, such as bullion contracts and cross currency swaps, to hedge its bullion price risk and foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the consolidated statement of profit or loss.

2.4 主要會計政策概要(續)**財務負債(續)***其後計量(續)*

(c) 財務擔保合約

由本集團發出之財務擔保合約為須就某指定債務人未能根據債務工具之條款償還到期債務時須向合約持有人支付指定款項以償付其損失之該等合約。財務擔保合約初步按公平價值確認為負債，並就發行擔保之直接應佔交易成本作出調整。於初次確認後，本集團按以下較高者計量財務擔保合約：(i)按照「財務資產減值」內所載政策釐定之預期信貸虧損撥備；及(ii)初次確認金額減已確認之累計收入金額(倘適用)。

不再確認財務負債

財務負債於負債之責任已解除或註銷或屆滿時不再確認。

當現有財務負債為同一貸款人以大致上不同條款之負債取代時，或現有負債之條款有重大修改時，此等取代或修改會被視為不再確認為原有負債及確認為一項新負債，而有關賬面值之差額乃於綜合損益表確認。

抵銷金融工具

倘實體具有抵銷已確認金額之現時可執行法定權利，且有意以淨額結算或同時變現該財務資產及清償該財務負債時，財務資產與財務負債方可相互抵銷，並以抵銷後淨額於綜合財務狀況表內呈報。

衍生金融工具*初次確認及其後計量*

本集團使用貴金屬合約及交叉貨幣掉期等衍生金融工具對沖其貴金屬價格風險及外匯風險。該等衍生金融工具初次按訂立衍生合約當日之公平價值確認，其後再按公平價值重新計量。當衍生工具在公平價值為正數時以資產列賬，為負數時以負債列賬。

衍生工具公平價值變動所產生之任何收益或虧損乃直接計入綜合損益表。

2.4 Summary of Significant Accounting Policies (continued)**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of production overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 主要會計政策概要(續)**存貨**

存貨乃按成本與可變現淨值兩者中之較低列賬。成本乃按先進先出法計算及(倘為在製品及製成品)包括直接原料、直接工資及適當比例之生產費用。可變現淨值是根據估計售價扣除直至完成及出售所需之任何估計成本計算。

現金及等同現金

就綜合現金流量表而言，現金及等同現金包括流動現金及活期存款及一般於購入後三個月內到期，可隨時轉換為已知金額現金及承受價值改變風險不大之短期高流動性投資，扣除須按要求償還之銀行透支，為本集團現金管理之組成部分。

就綜合財務狀況表而言，現金及等同現金包括流動現金及銀行存款(包括定期存款)，均無使用限制。

撥備

倘因過往事件而產生現時責任(法律或推定)，且將來極可能需要付出資源以應付有關責任時，則確認為撥備，惟所涉及責任數額必須能可靠地估計。

當折現之影響屬重大時，就撥備而確認之數額乃預期於日後解決該責任所需開支於報告期末之現值。因時間流逝而導致折現之現值增加數額計入綜合損益表之財務費用。

所得稅

所得稅包括本期及遞延稅項。有關損益外確認項目之所得稅於損益外確認，不論是於其他全面收益或直接於權益內確認。

本期稅項資產及負債乃按預期可自稅務機關收回或繳付之金額計算，按於報告期末已經生效或大致上已經生效之稅率(及稅法)為基準，並考慮本集團經營所在司法管轄區之現行詮釋及慣例。

於報告期末之資產及負債之稅基與其在財務報告賬面值之間的所有暫時性差異，須按負債法計提遞延稅項撥備。

2.4 Summary of Significant Accounting Policies (continued)**Income tax (continued)**

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 主要會計政策概要(續)**所得稅(續)**

除下述外，所有應課稅暫時性差異均確認為遞延稅項負債：

- 倘若由於一項非商業合併交易之中初次確認商譽或資產或負債所產生之遞延稅項負債，而在交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司及聯營公司之投資之應課稅暫時性差異而言，倘若撥回暫時性差異之時間可以控制，以及暫時性差異不大可能在可見將來撥回。

所有可扣除暫時性差異及承前未用稅項抵免及未用稅項虧損，均確認為遞延稅項資產。除下述外，如日後有可能出現應課稅溢利，可用作抵銷該等可扣除暫時性差異、承前未用稅項抵免及未用稅項虧損，均確認為遞延稅項資產：

- 當在非商業合併之交易中初次確認資產或負債所產生之有關可扣除暫時性差異之遞延稅項資產，而在交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司及聯營公司之投資之可扣除暫時性差異而言，只在暫時性差異有可能在可見將來撥回，以及日後可用該等暫時性差異抵銷可能出現之應課稅溢利，才確認為遞延稅項資產。

遞延稅項資產之賬面值於每個報告期末予以審閱，倘不再可能有足夠應課稅溢利用作抵銷相關遞延稅項資產之全部或部分，則減少遞延稅項資產賬面值。不予確認之遞延稅項資產於每個報告期末予以重新評估，如可能有足夠應課稅溢利用作抵銷相關遞延稅項資產之全部或部分時，則予以確認。

遞延稅項資產及負債以預期適用於變現資產或償還負債之當期稅率計量，按於報告期末已經生效或大致上已經生效之稅率（及稅法）為基準。

當及僅當本集團有合法可執行權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產及遞延稅項負債與同一稅務機關對同一應課稅實體或不同應課稅實體徵收的所得稅相關，而該等不同的應課稅實體於各未來期間預期待有大額遞延稅項負債或資產將予結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債，則遞延稅項資產與遞延稅項負債可予抵銷。

2.4 Summary of Significant Accounting Policies (continued)**Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition*Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

(a) Sale of goods

Revenue from the sale of goods represents the net invoiced value of goods sold, after allowances for returns, trade discounts and value added tax and is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Some contracts for the sale of jewellery through e-shops provide customers with a right of return. The right of return gives rise to variable consideration.

2.4 主要會計政策概要(續)**政府補貼**

政府補貼於可合理確認將會收取補貼及將符合所有附帶條件時按公平值確認。如補貼涉及開支項目，則於其擬補貼的成本產生期間內有系統地確認為收入。

收入確認*來自客戶合約之收益*

來自客戶合約之收益乃於貨品或服務按反映本集團預期就轉讓貨品或服務而有權獲得的代價金額轉予客戶時確認。

當合約中的代價包含可變金額時，代價金額於本集團就轉讓貨品或服務至客戶而有權獲得交換時估計。可變代價在合約開始時估計並受約束，直至可變代價的相關不確定因素得到解決時，確認的累計收益金額不大可能出現重大收益回撥。

倘合約中包含為客戶提供超過一年的重大融資利益(撥付轉讓貨品或服務至客戶)的融資部分，則收益按應收金額的現值計量，並使用本集團與客戶之間於合約開始時的單獨融資交易中反映的貼現率貼現。倘合約中包含為本集團提供一年以上重大融資利益的融資部分，合約項下確認的收益包括按實際利率法計算的合約負債所產生的利息開支。就客戶付款與轉讓承諾貨品或服務之期間為一年或者更短的合約，交易價格採用香港財務報告準則第15號的可行權宜方法，不會就重大融資部分的影响作出調整。

(a) 貨品銷售

來自貨品銷售之收益旨在撇除退回、交易折扣與增值稅後售出貨品之發票淨值，並於資產之控制權轉讓予客戶時(一般為交付貨品時)確認。

若干透過電子商店銷售珠寶之合約給予客戶退貨權。其退貨權引致產生可變代價。

2.4 Summary of Significant Accounting Policies (continued)**Revenue recognition (continued)**

Revenue from contracts with customers (continued)

- (a) Sale of goods (continued)
- (i) Rights of return
For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.
- (ii) Customer loyalty programme
The Group's retail of jewellery and watches segment operates a customer loyalty programme, which allows customers to accumulate award credits when they purchase products. The award credits can be redeemed for discounts on products in a limited period. Under HKFRS 15, the customer loyalty programme gives rise to a separate performance obligation because they provide a material right to the customer and allocated a portion of the transaction price to the loyalty credits awarded to customers based on the relative stand-alone selling price.
- (b) Commission on securities and futures broking
Revenue from the commission on securities and futures broking is recognised at the point in time when the relevant contract notes are executed.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Income from the sale of investments at fair value through profit or loss are recognised on the transaction dates when the relevant contract notes are executed.

2.4 主要會計政策概要(續)**收入確認(續)**

來自客戶合約之收益(續)

- (a) 貨品銷售(續)
- (i) 退貨權
就給予客戶於指定時間內可退回貨品之合約而言，使用預期價值法估計將不予退回之貨品，因該方法為預測本集團將享有之可變代價金額之最佳方法。採用香港財務報告準則第15號關於可變代價估計之規限，以釐定可計入交易價格之可變代價金額。就預期將予退回之貨品，確認退款負債，而並非收入。另就向客戶收回產品之權利確認退貨權資產(並對銷售成本作出相應調整)。
- (ii) 客戶忠誠度計劃
本集團的珠寶及鐘錶零售分部設有客戶忠誠度計劃，讓客戶購買產品時累積獎勵積分。獎勵積分可於有限時間內兌換為產品折扣。根據香港財務報告準則第15號，客戶忠誠度計劃產生獨立履約責任，因其為客戶提供實質權利及將部分交易價格分配至根據相關獨立售價給予客戶之忠誠度積分。
- (b) 證券及期貨經紀佣金收入
證券及期貨經紀佣金收入於有關合約執行之時間點確認。

來自其他來源之收益

租金收入按租賃期時間比例基準確認。並非取決於某一指數或比率的可變租賃款項於產生之會計期間內確認為收入。

其他收入

利息收入採用實質利息法，按應計基準，以有關利率在有關金融工具之預計年期或較短期間(按適用情況)內準確折現估計未來現金收入至有關財務資產之賬面淨值確認。

股息收入於股東收取股息權利確立時，與股息相關之經濟利益很可能流入本集團，而股息金額可以可靠地計量時確認。

出售按公平價值計入損益之投資收入於有關合約執行之交易日期確認。

2.4 Summary of Significant Accounting Policies (continued)**Revenue recognition (continued)***Other income (continued)*

Government subsidies are recognised where there is reasonable assurance that the government grants will be received and all attaching conditions will be complied with, as further explained in the accounting policies for “Government grants” above.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods and services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Right-of-return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the goods to be returned, less any expected costs to recover the goods and any potential decreases in the value of the returned goods. The Group updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned goods.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (“equity-settled transactions”).

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

2.4 主要會計政策概要(續)**收入確認(續)***其他收入(續)*

如上文有關「政府補貼」的會計政策所進一步解釋，在合理保證將收到政府補貼且將遵守所有附帶條件的情況下，確認為政府補貼。

合約負債

於本集團轉讓相關貨品或服務前，合約負債於向客戶收取付款或付款到期時(以較早者為準)確認。合約負債於本集團履行合約時(即將相關貨品或服務的控制權轉讓予客戶)確認為收益。

退貨權資產

當本集團有權收回預期將由客戶退回之貨品時，確認退貨權資產。該資產按將予退回貨品前的賬面值減收回貨品之任何預期成本及退回貨品之任何潛在價值減少計量。本集團就任何修訂更新資產計量至其預期退貨水平，以及就已退回之貨品更新任何額外價值減少。

退款負債

退款負債乃確認為退回收取自客戶(或向客戶應收)之部分或全部代價之責任，按本集團最終預期將須向客戶退還之金額計量。於各報告期末，本集團更新其退款負債之估計(及交易價格的相應變動)。

股份支付

本公司設有一項購股權計劃，藉此向為本集團業務成就作出貢獻之合資格參與者給予獎勵及獎賞。本集團僱員(包括董事)以股份支付方式收取薪酬，而僱員提供服務作為權益工具代價(「權益結算交易」)。

與僱員之權益結算交易中，於2002年11月7日後授出權益工具之成本乃參考其於授出日期之公平價值而計量。公平價值乃由外聘估值師採用二項式模型釐定。

2.4 Summary of Significant Accounting Policies (continued)**Share-based payments (continued)**

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. When awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 主要會計政策概要(續)**股份支付(續)**

權益結算交易之成本連同相應權益增加在達成表現及／或服務條件的期間於僱員福利開支確認。於每個報告期末至歸屬日期，就權益結算交易確認的累計開支反映歸屬期間已屆滿之情況，以及本集團對最終將予歸屬的權益工具數目之最佳估計。於某一期間在綜合損益表中扣除或計入之金額，為該期間期初及期末確認之累計開支變動。

於釐定獎賞於授出日期的公平價值時並無計及服務及非市場表現條件，惟達成條件的可能性會被評估為本集團對最終將會歸屬的權益工具數目所作最佳估計的一部分。市場表現條件反映於授出日期之公平價值內。獎賞隨附而並無涉及相關服務要求的任何其他條件，會被視為非歸屬條件。除非當中亦包含服務及／或表現條件，否則非歸屬條件反映於獎賞的公平價值內並會導致獎賞即時列作開支。

對由於非市場表現及／或服務條件尚未達成而未能最終歸屬的獎賞不會確認為開支。倘獎賞包括市場或非歸屬條件，不論市場或非歸屬條件是否獲達成，有關交易均被視作歸屬，惟所有其他表現及／或服務條件必須已獲達成。

未行使購股權之攤薄影響於計算每股盈利時反映為新增股份之攤薄。

2.4 Summary of Significant Accounting Policies (continued)**Employee benefits***Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken at the end of the reporting period is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of the reporting period for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Pension schemes and other retirement benefits

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance in Hong Kong for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' relevant income and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China and Taiwan are required to participate in central pension schemes operated by the respective local municipal governments. These subsidiaries are required to contribute certain percentages of their payroll costs to the central pension schemes. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the respective central pension schemes.

Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds, and they are expensed in the period in which they are incurred.

Dividends

Final dividends are recognised as liabilities when they are approved by the shareholders in general meetings. Proposed final dividends are disclosed in the notes to the consolidated financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and bye-laws grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 主要會計政策概要(續)**僱員福利***結轉有薪假期*

本集團根據僱傭合約按曆年基準向其僱員提供有薪年假。在若干情況下，各僱員於報告期末尚未享用之假期准予結轉至下個年度使用。於報告期末，按僱員於年內所得有薪假期之預計未來成本作出一項應計費用並予以結轉。

退休金計劃及其他退休福利

本集團根據香港的強制性公積金計劃條例實施一項界定供款強制性公積金退休福利計劃(「強積金計劃」)，供所有合資格參與強積金計劃之僱員參與。供款按僱員有關入息之某一百分比提撥，並於根據強積金計劃規定應付時自綜合損益表扣除。強積金計劃資產乃與本集團資產分開，由獨立管理基金持有。

根據強積金計劃規定，本集團作出之僱主供款利益全數歸屬於僱員，至於本集團作出之僱主自願性供款則除外，當僱員在供款利益完全歸屬於僱員前離職，供款會退回本集團。

本集團於中國大陸及臺灣營運之附屬公司之僱員均須參加由當地市政府運作的中央退休金計劃。此等附屬公司須提撥薪金費用之若干百分比為中央退休金計劃供款，並根據中央退休金計劃規定應付時於綜合損益表扣除。

貸款成本

貸款成本包括本集團就借用資金而產生之利息及其他成本，乃於產生期間支銷。

股息

末期股息在獲股東於股東大會上批准後始確認為負債。建議末期股息披露於綜合財務報告附註中。

中期股息乃同時予以建議派發及宣派，此乃本公司組織章程大綱及章程細則授予董事宣派中期股息之權力。因此，中期股息於建議派發及宣派時即時確認為負債。

2.4 Summary of Significant Accounting Policies (continued)**Foreign currencies**

These consolidated financial statements are presented in Hong Kong dollar, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain subsidiaries operating outside Hong Kong are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollar at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollar at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of subsidiaries operating outside Hong Kong are translated into Hong Kong dollar at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries operating outside Hong Kong which arise throughout the year are translated into Hong Kong dollar at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)**外幣**

本綜合財務報告乃以本公司之功能貨幣港元列報。本集團內每個實體均自行決定其功能貨幣，而每實體之綜合財務報告所包含之項目均採用該功能貨幣計量。本集團實體記錄之外幣結算交易最初以交易當日之有關功能貨幣之現行匯率記錄。以外幣計算之貨幣資產及負債按報告期末之功能貨幣匯率換算。因貨幣項目結算或換算而產生之差額乃於綜合損益表確認。

以外幣歷史成本計算之非貨幣項目按初次交易當日之匯率換算。以外幣公平價值計算之非貨幣項目按計量公平價值當日之匯率換算。換算以公平價值計量之非貨幣項目而產生之收益或虧損，按確認該項目之公平價值變動之收益或虧損一致之方法處理(即公平價值盈虧於其他全面收益或損益表確認之項目，其換算差額亦分別於其他全面收益或損益表確認)。

就終止確認與預付代價有關的非貨幣資產或非貨幣負債的相關資產、開支或收入而言，於釐定初次確認的匯率時，初次交易的日期為本集團初次確認預付代價所產生的非貨幣資產或非貨幣負債的日期。倘有多筆預付付款或收款，本集團就每筆預付代價的付款或收款分別釐定交易日期。

若干於香港以外經營的附屬公司之功能貨幣並非港元。於報告期末，該等實體之資產與負債按報告期末之現行匯率換算為港元，其損益表則按該年度之加權平均匯率換算為港元。由此而產生之匯兌差額，在其他全面收益中確認並於外匯變動儲備中累計。倘出售海外業務，與該項海外業務有關之其他全面收益部分於綜合損益表中確認。

就綜合現金流量表而言，於香港以外經營的附屬公司之現金流量按現金流量日期之匯率換算為港元。於香港以外經營的附屬公司整年經常產生之現金流量則按該年度之加權平均匯率換算為港元。

3. Significant Accounting Judgements and Estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(a) *Revenue from contracts with customers*

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the method to estimate variable consideration and assessing the constraint for the retail of jewellery

Certain contracts for the retail of jewellery through e-shops include a right of return that give rise to variable consideration. In estimating the variable consideration, the Group is required to exercise judgement to determine to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of jewellery with rights of return, given the large number of customer contracts that have similar characteristics.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

(b) *Property lease classification – Group as lessor*

The Group has entered into property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the property and the present value of the minimum lease payments not amounting to substantially all the fair value of the property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

3. 主要會計判斷及估計

管理層須就編製本集團之綜合財務報告時對影響收入、開支、資產及負債之呈報數額、其隨附披露事項以及或然負債披露事項作出判斷、估計及假設。此等假設及估計之不確定性，可能引致日後須就受影響之資產或負債賬面值作出重大調整之後果。

判斷

應用本集團之會計政策時，除涉及之估計外，管理層作出下列對綜合財務報告已確認金額影響重大之判斷：

(a) *來自客戶合約之收益*

本集團應用以下判斷對釐定客戶合約收益之金額及時間有重大影響：

釐定估計可變代價之方式及評估珠寶零售之限制

若干透過電子商店零售珠寶之合約包括產生可變代價之退貨權。於估計可變代價時，本集團須判斷那種方法(預期價值法或最有可能之金額法)可更好地預測其將享有之代價金額。

鑒於大量客戶合約之特性相似，本集團確定預期價值法對於估計附帶退貨權之珠寶銷售之可變代價屬最適合的方法。

於將任何可變代價金額計入交易價格前，本集團會考慮可變代價之金額是否受限制。根據過往經驗、業務預測及當前經濟狀況，本集團確定可變代價之估計並無受到限制。此外，可變代價之不確定性將於短時間內解決。

(b) *物業租賃分類 – 本集團作為出租人*

本集團訂有與其投資物業組合有關之物業租約。本集團根據對該等安排之條款及條件作出之評估(如租期不構成物業經濟壽命的主要部分且最低租賃款項現值不等於物業之絕大部分公平價值)釐定，其保留該等根據經營租約租出之物業所有權附帶之絕大部分風險及回報，並將有關合約以經營租約入賬。

3. Significant Accounting Judgements and Estimates (continued)

Judgements (continued)

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

(d) Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) Variable consideration for returns

The Group estimates variable consideration to be included in the transaction price for the sale of jewellery with rights of return.

The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each product to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group.

3. 主要會計判斷及估計(續)

判斷(續)

(c) 釐定有續租選擇權的合約租期時作出之重大判斷

本集團若干租賃合約包括續租及終止選擇權。本集團於評估是否行使續租或終止租約選擇權時應用判斷，即本集團考慮行使續租或終止選擇權所帶來經濟誘因的所有相關因素。於開始日期後，倘存在其控制範圍以內之重大事件或環境變化從而影響其行使(或不行使)續租或終止該租賃的選擇權(如對租賃資產進行重大租賃物業裝修或重大定制建設)之能力，則本集團重新評估租期。

(d) 投資物業與自用物業之分類

本集團須判斷物業是否屬於投資物業，並就有關判斷制訂準則。投資物業乃持作收取租金或獲取資本增值或兩者之物業。因此，本集團考慮一物業是否大致獨立於本集團所持其他資產帶來現金流量。某些物業一部分持作賺取租金或獲取資本增值，另一部分用作生產或供應貨品或服務或作行政用途。倘此等部分可獨立出售或根據融資租約單獨出租，本集團將該等部分個別入賬。倘該等部分不可獨立出售，惟用作生產或供應貨品或服務或作行政用途之部分不大，有關物業方可列作投資物業。管理層已就個別物業作出判斷，以釐定有關配套設施是否重大至足以使該物業不符合列作投資物業之資格。

估計不明朗因素

於報告期末就未來及其他主要估計不明朗因素所作之主要假設，具有重大風險引致須於下一個財政年度就資產及負債賬面值作出重大調整者載述如下。

(a) 退貨之可變代價

本集團估計可變代價將包括在附帶退貨權的珠寶銷售交易價格中。

本集團制定一項預測銷售退貨之統計模式。該模式使用各產品的歷史退貨數據，得出預期退貨比例。該等比例用於釐定可變代價之預期價值。如經驗與歷史退貨模式相比下出現任何重大變動，將會影響本集團估計的預期退貨比例。

3. Significant Accounting Judgements and Estimates (continued)

Estimation uncertainty (continued)

(a) Variable consideration for returns (continued)

The Group updates its assessment of expected returns half yearly and the refund liabilities are adjusted accordingly. Estimates of expected returns are sensitive to changes in circumstances and the Group's past experience regarding returns may not be representative of customers' actual returns in the future. As at 31 December 2020, the amount recognised as refund liabilities was HK\$787,000 (2019: HK\$633,000) for the expected returns.

(b) Fair value of unlisted equity investments

The Group's unlisted equity investments have been valued using the income capitalisation method and net realisable value method. This valuation requires the Group to make estimates about capitalisation rates, and hence they are subject to uncertainty. The fair value of the unlisted equity investments as at 31 December 2020 was HK\$32,193,000 (2019: HK\$34,464,000). Further details are included in note 19 to the consolidated financial statements.

(c) Provision for expected credit losses on accounts receivable

The Group uses a provision matrix to calculate ECLs for accounts receivable. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type and customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the retail sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's accounts receivable is disclosed in note 21 to the consolidated financial statements.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

(a) 退貨之可變代價(續)

本集團每半年更新其預期退貨評估並相應調整退款負債。預期退貨之估計對環境變化較為敏感，且本集團關於退貨的過往經驗未必代表客戶日後之實際退貨情況。於2020年12月31日，就預期退貨確認為退款負債之金額為787,000港元(2019年：633,000港元)。

(b) 非上市股份投資之公平價值

本集團之非上市股份投資已採用收入資本化法及可變現淨值法進行估值。該項估值要求本集團對資本化比率作出估計，因此，有關估值具有不確定性。於2020年12月31日，非上市股份投資之公平價值為32,193,000港元(2019年：34,464,000港元)。進一步詳情載於綜合財務報告附註19。

(c) 應收賬款之預期信貸虧損撥備

本集團使用撥備矩陣計算應收賬款之預期信貸虧損。撥備比率乃基於具有類似虧損模式之多個客戶分部組別之逾期日數釐定(即地區、產品類別及客戶類別以及評級)。

撥備矩陣初始基於本集團之歷史觀察違約率。本集團將校正矩陣以透過前瞻性資料調整歷史信貸虧損經驗。例如，倘預期經濟環境(如本地生產總值)將在未來一年惡化，導致零售業違約數目增加，則會調整歷史違約率。於各報告日期，歷史觀察所得的違約率將予更新，並分析前瞻性估計的變化。

對歷史觀察所得的違約率、預測之經濟狀況及預期信貸虧損之間的相關性評估為一項重大估計。預期信貸虧損金額對環境及預測經濟狀況之變化較為敏感。本集團之歷史信貸虧損經驗及對經濟狀況的預測亦未必代表日後客戶之實際違約情況。有關本集團應收賬款之預期信貸虧損之資料披露於綜合財務報告附註21。

3. Significant Accounting Judgements and Estimates (continued)

Estimation uncertainty (continued)

- (d) *Provision for expected credit losses on other financial assets*
The measurement of expected losses on other financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

- (e) *Leases – Estimating the incremental borrowing rate*
The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

- (d) *其他財務資產之預期信貸虧損撥備*
計量其他財務資產之預期信貸虧損時須作出判斷，具體而言指於釐定減值虧損及評估信貸風險重大增加時估計未來現金流量之金額及時間，以及抵押品價值。該等估計以多項因素帶動，該等因素如有變動，可導致撥備水平出現變動。

於各報告日期，本集團藉著將報告日期與初始確認日期之預期使用年期內發生之違約風險作比較，評估所面臨之信貸虧損風險自初始確認以來是否已有重大增加。本集團考慮相干且就此目的而言無須過多成本或能力即可取得之合理及有憑據之資料。有關資料包括定量及定性資料，以及前瞻性分析。

- (e) *租賃 – 估算增量借款利率*
本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率為本集團於相若經濟環境中為取得與使用權資產價值相近之資產，而以相若抵押品於相若期限借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時（如就並無訂立融資交易之附屬公司而言）或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以附屬公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（如附屬公司的單獨信貸評級）。

3. Significant Accounting Judgements and Estimates (continued)

Estimation uncertainty (continued)

(f) *Deferred tax assets*

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 32 to the consolidated financial statements.

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

The Group assesses whether there are any indicators of impairment for property, plant, equipment and right-of-use assets at the end of each reporting period. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is based on its value in use. In assessing value-in-use, management estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of property, plant, equipment and right-of-use assets as at 31 December 2020 were HK\$1,019,130,000 (2019: HK\$1,014,404,000) and HK\$793,676,000 (2019: HK\$1,270,893,000), respectively. Further details are included in notes 14 and 16 to the consolidated financial statements.

(h) *Impairment of non-financial assets (other than goodwill, property, plant, equipment and right-of-use assets)*

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other 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 of disposal and its value in use. The calculation of the fair value less costs of disposal 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 estimates the expected future cash flows from the asset or cash-generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

(f) *遞延稅項資產*

未用稅項虧損，如日後可用作抵銷有可能出現之應課稅溢利，均確認為遞延稅項資產。釐定可確認之遞延稅項資產金額時，管理層須根據未來應課稅溢利之可能時間及水平以及未來稅務規劃策略作出重大判斷。進一步詳情載於綜合財務報告附註32。

(g) *物業、機器及設備以及使用權資產減值*

本集團會於各報告期末評估物業、機器及設備以及使用權資產是否出現任何減值跡象。當資產或現金產生單位根據其使用價值計算時的賬面值超逾其可收回金額，即出現減值。於評估使用價值時，管理層估計來自資產或現金產生單位的預期未來現金流量，並選擇適當的貼現率以計算該等現金流量的現值。於2020年12月31日，物業、機器及設備以及使用權資產的賬面值分別為1,019,130,000港元(2019年：1,014,404,000港元)及793,676,000港元(2019年：1,270,893,000港元)。進一步詳情載於綜合財務報告附註14及16。

(h) *非財務資產減值(商譽、物業、機器及設備以及使用權資產除外)*

本集團於每個報告期末評估全部非財務資產是否存在任何減值跡象。具有無限年期之無形資產每年或出現減值跡象時進行減值測試。其他非財務資產於有跡象顯示賬面值可能不能收回時進行減值測試。倘資產或現金產生單位之賬面值超逾其可收回金額(為其公平價值減出售成本與其使用價值之較高者)，即存在減值。公平價值減出售成本乃按類似資產之公平原則交易中具約束力銷售交易所得數據或可觀察市價扣除出售資產之遞增成本計算。於採用使用價值計算時，管理層預期須估計來自資產或現金產生單位之未來現金流量，及選擇適當折現率以計算該等現金流量之現值。

3. Significant Accounting Judgements and Estimates (continued)**Estimation uncertainty (continued)**

- (i) *Measurement of fair value of investment properties*
Investment properties are carried in the consolidated statement of financial position at their fair value. The fair value was based on valuation on these properties conducted by an independent firm of professionally qualified valuers using property valuation techniques which involve making assumptions on certain market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and the corresponding adjustments to the gain or loss recognised in the consolidated statement of profit or loss.
- (j) *Net realisable value of inventories*
Net realisable value of inventories is based on estimated selling prices less any estimation costs to be incurred to completion and disposal. These estimates, based on the current market condition and the historical experience in selling goods of a similar nature, including but not limit to economic outlook, sales forecasts and the forecast market value for the inventory items. It could change significantly as a result of changes in market conditions. The Group reassesses the estimation at the end of each reporting period.

4. 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:

- (a) the retail of jewellery and watches segment produces and sells jewellery products and distributes watches for the Group's retail business and operates retail stores mainly in Mainland China, Hong Kong, Macau and Taiwan;
- (b) the wholesale of precious metals segment trades precious metals to wholesale customers;
- (c) the securities and futures broking segment provides brokering and dealing services for securities and futures; and
- (d) the other businesses segment comprises, principally, the investment in properties for their rental income and capital appreciation potential, and other jewellery related businesses.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that certain dividend income are excluded from such measurement.

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

3. 主要會計判斷及估計(續)**估計不明朗因素(續)**

- (i) *投資物業之公平價值計量*
投資物業按其公平價值於綜合財務狀況表列值。公平價值乃根據獨立專業合資格估值師採用物業估值方法(涉及對若干市場狀況作出假設)對該等物業進行之估值而計算。該等假設之有利或不利變動將導致本集團投資物業之公平價值出現變動及對綜合損益表確認之收益或虧損作出相應調整。
- (j) *存貨之可變現淨值*
存貨之可變現淨值乃根據估計售價減去完成及出售時將產生之任何估計成本計算。此等估計乃以現時市況及類似性質貨品之過往銷售經驗為基準(包括但不限於經濟前景、銷售預測及預期存貨項目之市值)。可變現淨值可能因市況變動而出現重大變動。本集團於每個報告期末重新評估該估計。

4. 經營分部資料

就管理而言，本集團乃按其產品及服務劃分業務單位，管理以下四個可呈報經營分部：

- (a) 珠寶及鐘錶零售分部為本集團之零售業務製造及銷售珠寶產品及鐘錶分銷，並主要於中國大陸、香港、澳門及臺灣經營零售店；
- (b) 貴金屬批發分部與批發客戶買賣貴金屬；
- (c) 證券及期貨經紀分部提供證券及期貨之經紀及買賣服務；及
- (d) 其他業務分部主要為投資物業以賺取租金收入及資本增值潛力，以及其他珠寶相關業務。

管理層分別監控本集團經營分部之業績，以作出資源分配及表現評估之決策。分部表現乃按可呈報分部溢利進行評估，即經調整除稅前溢利之計算。經調整除稅前溢利之計算方式與本集團除稅前溢利計算方式貫徹一致，惟若干股息收入不包括在其計算當中。

內部銷售及轉讓乃根據銷售予第三者之售價作為通用市價。

4. Operating Segment Information (continued)

4. 經營分部資料(續)

		Note	Retail of jewellery and watches 珠寶及 鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他 業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended	截至2020年						
31 December 2020	12月31日						
	止年度						
Segment revenue	分部收益	5					
Sales to external customers	銷售予外來客戶		13,097,720	1,885,388	34,879	2,958	15,020,945
Intersegment sales	內部銷售		–	450,778	–	2,532	453,310
Other revenue	其他收益		–	–	–	11,475	11,475
			<u>13,097,720</u>	<u>2,336,166</u>	<u>34,879</u>	<u>16,965</u>	<u>15,485,730</u>
<i>Reconciliation:</i>	<i>調節:</i>						
Elimination of intersegment sales	對銷內部銷售						(453,310)
							<u>15,032,420</u>
Segment results	分部業績		914,506	11,484	(26,093)	(3,859)	896,038
<i>Reconciliation:</i>	<i>調節:</i>						
Dividend income	股息收入						24,882
Profit before tax	除稅前溢利						<u>920,920</u>

4. Operating Segment Information (continued)

4. 經營分部資料(續)

Year ended 31 December 2020	截至2020年 12月31日 止年度	Retail of jewellery and watches 珠寶及 鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他 業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Other segment information	其他分部資料					
Interest income	利息收入	(27,028)	(5)	(35,892)	(5)	(62,930)
Dividend income	股息收入	-	-	(496)	-	(496)
Net fair value loss on investment properties	投資物業之公平價值淨虧損	-	-	-	1,811	1,811
Net fair value gain on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸之公平價值淨收益	(10,247)	-	-	-	(10,247)
Net fair value gain on derivative financial instruments – transactions not qualifying as hedges	衍生金融工具之公平價值淨收益 – 不符合對沖定義之交易	(2,111)	150	-	-	(1,961)
Net fair value loss on financial assets at fair value through profit or loss	按公平價值計入損益的財務資產之公平價值淨虧損	-	-	3,760	-	3,760
Net loss on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸淨虧損	209,464	-	-	-	209,464
Net loss on disposal of derivative financial instruments	出售衍生金融工具淨虧損	19,855	1,591	-	-	21,446
Net loss on disposal of items of property, plant and equipment	出售物業、機器及設備項目淨虧損	4,880	-	-	-	4,880
Depreciation of property, plant and equipment	物業、機器及設備之折舊	276,438	-	1,203	253	277,894
Depreciation of right-of-use assets	使用權資產之折舊	649,823	-	3,877	609	654,309
Impairment of property, plant and equipment	物業、機器及設備減值	4,063	-	-	-	4,063
Impairment of right-of-use assets	使用權資產減值	169,572	-	-	-	169,572
Impairment of accounts receivable	應收賬款減值	20,982	-	-	-	20,982
Impairment of receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款減值	-	-	44,076	-	44,076
Write-down of inventories to net realisable value	撇銷存貨至可變現淨值	29,198	-	-	-	29,198
Finance costs	財務費用	76,100	-	11,727	37	87,864
Capital expenditure	資本性開支	243,260	-	250	902	244,412

4. Operating Segment Information (continued)

4. 經營分部資料(續)

		Note	Retail of jewellery and watches 珠寶及 鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他 業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended 31 December 2019	截至2019年 12月31日 止年度						
Segment revenue	分部收益	5					
Sales to external customers	銷售予外來客戶		16,258,416	1,435,672	24,113	5,981	17,724,182
Intersegment sales	內部銷售		-	885,758	-	2,940	888,698
Other revenue	其他收益		-	-	-	12,044	12,044
			<u>16,258,416</u>	<u>2,321,430</u>	<u>24,113</u>	<u>20,965</u>	<u>18,624,924</u>
<i>Reconciliation:</i> Elimination of intersegment sales	<i>調節:</i> 對銷內部銷售						(888,698)
							<u>17,736,226</u>
Segment results	分部業績		1,282,011	5,727	(428,640)	(1,062)	858,036
<i>Reconciliation:</i> Dividend income	<i>調節:</i> 股息收入						25,255
Profit before tax	除稅前溢利						<u>883,291</u>

4. Operating Segment Information (continued)

4. 經營分部資料(續)

		Retail of jewellery and watches 珠寶及 鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬 批發 HK\$'000 千港元	Securities and futures broking 證券及 期貨經紀 HK\$'000 千港元	Other businesses 其他 業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended 31 December 2019	截至2019年 12月31日 止年度					
Other segment information	其他分部資料					
Interest income	利息收入	(19,693)	(23)	(49,806)	(6)	(69,528)
Dividend income	股息收入	-	-	(525)	-	(525)
Net fair value gain on investment properties	投資物業之公平價 值淨收益	-	-	-	(2,088)	(2,088)
Net fair value gain on bullion loans designated as at fair value through profit or loss	指定為按公平價值 訂定盈虧之貴金 屬借貸之公平價 值淨收益	(70)	-	-	-	(70)
Net fair value loss on derivative financial instruments - transactions not qualifying as hedges	衍生金融工具之公平 價值淨虧損 - 不符合對沖定義 之交易	1,600	721	-	-	2,321
Net fair value loss on financial assets at fair value through profit or loss	按公平價值計入損 益的財務資產之 公平價值淨虧損	-	-	201	-	201
Net loss on bullion loans designated as at fair value through profit or loss	指定為按公平價值 訂定盈虧之貴金 屬借貸淨虧損	224,208	-	-	-	224,208
Net loss on disposal of derivative financial instruments	出售衍生金融工具 淨虧損	121,300	1,932	-	-	123,232
Net loss on disposal of items of property, plant and equipment	出售物業、機器及 設備項目淨虧損	4,394	-	-	-	4,394
Depreciation of property, plant and equipment	物業、機器及設備 之折舊	233,607	-	1,803	340	235,750
Depreciation of right-of-use assets	使用權資產之折舊	681,449	-	3,910	-	685,359
Impairment of accounts receivable	應收賬款減值	18,790	-	-	-	18,790
Impairment of receivables arising from securities and futures broking	證券及期貨經紀產生 之應收賬款減值	-	-	445,668	-	445,668
Write-down of inventories to net realisable value	撇銷存貨至可變現 淨值	11,790	-	-	-	11,790
Finance costs	財務費用	76,977	-	12,185	-	89,162
Capital expenditure	資本性開支	414,679	-	50	-	414,729

4. Operating Segment Information (continued)

(a) Geographical information

Revenue from external customers

Mainland China	中國大陸
Hong Kong and Macau	香港及澳門
Taiwan	臺灣

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

Non-current assets

Mainland China	中國大陸
Hong Kong and Macau	香港及澳門
Taiwan	臺灣

The non-current asset information above is based on the locations of the assets and excludes financial assets designated at fair value through other comprehensive income and deferred tax assets.

(b) Information about major customers

The turnover from the Group's largest customer amounted to less than 10% of the Group's total turnover for the current and prior years.

5. Turnover

Revenue from the following activities has been included in turnover:

Revenue from contracts with customers	來自客戶合約之收益
Revenue from other sources	來自其他來源之收益
Gross rental income from investment properties operating leases:	投資物業經營租約之總租金收入：
Other lease payments, including fixed payments	其他租賃款項，包括固定付款

4. 經營分部資料(續)

(a) 地區資料

銷售予外來客戶之收益

2020	2019
HK\$'000	HK\$'000
千港元	千港元
8,686,658	9,689,478
6,194,634	7,912,189
151,128	134,559

15,032,420 **17,736,226**

上述收益資料乃按客戶所在地區劃分。

非流動資產

2020	2019
HK\$'000	HK\$'000
千港元	千港元
1,243,670	1,204,597
1,079,809	1,600,135
31,606	30,949

2,355,085 **2,835,681**

上述非流動資產資料乃按資產所在地區劃分，並不包括指定為按公平價值計入其他全面收益的財務資產及遞延稅項資產。

(b) 有關主要客戶之資料

於本年度及上年度來自本集團最大客戶之營業額佔本集團總營業額均少於10%。

5. 營業額

營業額包括以下業務之收益：

2020	2019
HK\$'000	HK\$'000
千港元	千港元
15,020,945	17,724,182
11,475	12,044
15,032,420	17,736,226

5. Turnover (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

Segments	分部	Retail of jewellery and watches 珠寶及鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬批發 HK\$'000 千港元	Securities and futures broking 證券及期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
For the year ended	截至2020年					
31 December 2020	12月31日止年度					
Types of goods or services	貨品或服務類型					
Sale of goods	貨品銷售	13,097,720	1,885,388	–	2,958	14,986,066
Securities and futures broking	證券及期貨經紀	–	–	34,879	–	34,879
Total revenue from contracts with customers	來自客戶合約之總收益	<u>13,097,720</u>	<u>1,885,388</u>	<u>34,879</u>	<u>2,958</u>	<u>15,020,945</u>
Geographical area	地區市場					
Mainland China	中國大陸	8,685,590	–	–	–	8,685,590
Hong Kong and Macau	香港及澳門	4,261,002	1,885,388	34,879	2,958	6,184,227
Taiwan	臺灣	151,128	–	–	–	151,128
Total revenue from contracts with customers	來自客戶合約之總收益	<u>13,097,720</u>	<u>1,885,388</u>	<u>34,879</u>	<u>2,958</u>	<u>15,020,945</u>
Timing of revenue recognition	收益確認時間					
Goods transferred at a point in time	在貨品轉讓時	<u>13,097,720</u>	<u>1,885,388</u>	<u>34,879</u>	<u>2,958</u>	<u>15,020,945</u>

5. 營業額(續)

來自客戶合約之收益

(i) 分類收益資料

5. Turnover (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Segments	分部	Retail of jewellery and watches 珠寶及鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 批發 HK\$'000 千港元	Securities and futures broking 證券及期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
For the year ended	截至 2019 年					
31 December 2019	12 月 31 日止年度					
Types of goods or services	貨品或服務類型					
Sale of goods	貨品銷售	16,258,416	1,435,672	–	5,981	17,700,069
Securities and futures broking	證券及期貨經紀	–	–	24,113	–	24,113
Total revenue from contracts with customers	來自客戶合約之總收益	<u>16,258,416</u>	<u>1,435,672</u>	<u>24,113</u>	<u>5,981</u>	<u>17,724,182</u>
Geographical area	地區市場					
Mainland China	中國大陸	9,688,252	–	–	–	9,688,252
Hong Kong and Macau	香港及澳門	6,435,605	1,435,672	24,113	5,981	7,901,371
Taiwan	臺灣	134,559	–	–	–	134,559
Total revenue from contracts with customers	來自客戶合約之總收益	<u>16,258,416</u>	<u>1,435,672</u>	<u>24,113</u>	<u>5,981</u>	<u>17,724,182</u>
Timing of revenue recognition	收益確認時間					
Goods transferred at a point in time	在貨品轉讓時	<u>16,258,416</u>	<u>1,435,672</u>	<u>24,113</u>	<u>5,981</u>	<u>17,724,182</u>

5. 營業額(續)

來自客戶合約之收益(續)

(i) 分類收益資料(續)

5. Turnover (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Set out below the reconciliation of the revenue from contracts to customers to the amounts disclosed in the segment information:

Segments	分部	Retail of jewellery and watches 珠寶及鐘錶零售 HK\$'000 千港元	Wholesale of precious metals 貴金屬批發 HK\$'000 千港元	Securities and futures broking 證券及期貨經紀 HK\$'000 千港元	Other businesses 其他業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
For the year ended 31 December 2020	截至2020年12月31日止年度					
Revenue from contracts with customers	來自客戶合約之收益					
External customers	外來客戶	13,097,720	1,885,388	34,879	2,958	15,020,945
Intersegment sales	內部銷售	—	450,778	—	—	450,778
		13,097,720	2,336,166	34,879	2,958	15,471,723
Intersegment adjustments and eliminations	內部調整及對銷	—	(450,778)	—	—	(450,778)
Total revenue from contracts with customers	來自客戶合約之總收益	<u>13,097,720</u>	<u>1,885,388</u>	<u>34,879</u>	<u>2,958</u>	<u>15,020,945</u>
For the year ended 31 December 2019	截至2019年12月31日止年度					
Revenue from contracts with customers	來自客戶合約之收益					
External customers	外來客戶	16,258,416	1,435,672	24,113	5,981	17,724,182
Intersegment sales	內部銷售	—	885,758	—	—	885,758
		16,258,416	2,321,430	24,113	5,981	18,609,940
Intersegment adjustments and eliminations	內部調整及對銷	—	(885,758)	—	—	(885,758)
Total revenue from contracts with customers	來自客戶合約之總收益	<u>16,258,416</u>	<u>1,435,672</u>	<u>24,113</u>	<u>5,981</u>	<u>17,724,182</u>

5. 營業額(續)

來自客戶合約之收益(續)

(i) 分類收益資料(續)

來自客戶合約之收益與分部資料所披露金額之對賬如下：

5. Turnover (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	於報告期初被列入合約負債之已確認收益：
Sale of goods	貨品銷售

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is mainly on cash and credit card settlement, except for corporate clients and wholesale customers, where payment is due within 60 days from delivery. Some contracts provide customers with a right of return which give rise to variable consideration subject to constraint.

Securities and futures broking

The performance obligation is satisfied on the transaction dates when the relevant contract notes are executed and the payment is generally due two days after the transaction date or at specific terms agreed with clearing houses, brokers and dealers.

5. 營業額(續)

來自客戶合約之收益(續)

(i) 分類收益資料(續)

下表顯示於本報告期間內確認且於報告期初被列入合約負債之收益金額：

2020	2019
HK\$'000	HK\$'000
千港元	千港元

88,610	53,730
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(ii) 履約責任

本集團履約責任之相關資料概述如下：

貨品銷售

履約責任於交付貨品時達成，除企業客戶及批發客戶乃於交付後60日內到期外，相關款項主要以現金及信用卡結算。部分合約為客戶提供退貨權，由此產生受到約束之可變代價。

證券及期貨經紀

履約責任於簽立相關合約文據之交易日期達成，相關款項通常為在交易日期後兩天或按與結算所、經紀及交易商協定之特定條款到期。

6. Profit before Tax

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

		Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Cost of inventories sold	銷貨成本		10,617,506	12,599,520
Write-down of inventories to net realisable value [^]	撇銷存貨至可變現淨值 [^]		29,198	11,790
Depreciation of property, plant and equipment	物業、機器及設備之折舊	14	277,894	235,750
Depreciation of right-of-use assets	使用權資產之折舊	16(a)	654,309	685,359
Auditor's remuneration	核數師酬金		3,741	4,063
Lease payments not included in the measurement of lease liabilities	計量租賃負債時並無包括在內之 租賃款項	16(c)	71,881	55,178
Covid-19-related rent concessions from lessors	出租人給予的2019冠狀病毒 相關之租金寬減	16(b)	(73,270)	-
Loss/(gain) on termination of leases	終止租賃之虧損/(收益)	16(c)	(2,371)	271
Employee benefit expense* (excluding Directors' emoluments (note 8)): Wages and salaries	僱員福利開支* (不包括 董事酬金(附註8)): 工資及薪金		1,255,053	1,378,343
Pension scheme contributions	退休金計劃供款		135,588	210,035
Less: Forfeited contributions	減: 已沒收供款		(125)	(59)
Net pension scheme contributions	退休金計劃供款淨額		135,463	209,976
			1,390,516	1,588,319
Impairment of property, plant and equipment [#]	物業、機器及設備減值 [#]	14	4,063	-
Impairment of right-of-use assets [#]	使用權資產減值 [#]	16(a)	169,572	-
Impairment of accounts receivable [#]	應收賬款減值 [#]	21	20,982	18,790
Impairment of receivables arising from securities and futures broking [#]	證券及期貨經紀產生之 應收賬款減值 [#]	22	44,076	445,668
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	可收取租金之投資物業直接經營 開支(包括維修及保養)		1,028	1,357
Net fair value loss/(gain) on investment properties [#]	投資物業之公平價值淨虧損/ (收益) [#]	15	1,811	(2,088)
Net fair value gain on bullion loans designated as at fair value through profit or loss [#]	指定為按公平價值訂定盈虧之 貴金屬借貸的公平價值淨收益 [#]		(10,247)	(70)
Net fair value loss/(gain) on derivative financial instruments – transactions not qualifying as hedges [#]	衍生金融工具之公平價值淨虧損/ (收益) – 不符合對沖定義之交易 [#]		(1,961)	2,321
Net fair value loss on financial assets at fair value through profit or loss [#]	按公平價值計入損益的財務資產之 公平價值淨虧損 [#]		3,760	201
Net loss on bullion loans designated as at fair value through profit or loss ^{^^}	指定為按公平價值訂定盈虧之 貴金屬借貸淨虧損 ^{^^}		209,464	224,208
Net loss on disposal of derivative financial instruments ^{^^}	出售衍生金融工具淨虧損 ^{^^}		21,446	123,232
Net loss on disposal of items of property, plant and equipment	出售物業、機器及設備項目淨虧損		4,880	4,394

6. 除稅前溢利

本集團之除稅前溢利已扣除/(計入):

6. Profit before Tax (continued)

Interest income	利息收入
Dividend income from listed investments	上市投資之股息收入
Dividend income from unlisted investments	非上市投資之股息收入
Government grants ^{#△}	政府補貼 ^{#△}
Design fee paid to a related party ^{**}	向關連人士支付的設計費 ^{**}
Foreign exchange differences, net	匯兌差額，淨額

[^] This balance is included in "Cost of sales" on the face of the consolidated statement of profit or loss.

^{*} The employee benefit expense included an amount of HK\$3,595,000 (2019: HK\$3,545,000) paid to a Director's family members as employee emoluments.

[#] These balances are included in "Other losses, net" on the face of the consolidated statement of profit or loss.

^{^^} These balances are included in "Cost of sales" on the face of the consolidated statement of profit or loss. The purpose of the above bullion transactions entered into by the Group is to manage the Group's bullion price risk. Such loans and contracts did not meet the criteria for hedge accounting.

[△] Government grants mainly represent subsidies received in connection with the support from the Anti-epidemic Fund of the Government of Hong Kong Special Administrative Region. There are no unfulfilled conditions or contingencies relating to these subsidies.

^{**} This balance is included in "Cost of sales" on the face of the consolidated statement of profit or loss. The design fee paid to a related party, who is a Director's family member, was determined in the ordinary and usual course of business of the Group.

6. 除稅前溢利(續)

2020	2019
HK\$'000	HK\$'000
千港元	千港元
(62,930)	(69,528)
(24,360)	(24,710)
(1,018)	(1,070)
(103,994)	–
84	–
(46,517)	5,742

[^] 此結餘包含在綜合損益表上「銷售成本」中。

^{*} 僱員福利開支包括支付予一名董事之家族成員作為僱員酬金之金額3,595,000港元(2019年: 3,545,000港元)。

[#] 此等結餘包含在綜合損益表上「其他虧損·淨值」中。

^{^^} 此等結餘包含在綜合損益表上「銷售成本」中。本集團訂立上述貴金屬交易旨在管理本集團之貴金屬價格風險。該等借貸及合約並不符合對沖會計處理之條件。

[△] 政府補貼主要指就香港特別行政區政府防疫抗疫基金提供的支持而獲得之補貼。該等補貼並無未達成條件或然事項。

^{**} 此結餘包含在綜合損益表上「銷售成本」中。向關連人士(為一名董事的家族成員)支付之設計費乃本集團正常及一般業務過程中釐定。

7. Finance Costs

		Note	2020 HK\$'000 千港元	2019 HK\$'000 千港元
		附註		
Interest on bank loans, overdrafts and other loans	銀行貸款、透支及其他貸款之利息		41,641	42,852
Interest on lease liabilities	租賃負債利息	16(b)	46,223	46,310
			87,864	89,162

7. 財務費用

8. Directors' Emoluments

Directors' emoluments for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

			2020 HK\$'000 千港元	2019 HK\$'000 千港元
Fees	袍金		3,237	3,320
Other emoluments:	其他酬金：			
Salaries and allowances	薪金及津貼		5,983	6,181
Discretionary bonuses paid and payable	已付及應付酌情花紅		718	502
Pension scheme contributions	退休金計劃供款		97	103
			6,798	6,786
			10,035	10,106

8. 董事酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部，本年度之董事酬金披露如下：

8. Directors' Emoluments (continued)

An analysis of the emoluments paid and payable to the Directors during the year is as follows:

8. 董事酬金(續)

年內已付及應付予董事之酬金分析如下：

	Fees 袍金 HK\$'000 千港元	Salaries and allowances 薪金及津貼 HK\$'000 千港元	Discretionary bonuses paid and payable 已付及應付酌情花紅 HK\$'000 千港元	Pension scheme contributions 退休金計劃供款 HK\$'000 千港元	Total 合計 HK\$'000 千港元
2020					
Executive Directors:	執行董事：				
Mr. Vincent CHOW Wing Shing	419	3,146	373	-	3,938
Dr. Gerald CHOW King Sing	351	290	25	15	681
Mr. Winston CHOW Wun Sing	293	2,547	320	82	3,242
	<u>1,063</u>	<u>5,983</u>	<u>718</u>	<u>97</u>	<u>7,861</u>
Non-executive Directors:	非執行董事：				
Mr. Stephen TING Leung Huel	351	-	-	-	351
Mr. CHUNG Pui Lam	351	-	-	-	351
Dr. CHAN Bing Fun*	351	-	-	-	351
Mr. LEE Ka Lun*	419	-	-	-	419
Dr. LO King Man*	351	-	-	-	351
Mr. Stephen LAU Man Lung*	351	-	-	-	351
	<u>2,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,174</u>
	<u><u>3,237</u></u>	<u><u>5,983</u></u>	<u><u>718</u></u>	<u><u>97</u></u>	<u><u>10,035</u></u>
2019					
Executive Directors:	執行董事				
Mr. Vincent CHOW Wing Shing	430	3,247	257	-	3,934
Dr. Gerald CHOW King Sing	360	300	25	16	701
Mr. Winston CHOW Wun Sing	300	2,634	220	87	3,241
	<u>1,090</u>	<u>6,181</u>	<u>502</u>	<u>103</u>	<u>7,876</u>
Non-executive Directors:	非執行董事：				
Mr. Stephen TING Leung Huel	360	-	-	-	360
Mr. CHUNG Pui Lam	360	-	-	-	360
Dr. CHAN Bing Fun*	360	-	-	-	360
Mr. LEE Ka Lun*	430	-	-	-	430
Dr. LO King Man*	360	-	-	-	360
Mr. Stephen LAU Man Lung*	360	-	-	-	360
	<u>2,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,230</u>
	<u><u>3,320</u></u>	<u><u>6,181</u></u>	<u><u>502</u></u>	<u><u>103</u></u>	<u><u>10,106</u></u>

* Independent Non-executive Directors

* 獨立非執行董事

8. Directors' Emoluments (continued)

There were no other emoluments payable to the Independent Non-executive Directors during the year (2019: Nil).

During the year, 9 (2019: Nil) directors of the Company waived emoluments totalling HK\$284,000 (2019: Nil).

9. Senior Management's Emoluments

The emoluments paid to the members of senior management by band are as follows:

HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元

10. Five Highest Paid Employees

The five highest paid employees of the Group during the year included two (2019: two) Directors, details of whose emoluments are set out in note 8 above. Details of the emoluments for the year of the remaining three (2019: three) non-Director highest paid employees are as follows:

Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

8. 董事酬金(續)

年內並無其他酬金應付予獨立非執行董事 (2019年：零港元)。

年內，本公司9名(2019年：零名)董事放棄合共284,000港元的酬金(2019年：零港元)。

9. 高級管理人員酬金

按組別向高級管理人員支付之酬金如下：

Number of individuals		人數	
	2020		2019
	1		–
	1		1
	2		2
	–		–
	–		1
	4		4

10. 五名最高薪酬僱員

年內本集團五名最高薪酬僱員包括兩名(2019年：兩名)董事，其詳細酬金資料載於上述附註8。本年度其餘三名(2019年：三名)最高薪酬非董事僱員之詳細酬金資料如下：

	2020	2019
	HK\$'000	HK\$'000
	千港元	千港元
	7,906	8,181
	542	767
	251	409
	8,699	9,357

10. Five Highest Paid Employees (continued)

The number of non-Director highest paid employees whose emoluments fell within the following bands is as follows:

HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元

11. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2019: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2019: 8.25%) and the remaining assessable profits are taxed at 16.5% (2019: 16.5%).

Under the Law of the People's Republic of China on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the Mainland China subsidiaries is 25% (2019: 25%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Current – Hong Kong	本期 – 香港
Charge for the year	年內稅項
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)
Current – Mainland China and elsewhere	本期 – 中國大陸及其他地區
Charge for the year	年內稅項
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)
Deferred (note 32)	遞延(附註 32)
Total tax charge for the year	年內稅項總額

10. 五名最高薪酬僱員(續)

酬金介乎以下組別之最高薪酬非董事僱員之人數如下：

Number of individuals	
人數	
2020	2019
2	2
1	–
–	1
3	3

11. 所得稅

香港利得稅乃按年內於香港產生之估計應課稅溢利以稅率16.5%(2019年:16.5%)撥備,惟本集團一家附屬公司除外,該公司符合兩級制利得稅率制度之實體。該附屬公司之應課稅溢利中,首2,000,000港元(2019年:2,000,000港元)按8.25%(2019年:8.25%)計算,而剩餘應課稅溢利則按16.5%(2019年:16.5%)計算。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施細則,中國大陸附屬公司之稅率為25%(2019年:25%)。其他地區應課稅溢利之稅項乃按本集團於各營運司法管轄區之通用稅率計算。

		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Current – Hong Kong	本期 – 香港		
Charge for the year	年內稅項	12,911	33,609
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)	1,771	(86)
Current – Mainland China and elsewhere	本期 – 中國大陸及其他地區		
Charge for the year	年內稅項	300,171	252,142
Underprovision/(overprovision) in prior years	過往年度撥備不足/(超額撥備)	(804)	245
Deferred (note 32)	遞延(附註 32)	62,407	(46,152)
Total tax charge for the year	年內稅項總額	376,456	239,758

11. Income Tax (continued)

A reconciliation of the tax charge applicable to profit before tax at the statutory rate for the jurisdiction in which major operating subsidiaries of the Group are domiciled to the tax charge at the effective tax rate is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Profit before tax	除稅前溢利	920,920	883,291
Tax charge at the Hong Kong statutory tax rate of 16.5% (2019: 16.5%)	按香港法定稅率 16.5% (2019年: 16.5%) 計算稅項	151,952	145,743
Difference in tax rates applied for specific provinces or enacted by local authorities	應用於特定省份或當地機關之稅率差異	94,592	79,949
Adjustments in respect of current tax of previous periods	就過往期間之稅項作本期調整	967	159
Estimated income not subject to tax	無須繳稅之估計收入	(30,652)	(30,269)
Estimated expenses not deductible for tax	不可扣稅之估計支出	35,469	12,847
Effect of withholding tax at 5% or 10% (2019: 5% or 10%) on the distributable profits of the Group's subsidiaries established in the People's Republic of China	按本集團於中華人民共和國成立之附屬公司之可分派溢利 5% 或 10% (2019年: 5% 或 10%) 計算預提稅之影響	40,818	32,651
Tax losses utilised from previous periods	使用過往期間之稅項虧損	(47)	(3,220)
Estimated tax losses not recognised	尚未確認之估計稅項虧損	11,512	1,898
Tax losses derecognised	終止確認之稅項虧損	71,845	-
Tax charge at the Group's effective rate	按本集團實質稅率計算之稅項	376,456	239,758

11. 所得稅(續)

下表按本集團主要營運附屬公司註冊成立所在司法管轄區之法定稅率計算並適用於除稅前溢利之稅項，以及按實質稅率計算之稅項進行對賬：

12. Dividends

Dividends recognised as distribution during the year:
 Final dividend for 2019: HK25.0 cents
 (2018: HK44.0 cents) per ordinary share
 Interim dividend for 2020: HK5.0 cents
 (2019: HK14.0 cents) per ordinary share

於年內確認派發之股息：
 2019年末期股息：
 每普通股25.0港仙
 (2018年：44.0港仙)
 2020年中期股息：
 每普通股5.0港仙
 (2019年：14.0港仙)

Dividends proposed after the end of the reporting period:

Final dividend for 2020: HK26.0 cents
 (2019: HK25.0 cents) per ordinary share
 Special final dividend for 2020: HK16.0 cents
 (2019: Nil) per ordinary share

於報告期末後擬派發之股息：
 2020年末期股息：
 每普通股26.0港仙
 (2019年：25.0港仙)
 2020年特別末期股息：
 每普通股16.0港仙
 (2019年：零港仙)

The proposed final dividend and special final dividend for 2020 were recommended after the end of the reporting period and have not been recognised as a liability at the end of the reporting period, and they are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

13. Earnings per Share Attributable to Equity Holders of the Company

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to equity holders of the Company of HK\$544,464,000 (2019: HK\$643,533,000) and the weighted average number of ordinary shares of 677,434,000 (2019: 677,434,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2020 and 31 December 2019 in respect of dilution as the impact of the share options outstanding had no dilutive effect on the basic earnings per share amounts presented.

12. 股息

2020	2019
HK\$'000	HK\$'000
千港元	千港元

169,359	298,071
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33,872	94,841
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203,231	392,912
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176,133	169,359
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108,389	-
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284,522	169,359
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2020年擬派發之末期股息及特別末期股息於報告期末後建議派發，並未於報告期末確認為負債，及須待本公司股東於應屆股東週年大會上批准後，方可作實。

13. 本公司權益持有人應佔每股盈利

每股基本盈利金額乃按年內本公司權益持有人應佔溢利544,464,000港元(2019年：643,533,000港元)及年內已發行加權平均股份677,434,000股(2019年：677,434,000股)普通股計算。

由於尚未行使的購股權對所呈列每股基本盈利金額並無攤薄影響，故未有就截至2020年12月31日及2019年12月31日止年度所呈列之每股基本盈利金額作出攤薄調整。

14. Property, Plant and Equipment

14. 物業、機器及設備

		Freehold land	Buildings	Plant and machinery	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		永久業權土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	機器及設備 HK\$'000 千港元	租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	合計 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日							
At 1 January 2020:	於2020年1月1日:							
Cost or valuation	成本或估值	20,051	620,810	166,950	1,403,085	13,596	1,138	2,225,630
Accumulated depreciation	累計折舊	-	(248,169)	(105,337)	(847,576)	(10,144)	-	(1,211,226)
Net carrying amount	賬面淨值	<u>20,051</u>	<u>372,641</u>	<u>61,613</u>	<u>555,509</u>	<u>3,452</u>	<u>1,138</u>	<u>1,014,404</u>
At 1 January 2020, net of accumulated depreciation	於2020年1月1日，扣除累計折舊	20,051	372,641	61,613	555,509	3,452	1,138	1,014,404
Additions	添置	-	-	5,490	237,294	285	1,343	244,412
Disposals	出售	-	-	(131)	(5,464)	-	-	(5,595)
Depreciation provided during the year	年內折舊撥備	-	(26,857)	(15,173)	(234,146)	(1,718)	-	(277,894)
Impairment during the year	年內減值	-	-	-	(4,063)	-	-	(4,063)
Exchange realignment	匯兌調整	1,186	14,153	2,611	29,705	66	145	47,866
At 31 December 2020, net of accumulated depreciation and impairment	於2020年12月31日，扣除累計折舊及減值	<u>21,237</u>	<u>359,937</u>	<u>54,410</u>	<u>578,835</u>	<u>2,085</u>	<u>2,626</u>	<u>1,019,130</u>
At 31 December 2020:	於2020年12月31日:							
Cost or valuation	成本或估值	21,237	640,921	173,293	1,579,106	14,431	2,626	2,431,614
Accumulated depreciation and impairment	累計折舊及減值	-	(280,984)	(118,883)	(1,000,271)	(12,346)	-	(1,412,484)
Net carrying amount	賬面淨值	<u>21,237</u>	<u>359,937</u>	<u>54,410</u>	<u>578,835</u>	<u>2,085</u>	<u>2,626</u>	<u>1,019,130</u>

14. Property, Plant and Equipment (continued)

14. 物業、機器及設備(續)

		Freehold land	Buildings	Plant and machinery	Leasehold improvements, furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		永久業權土地 HK\$'000 千港元	樓宇 HK\$'000 千港元	機器及設備 HK\$'000 千港元	租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	合計 HK\$'000 千港元
As at 31 December 2019	於2019年12月31日							
At 1 January 2019:	於2019年1月1日:							
Cost or valuation	成本或估值	19,712	517,574	155,742	1,211,307	13,153	67,005	1,984,493
Accumulated depreciation	累計折舊	—	(227,956)	(95,933)	(799,724)	(8,653)	—	(1,132,266)
Net carrying amount	賬面淨值	19,712	289,618	59,809	411,583	4,500	67,005	852,227
At 1 January 2019, net of accumulated depreciation	於2019年1月1日, 扣除累計折舊	19,712	289,618	59,809	411,583	4,500	67,005	852,227
Additions	添置	—	—	18,918	307,176	1,082	87,553	414,729
Transfers	轉撥	—	108,380	—	44,795	—	(153,175)	—
Disposals	出售	—	—	(629)	(4,044)	—	—	(4,673)
Depreciation provided during the year	年內折舊撥備	—	(21,565)	(15,652)	(196,432)	(2,101)	—	(235,750)
Exchange realignment	匯兌調整	339	(3,792)	(833)	(7,569)	(29)	(245)	(12,129)
At 31 December 2019, net of accumulated depreciation	於2019年12月31日, 扣除累計折舊	20,051	372,641	61,613	555,509	3,452	1,138	1,014,404
At 31 December 2019:	於2019年12月31日:							
Cost or valuation	成本或估值	20,051	620,810	166,950	1,403,085	13,596	1,138	2,225,630
Accumulated depreciation	累計折舊	—	(248,169)	(105,337)	(847,576)	(10,144)	—	(1,211,226)
Net carrying amount	賬面淨值	20,051	372,641	61,613	555,509	3,452	1,138	1,014,404

14. Property, Plant and Equipment (continued)

Certain of the Group's buildings were revalued on 31 December 1993 by Knight Frank & Kan, independent professionally qualified valuers. The buildings were revalued on an open market, existing use basis. Since 1995, no further revaluations of the Group's buildings have been carried out, as the Group has relied upon the exemption, provided under the transitional provisions of HKAS 16, from the requirement to carry out future revaluations of its property, plant and equipment which were stated at valuation at that time.

Had these buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$12,385,000 (2019: HK\$13,739,000).

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

As at 31 December 2020, the Group's management identified certain retail stores which continued to underperform and the estimated corresponding recoverable amounts of their property, plant and equipment and right-of-use assets. Based on these estimates, impairment losses of HK\$4,063,000 (2019: Nil) and HK\$169,572,000 (2019: Nil) were recognised to write down the carrying amounts of these items of property, plant and equipment and right-of-use assets to their recoverable amounts of HK\$4,105,000 (2019: Nil) and HK\$198,364,000 (2019: Nil), respectively, as at 31 December 2020. The estimates of the recoverable amount were based on the value-in-use of these property, plant and equipment and right-of-use assets, determined using discount rates in the range of 10.5% to 11.5%.

15. Investment Properties

Carrying amount at 1 January	於1月1日之賬面值		
Net gain/(loss) from a fair value adjustment	公平價值調整之淨收益/(虧損)		
Exchange realignment	匯兌調整		
Carrying amount at 31 December	於12月31日之賬面值		

Management has determined that the investment properties consist of two classes of asset, i.e., properties held in Hong Kong and properties held outside Hong Kong, based on the nature, characteristics and risks of each property. The Group's investment properties were revalued at HK\$332,649,000 on 31 December 2020 based on valuations performed by Cushman & Wakefield Limited, independent professionally qualified valuers.

The investment properties are leased to third parties under operating leases, further details of which are included in note 16 to the consolidated financial statements.

Further particulars of the Group's investment properties are included on pages 193 to 196.

14. 物業、機器及設備(續)

本集團若干樓宇於1993年12月31日經獨立專業合資格估值師簡福齡測量行重估。該等樓宇根據現時用途按公開市值基準重估。本集團自1995年採納香港會計準則第16號之過渡條款賦予之豁免，無須對以當時估值列賬之物業、機器及設備進行未來重估，故並無為其樓宇再作重估。

倘若此等樓宇以歷史成本減累計折舊列賬，其賬面值約為12,385,000港元(2019年：13,739,000港元)。

物業、機器及設備以及使用權資產減值

於2020年12月31日，本集團管理層確定若干表現持續欠佳的零售店舖之物業、機器及設備以及使用權資產相應的估計可收回金額。根據該等估計，於2020年12月31日，已分別確認減值虧損4,063,000港元(2019年：零港元)及169,572,000港元(2019年：零港元)，以將該等物業、機器及設備以及使用權資產項目的賬面值分別撇減至其可收回金額4,105,000港元(2019年：零港元)及198,364,000港元(2019年：零港元)。可收回金額乃根據該等物業、機器及設備以及使用權資產的使用價值作出估計，並以介乎10.5%至11.5%的折現率釐定。

15. 投資物業

Note	2020 HK\$'000	2019 HK\$'000
附註	千港元	千港元
	333,026	331,317
6	(1,811)	2,088
	1,434	(379)
	332,649	333,026

管理層已根據各項物業之性質、特性及風險釐定投資物業包括兩類資產，即於香港持有之物業及於香港境外持有之物業。於2020年12月31日，本集團之投資物業根據由獨立專業合資格估值師戴德梁行有限公司進行之估值重估為332,649,000港元。

該等投資物業以經營租約租予第三者，進一步詳情載於綜合財務報告附註16內。

有關本集團投資物業之進一步詳情載於第193至196頁。

15. Investment Properties (continued)

Fair value hierarchy

All investment properties were classified under Level 3 in the fair value hierarchy. During the years ended 31 December 2020 and 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3. The Group has assessed that the highest and best use of its properties did not differ from their existing use.

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

15. 投資物業(續)

公平價值等級

所有投資物業均分類為公平價值等級之級別3。截至2020年及2019年12月31日止年度內級別1與級別2之間並無公平價值計量轉移，亦無轉入或轉出級別3。本集團已評定其物業之最高及最佳用途與其現有用途並無分別。

分類為公平價值等級之級別3內之公平價值計量對賬：

		Properties held in Hong Kong 於香港持有之物業 HK\$'000 千港元	Properties held outside Hong Kong 於香港境外持有之物業 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Carrying amount at 1 January 2019	於2019年1月1日之賬面值	310,490	20,827	331,317
Net gain from a fair value adjustment recognised in profit or loss	於損益表中確認的公平價值調整之淨收益	500	1,588	2,088
Exchange realignment	匯兌調整	-	(379)	(379)
Carrying amount at 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日之賬面值	310,990	22,036	333,026
Net gain/(loss) from a fair value adjustment recognised in profit or loss	於損益表中確認的公平價值調整之淨收益/(虧損)	(3,160)	1,349	(1,811)
Exchange realignment	匯兌調整	-	1,434	1,434
Carrying amount at 31 December 2020	於2020年12月31日之賬面值	<u>307,830</u>	<u>24,819</u>	<u>332,649</u>

15. Investment Properties (continued)

Fair value hierarchy (continued)

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

	Valuation technique 估值技術	Significant unobservable inputs 重大難以觀察數據	Range (weighted average) 範圍(加權平均)	
			2020	2019
Properties held in Hong Kong 於香港持有之物業	Market comparison method 市場比較法	Price per square foot 每平方米呎價格	HK\$7,000 to HK\$62,000 (HK\$21,000) 7,000港元至62,000港元 (21,000港元)	HK\$7,000 to HK\$65,000 (HK\$21,000) 7,000港元至65,000港元 (21,000港元)
Properties held outside Hong Kong 於香港境外持有之物業	Income capitalisation method 收入資本化法	Market unit rent per square foot per month 每月每平方米呎市場單位租金	HK\$200 200港元	HK\$200 200港元
		Capitalisation rate 資本化比率	8.5%	8.5%

A significant increase/decrease in the price per square foot and market unit rent per square foot per month in isolation would result in a significant increase/decrease in the fair value of the investment properties. A significant increase/decrease in the capitalisation rate in isolation would result in a significant decrease/increase in the fair value of the investment properties.

The valuations take into account the characteristics of the properties which included the location, size, floor level, year of completion and other factors collectively.

15. 投資物業(續)

公平價值等級(續)

以下為投資物業估值所使用估值技術及主要數據之概要：

每平方米呎價格及每月每平方米呎市場單位租金獨立地大幅上升/下跌將導致投資物業之公平價值大幅增加/減少。資本化比率獨立地大幅上升/下跌將導致投資物業的公平值出現大幅減少/增加。

估值整體計及物業之特性，包括地點、大小、樓層、完工年份及其他因素。

16. Leases

The Group as a lessee

The Group has lease contracts for various buildings used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of this land lease. Leases of buildings generally have lease terms between 1 and 10 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are several lease contracts that include variable lease payments, which are further discussed below.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Leasehold land 租賃土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	11,309	1,037,816	1,049,125
Additions	添置	–	964,298	964,298
Termination of leases	終止租賃	–	(54,842)	(54,842)
Depreciation charge (note 6)	折舊開支(附註6)	(268)	(685,091)	(685,359)
Exchange realignment	匯兌調整	(190)	(2,139)	(2,329)
		<u>10,851</u>	<u>1,260,042</u>	<u>1,270,893</u>
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	10,851	1,260,042	1,270,893
Additions	添置	–	350,071	350,071
Termination of leases	終止租賃	–	(16,717)	(16,717)
Depreciation charge (note 6)	折舊開支(附註6)	(266)	(654,043)	(654,309)
Impairment (note 6)	減值(附註6)	–	(169,572)	(169,572)
Exchange realignment	匯兌調整	653	12,657	13,310
		<u>653</u>	<u>12,657</u>	<u>13,310</u>
At 31 December 2020	於2020年12月31日	11,238	782,438	793,676

Further details of the impairment testing are set out in note 14 to the consolidated financial statements.

16. 租賃

本集團作為承租人

本集團用於營運的多幢樓宇均訂有租賃合約。已提前作出一次性付款以向業主收購租賃土地，租期為50年，而根據該等土地租賃的條款，將不會繼續支付任何款項。租賃樓宇的租期通常介乎1至10年。一般而言，本集團不可向本集團以外人士轉讓及分租租賃資產。若干租賃合約包含可變租賃款項，詳情載列如下：

(a) 使用權資產

年內本集團使用權資產的賬面值及變動如下：

		Leasehold land 租賃土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	11,309	1,037,816	1,049,125
Additions	添置	–	964,298	964,298
Termination of leases	終止租賃	–	(54,842)	(54,842)
Depreciation charge (note 6)	折舊開支(附註6)	(268)	(685,091)	(685,359)
Exchange realignment	匯兌調整	(190)	(2,139)	(2,329)
		<u>10,851</u>	<u>1,260,042</u>	<u>1,270,893</u>
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	10,851	1,260,042	1,270,893
Additions	添置	–	350,071	350,071
Termination of leases	終止租賃	–	(16,717)	(16,717)
Depreciation charge (note 6)	折舊開支(附註6)	(266)	(654,043)	(654,309)
Impairment (note 6)	減值(附註6)	–	(169,572)	(169,572)
Exchange realignment	匯兌調整	653	12,657	13,310
		<u>653</u>	<u>12,657</u>	<u>13,310</u>
At 31 December 2020	於2020年12月31日	11,238	782,438	793,676

有關減值測試的進一步詳情載於綜合財務報告附註14。

16. Leases (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	1,299,901	1,058,109
New leases	新租賃	308,742	956,487
Termination of leases	終止租賃	(19,088)	(54,571)
Accretion of interest recognised during the year (note 7)	年內已確認利息增幅(附註7)	46,223	46,310
Covid-19-related rent concessions from lessors (note 6)	出租人給予的2019冠狀病毒相關之租金寬減(附註6)	(73,270)	-
Payments	付款	(585,552)	(701,818)
Exchange realignment	匯兌調整	24,206	(4,616)
Carrying amount at 31 December	於12月31日之賬面值	<u>1,001,162</u>	<u>1,299,901</u>
Analysed into:	分析為:		
Current portion	流動部分	554,400	572,891
Non-current portion	非流動部分	<u>446,762</u>	<u>727,010</u>

The maturity analysis of lease liabilities is disclosed in note 41(a) to the consolidated financial statements.

As disclosed in note 2.2 to the financial statements, the Group has early adopted the amendment to HKFRS 16 and applied the practical expedient to all eligible rent concessions granted by the lessors for leases of certain retail stores during the year.

16. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

年內租賃負債的賬面值及變動如下:

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Carrying amount at 1 January	1,299,901	1,058,109
New leases	308,742	956,487
Termination of leases	(19,088)	(54,571)
Accretion of interest recognised during the year (note 7)	46,223	46,310
Covid-19-related rent concessions from lessors (note 6)	(73,270)	-
Payments	(585,552)	(701,818)
Exchange realignment	24,206	(4,616)
Carrying amount at 31 December	<u>1,001,162</u>	<u>1,299,901</u>
Analysed into:		
Current portion	554,400	572,891
Non-current portion	<u>446,762</u>	<u>727,010</u>

租賃負債的到期日分析於綜合財務報告附註41(a)披露。

誠如財務報告附註2.2所披露，本集團已提早採納香港財務報告準則第16號的修訂本，並已將可行權宜方法應用於年內出租人授予若干零售店舖租賃的所有合資格租金寬免。

16. Leases (continued)

The Group as a lessee (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

Interest on lease liabilities	租賃負債利息
Depreciation of right-of-use assets	使用權資產之折舊
Expense relating to short-term leases and other leases (2019: short-term leases and other leases with remaining lease terms ended on or before 31 December 2019) (included in selling and distribution costs)	與短期租賃及其他租賃(2019年：短期租賃及餘下租期於2019年12月31日或之前屆滿的其他租賃)有關的開支(計入銷售及分銷費用)
Expense relating to short-term leases and other leases (2019: short-term leases and other leases with remaining lease terms ended on or before 31 December 2019) (included in administrative expenses)	與短期租賃及其他租賃(2019年：短期租賃及餘下租期於2019年12月31日或之前屆滿的其他租賃)有關的開支(計入行政費用)
Variable lease payments not included in the measurement of lease liabilities (included in selling and distribution costs)*	未計入租賃負債計量的可變租賃款項(計入銷售及分銷費用)*
Covid-19-related rent concessions from lessors	出租人給予的2019冠狀病毒相關之租金寬減
Loss/(gain) on termination of leases	終止租賃之虧損/(收益)
Impairment of right-of-use assets	使用權資產減值
Total amount recognised in profit or loss	於損益表確認的款項總額

* The Group leased a number of the retail stores and units in a shopping mall which contain variable lease payment terms that are based on the Group's turnover generated from the retail stores and the units in the shopping mall. There are also minimum annual base rental arrangements for these leases.

(d) The total cash outflows for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 36(c) and 37(b), respectively, to the consolidated financial statements.

16. 租賃(續)

本集團作為承租人(續)

(c) 於損益表中確認的租賃相關款項如下：

Note 附註	2020 HK\$'000 千港元	2019 HK\$'000 千港元
16(b)	46,223	46,310
16(a)	654,309	685,359
6	37,048	30,070
6	2,984	679
6	31,849	24,429
16(b)	(73,270)	–
6	(2,371)	271
16(a)	169,572	–
	866,344	787,118

* 本集團租賃多個零售店舖及於購物中心的單位，該等租賃包含以本集團自該購物中心零售店舖及單位產生的營業額為基礎的可變租賃款項條款。該等租賃亦設有最低年度基礎租金安排。

(d) 自租賃產生的現金流出總額及與尚未開始的租賃有關的未來現金流出數額分別於綜合財務報告附註36(c)及37(b)披露。

16. Leases (continued)**The Group as a lessor**

The Group leases its investment properties (note 15) consisting of commercial properties, industrial property, residential property, roof and car parking space in Hong Kong and Mainland China under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was HK\$11,475,000 (2019: HK\$12,044,000), details of which are included in note 5 to the consolidated financial statements.

At 31 December 2020, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

Within one year	一年內
After one year but within two years	一年以上但兩年以內
After two years but within three years	兩年以上但三年以內

16. 租賃(續)**本集團作為出租人**

本集團根據經營租賃安排出租其投資物業(附註15)，包括於香港及中國大陸的商業物業、工業物業、住宅物業、天台及停車位。該等租賃的條款通常要求租戶支付擔保按金，並根據當時的現行市況進行定期租金調整。年內本集團已確認的租金收入為11,475,000港元(2019年：12,044,000港元)，詳情載於綜合財務報告附註5。

於2020年12月31日，本集團根據與租客訂定日後不可撤銷經營租賃的應收未貼現租賃款項如下：

2020 HK\$'000 千港元	2019 HK\$'000 千港元
5,891	10,361
748	4,076
33	-
6,672	14,437

17. Intangible Assets**Trading rights**

Cost at 1 January and 31 December,
net of accumulated amortisation

At 31 December:

Cost (gross carrying amount)
Accumulated amortisation

Net carrying amount

交易權

於1月1日及12月31日之成本，
扣除累計攤銷

於12月31日：

成本(賬面總值)
累計攤銷

賬面淨值

17. 無形資產

2020 HK\$'000 千港元	2019 HK\$'000 千港元
271	271
524	524
(253)	(253)
271	271

Upon the adoption of HKAS 38, trading rights, which are considered to have indefinite lives because they are expected to contribute to the net cash flows of the Group indefinitely, are not amortised.

採納香港會計準則第38號後，由於交易權預期為本集團無限帶來現金流量淨額，故被視為擁有無限年期而不作攤銷。

18. Other Assets

Cost of membership for a seat at The Chinese Gold and Silver Exchange Society ("CGSE")	金銀業貿易場(「金銀業貿易場」)會籍成本
Statutory deposits in respect of securities and futures broking	有關證券及期貨經紀之法定按金
Rental deposits*	租賃按金*
Deposits paid for purchases of items of property, plant and equipment	購買物業、機器及設備項目之已付按金

* The rental deposits are related to office properties, retail stores and factories leased by the Group (note 16(a)) and the majority of the terms of the lease arrangements are over one year. Included in this total is an aggregate amount of approximately HK\$103 million (2019: approximately HK\$80 million) relating to operating leases expiring within one year. The Directors are of the opinion that such deposits are of a long-term nature on the basis that the related leases are expected to be renewed upon their respective expiry dates. Accordingly, the Directors consider it appropriate to classify such deposits as non-current assets.

18. 其他資產

2020	2019
HK\$'000	HK\$'000
千港元	千港元
1,500	1,500
2,988	2,935
202,682	201,905
2,189	10,747
209,359	217,087

* 此乃本集團之辦公室、零售店舖及廠房租約(附註16(a))之相關租賃按金，大部分租約為期超過一年，其中合共約103百萬港元(2019年：約80百萬港元)屬一年內到期之經營租約。董事認為，按有關租約預期於各自到期時續約之基準，此等按金應屬長期性質。因此，董事認為宜將此等按金分類為非流動資產。

19. Financial Assets designated at Fair Value through Other Comprehensive Income

Listed equity investments, at fair value	上市股份投資，按公平價值
Hong Kong Exchanges and Clearing Limited ("HKEC")*	香港交易及結算所有限公司(「港交所」)*
Unlisted equity investments, at fair value	非上市股份投資，按公平價值
Sure Success Holdings Limited	Sure Success Holdings Limited
Golden Twin (Un Long) Catering Company Limited	金牲(元朗)飲食業有限公司
Hong Kong Precious Metals Exchange Limited	香港貴金屬交易所有限公司

* The rental deposits are related to office properties, retail stores and factories leased by the Group (note 16(a)) and the majority of the terms of the lease arrangements are over one year. Included in this total is an aggregate amount of approximately HK\$103 million (2019: approximately HK\$80 million) relating to operating leases expiring within one year. The Directors are of the opinion that such deposits are of a long-term nature on the basis that the related leases are expected to be renewed upon their respective expiry dates. Accordingly, the Directors consider it appropriate to classify such deposits as non-current assets.

19. 指定為按公平價值計入其他全面收益的財務資產

2020	2019
HK\$'000	HK\$'000
千港元	千港元
1,413,890	901,135
19,393	20,110
12,509	13,993
291	361
32,193	34,464
1,446,083	935,599

19. Financial Assets designated at Fair Value through Other Comprehensive Income (continued)

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

As at 31 December 2020, the Group's listed equity investments with a carrying value of HK\$850,000,000 (2019: HK\$784,300,000) were pledged to secure general banking facilities granted to the Group (note 30).

During the year, the Group sold part of its equity investment in HKEC. The disposal enables the Group to realise cash and unlock the value in its investment in HKEC at fair market value. The aggregated fair value on the dates of sale was HK\$100,656,000 and the accumulated gain recognised in other comprehensive income of HK\$100,627,000 was transferred to retained profits.

During the year ended 31 December 2020, the Group received dividends in the amounts of HK\$23,864,000 (2019: HK\$24,185,000), HK\$591,000 (2019: HK\$611,000), HK\$427,000 (2019: HK\$413,000) and Nil (2019: HK\$46,000) from HKEC, Sure Success Holdings Limited, Golden Twin (Un Long) Catering Company Limited, and Hong Kong Precious Metals Exchange Limited, respectively.

* On 6 March 2000, under the Schemes of Arrangements of the Stock Exchange and the Futures Exchange and pursuant to the Exchanges and Clearing Houses (Merger) Ordinance, the Group received 6,223,500 shares of HKEC, six exchange trading rights in the Stock Exchange and one exchange trading right in the Futures Exchange as a consideration for the cancellation of its 6 shares held in the Stock Exchange and 1 share held in the Futures Exchange. As at 31 December 2020, the Group held 3,326,800 (2019: 3,561,800) shares of HKEC, five (2019: five) exchange trading rights in the Stock Exchange and one (2019: one) exchange trading right in the Futures Exchange.

20. Inventories

Goods held for sale 持作銷售之貨品

19. 指定為按公平價值計入其他全面收益的財務資產(續)

上述股份投資已不可撤回地指定為按公平價值計入其他全面收益，因本集團認為該等投資屬策略性質。

於2020年12月31日，本集團以上市股份投資賬面值850,000,000港元(2019年：784,300,000港元)作抵押，為本集團所獲一般銀行信貸作擔保(附註30)。

年內，本集團出售港交所的部分權益投資。該出售讓本集團以合理市價變現其於港交所的投資。於出售日期，公平價值總額為100,656,000港元，於其他全面收益確認之累計收益100,627,000港元已轉撥至保留溢利。

截至2020年12月31日止年度，本集團收到股息23,864,000港元(2019年：24,185,000港元)、591,000港元(2019年：611,000港元)、427,000港元(2019年：413,000港元)及零港元(2019年：46,000港元)分別來自港交所、Sure Success Holdings Limited、金蛙(元朗)飲食業有限公司及香港貴金屬交易所有限公司。

* 於2000年3月6日，根據聯交所及期交所的股份合併計劃以及交易所及結算所(合併)條例，本集團取得港交所6,223,500股股份、六個聯交所交易權及一個期交所交易權，以取代原在聯交所持有之6股股份及在期交所持有之1股股份。於2020年12月31日，本集團持有港交所3,326,800股(2019年：3,561,800股)股份、五個(2019年：五個)聯交所交易權及一個(2019年：一個)期交所交易權。

20. 存貨

2020	2019
HK\$'000	HK\$'000
千港元	千港元

8,774,591	8,932,514
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21. Accounts Receivable

Trade and credit card receivables
Impairment

應收貿易及信用卡賬款
減值

Accounts receivable

應收賬款

The Group's trading terms with its retail customers are mainly on cash and credit card settlement while trading terms with corporate clients and wholesale customers are on credit with credit period generally up to 60 days. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

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

Within 1 month	1個月內
1 to 2 months	1至2個月
2 to 3 months	2至3個月
Over 3 months	超過3個月

The movements in the loss allowance for impairment of accounts receivable are as follows:

At 1 January	於1月1日
Impairment losses, net (note 6)	減值虧損，淨額(附註6)
Exchange realignment	匯兌調整

At 31 December

於12月31日

21. 應收賬款

2020	2019
HK\$'000	HK\$'000
千港元	千港元

884,455	942,312
(49,806)	(26,508)

834,649	915,804
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本集團與其零售客戶訂立的交易條款主要以現金及信用卡結算，而與企業客戶及批發客戶訂立的交易條款，除賬期一般最多可達60天。逾期結餘由高層管理人員定期審視。應收貿易賬款為免息。

於報告期末，應收賬款根據發票日期及扣除虧損撥備後之賬齡分析如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元

749,061	719,355
71,626	107,788
13,149	30,415
813	58,246

834,649	915,804
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應收賬款之減值虧損撥備變動如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元

26,508	8,116
20,982	18,790
2,316	(398)

49,806	26,508
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21. Accounts Receivable (continued)

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

Set out below is the information about the credit risk exposure on the Group's accounts receivable using a provision matrix:

As at 31 December 2020

	Current 流動	Past due 逾期			Total 合計
		Less than 1 month 少於1個月	1 to 3 months 1至3個月	Over 3 months 超過3個月	
Expected credit loss rate 預期信貸虧損率	0.63%	3.66%	4.38%	83.25%	5.63%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	690,199	109,319	37,096	47,841	884,455
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	4,352	3,999	1,625	39,830	49,806

As at 31 December 2019

	Current 流動	Past due 逾期			Total 合計
		Less than 1 month 少於1個月	1 to 3 months 1至3個月	Over 3 months 超過3個月	
Expected credit loss rate 預期信貸虧損率	0.14%	0.94%	2.16%	32.77%	2.81%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	701,616	122,282	47,038	71,376	942,312
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	951	1,146	1,018	23,393	26,508

21. 應收賬款(續)

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

下表載列本集團使用撥備矩陣計算的應收賬款的信貸風險資料：

於2020年12月31日

	Current 流動	Past due 逾期			Total 合計
		Less than 1 month 少於1個月	1 to 3 months 1至3個月	Over 3 months 超過3個月	
Expected credit loss rate 預期信貸虧損率	0.63%	3.66%	4.38%	83.25%	5.63%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	690,199	109,319	37,096	47,841	884,455
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	4,352	3,999	1,625	39,830	49,806

於2019年12月31日

	Current 流動	Past due 逾期			Total 合計
		Less than 1 month 少於1個月	1 to 3 months 1至3個月	Over 3 months 超過3個月	
Expected credit loss rate 預期信貸虧損率	0.14%	0.94%	2.16%	32.77%	2.81%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	701,616	122,282	47,038	71,376	942,312
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	951	1,146	1,018	23,393	26,508

22. Receivables arising from Securities and Futures Broking

Receivables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務中證券及期貨經紀產生之應收賬款：
Cash clients	現金客戶
Clearing houses, brokers and dealers	結算所、經紀及交易商
Clients for subscription of initial public offering ("IPO") shares*	認購首次公開招股客戶*
Loans to margin clients [#]	孖展客戶貸款 [#]

Impairment

減值

Receivables arising from securities and futures broking

證券及期貨經紀產生之應收賬款

* As at 31 December 2020, receivables from clients for subscription of IPO shares of HK\$38,526,000 (2019: Nil) were due when the corresponding allotment results of the related IPO shares had been publicly announced and bore interest at commercial rates.

The loans to margin clients were secured by the underlying pledged securities, repayable on demand and bore interest at commercial rates. No ageing analysis was disclosed as, in the opinion of the Directors, an ageing analysis was not relevant in view of the nature of the business of securities margin financing. As at 31 December 2020, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$833,346,000 (2019: HK\$710,484,000).

The receivables are settled two days after the trade date or at specific terms agreed with clearing houses, brokers and dealers. Futures deals are normally settled on a cash basis. Receivables from margin and cash clients arising from the business of dealing in securities and futures broking are repayable on demand subsequent to settlement date.

The movements in the loss allowance for impairment of receivables arising from securities and futures broking are as follows:

22. 證券及期貨經紀產生之應收賬款

2020	2019
HK\$'000	HK\$'000
千港元	千港元

101,752	54,769
134,777	36,371
38,526	-
873,362	939,758

1,148,417	1,030,898
(489,744)	(445,668)

658,673	585,230
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* 於2020年12月31日，應收認購首次公開招股客戶之金額為38,526,000港元(2019年：零港元)，乃於相關首次公開招股之相應配發結果公布時到期，並按商業條款計息。

孖展客戶貸款以相關已抵押證券作抵押，須於要求時償還，並按商業條款計息。董事認為鑑於證券孖展融資業務性質與賬齡分析並不相關，故無披露賬齡分析。於2020年12月31日，有關孖展客戶貸款以證券抵押作抵押品之總市值為833,346,000港元(2019年：710,484,000港元)。

應收賬款在交易日期後兩天或按與結算所、經紀及交易商協定之特定條款進行結算。期貨交易一般以現金結算。來自證券及期貨買賣業務的孖展及現金客戶的應收賬款於結算日期後於要求時償還。

證券及期貨經紀產生之應收賬款之減值虧損撥備變動如下：

		12-months ECL (Stage 1)	Lifetime ECL not credit-impaired (Stage 2)	Lifetime ECL credit-impaired (Stage 3)	Total
		12個月預期信貸虧損 (第1階段)	並無信貸減值之全期預期信貸虧損 (第2階段)	出現信貸減值之全期預期信貸虧損 (第3階段)	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日	-	-	-	-
Loss allowance recognised (note 6)	已確認虧損撥備(附註6)	-	-	445,668	445,668
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	-	-	445,668	445,668
Loss allowance recognised (note 6)	已確認虧損撥備(附註6)	-	-	44,076	44,076
At 31 December 2020	於2020年12月31日	-	-	489,744	489,744

22. Receivables arising from Securities and Futures Broking (continued)

Receivables arising from securities and futures broking are categorised into excellent, good and fair. Excellent refers to exposures which margin obligation can be met and payment of interest and principal is not in doubt, with good quality and liquidity of collateral. Good refers to exposures which principal and interest are partially or fully secured but at a relatively low level. Fair refers to exposures which loss, partial or full, has incurred and with insufficient collateral.

Analysis of the gross carrying amount by the Group's internal credit rating and year end classification:

As at 31 December 2020

		於2020年12月31日			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Internal rating grade	內部信貸評級				
Excellent	出色	425,434	-	-	425,434
Good	良好	-	11,888	-	11,888
Fair	一般	-	-	711,095	711,095
		425,434	11,888	711,095	1,148,417

As at 31 December 2019

		於2019年12月31日			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Internal rating grade	內部信貸評級				
Excellent	出色	319,697	-	-	319,697
Good	良好	-	-	-	-
Fair	一般	-	-	711,201	711,201
		319,697	-	711,201	1,030,898

23. Prepayments, Other Receivables and Other Assets

Prepayments	預付款項	
Deposits	按金	
Right-of-return assets	退貨權資產	
Other receivables	其他應收賬款	

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 December 2020 and 2019, the loss allowance was assessed to be minimal.

22. 證券及期貨經紀產生之應收賬款(續)

證券及期貨經紀產生之應收賬款分為出色、良好及一般。出色是指可以履行保證金責任，而利息及本金的支付不存疑問，且其抵押品的品質及流動性較好。良好是指本金及利息獲部分或全部擔保，但擔保等級相對較低。一般是指已蒙受部分或全部損失，且抵押品不足。

按本集團內部信貸評級及年末分類劃分之賬面總值分析如下：

於2020年12月31日

Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 合計 HK\$'000 千港元
425,434	-	-	425,434
-	11,888	-	11,888
-	-	711,095	711,095
425,434	11,888	711,095	1,148,417

於2019年12月31日

Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 合計 HK\$'000 千港元
319,697	-	-	319,697
-	-	-	-
-	-	711,201	711,201
319,697	-	711,201	1,030,898

23. 預付款項、其他應收賬款及其他資產

2020 HK\$'000 千港元	2019 HK\$'000 千港元
435,822	376,713
55,032	51,621
578	420
16,267	5,107
507,699	433,861

包含在上述結餘之財務資產為近期並無違約或逾期紀錄之應收賬款。於2020年及2019年12月31日，經評估的虧損撥備極小。

24. Financial Assets at Fair Value through Profit or Loss

Listed equity investments, at fair value 上市股份投資，按公平價值

The above equity investments were classified as financial assets at fair value through profit or loss as they were held for trading.

25. Cash and Cash Equivalents/Cash held on behalf of Clients

An analysis of cash and cash equivalents is as follows:

Cash and bank balances 現金及銀行存款
 Non-pledged time deposits with original maturity of less than three months when acquired 存放時到期日少於三個月之無抵押定期存款

Cash and cash equivalents 現金及等同現金

At the end of the reporting period, the cash and bank balances of the Group's subsidiaries operating in Mainland China denominated in Renminbi ("RMB") amounted to RMB938,736,000 (approximately HK\$1,114,749,000) (2019: RMB554,223,000 (approximately HK\$619,954,000)). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for periods of 1 day to 1 month, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

The Group maintains segregated trust accounts with licensed banks to hold securities and futures clients' monies arising from its normal course of business. The Group has classified the clients' monies as "Cash held on behalf of clients" under the current assets section of the consolidated statement of financial position and recognised the corresponding accounts payable to the respective clients on the grounds that the Group is liable for any loss or misappropriation of the clients' monies. The Group is not allowed to use the clients' monies to settle its own obligations.

24. 按公平價值計入損益的財務資產

2020 2019
 HK\$'000 HK\$'000
 千港元 千港元

9,634 13,394

上述股份投資乃持作買賣用途，故分類為按公平價值計入損益的財務資產。

25. 現金及等同現金／代客戶持有現金

現金及等同現金之分析如下：

2020 2019
 HK\$'000 HK\$'000
 千港元 千港元

1,599,651 900,563

54,116 127,763

1,653,767 1,028,326

於報告期末，本集團在中國大陸營運之附屬公司以人民幣為單位之現金及銀行存款為938,736,000元人民幣(約1,114,749,000港元)(2019年：554,223,000元人民幣(約619,954,000港元))。人民幣不能自由兌換為其他貨幣，然而，根據中國大陸之外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率按浮動利率賺取利息。短期定期存款之存款期為1日至1個月不等，並按相應之定期存款利率賺取利息。銀行存款存於信譽良好而近期並無不履約紀錄之銀行。

本集團於持牌銀行開設獨立信託賬戶，以存放證券及期貨客戶於日常業務產生之款項。本集團已將此等客戶款項分類於綜合財務狀況表內為流動資產項下之「代客戶持有現金」，並由於本集團負上客戶款項之任何損失或挪用之責任而確認為應付予相關客戶賬款。本集團不可使用客戶款項償還本集團之債務。

26. Accounts Payable

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

Within 1 month	1 個月內
1 to 2 months	1 至 2 個月
Over 2 months	超過 2 個月

The accounts payable are non-interest-bearing.

27. Payables arising from Securities and Futures Broking

Payables arising from securities and futures broking conducted in the ordinary course of business:	在日常業務中證券及期貨經紀產生之應付賬款：
Cash clients [#]	現金客戶 [#]
Margin clients [*]	孖展客戶 [*]
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款

No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not meaningful in view of the nature of such business.

[#] Included in the cash client accounts payable arising from dealing in securities conducted in the ordinary course of business is an amount of approximately HK\$420,070,000 (2019: HK\$383,185,000) representing those clients' undrawn monies/excess deposits placed with the Group. As at 31 December 2020, the cash client accounts payable included an amount of HK\$705,000 (2019: HK\$484,000) in respect of securities transactions undertaken for the accounts of certain Directors. The cash client accounts payable are repayable on demand and bear interest at commercial rates.

^{*} The margin client accounts payable are repayable on demand and bear interest at commercial rates.

26. 應付賬款

於報告期末，應付賬款根據發票日期之賬齡分析如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元
63,311	115,651
66,314	431
178	74
129,803	116,156

應付賬款為免息。

27. 證券及期貨經紀產生之應付賬款

2020	2019
HK\$'000	HK\$'000
千港元	千港元
508,614	441,745
66,438	61,526
575,052	503,271

董事認為鑑於此業務性質令賬齡分析意義不大，故並無披露賬齡分析。

[#] 包括在日常業務中進行證券買賣產生之應付現金客戶賬款內約420,070,000港元(2019年：383,185,000港元)為該等客戶存於本集團之未提取款項/額外繳付按金。於2020年12月31日，應付現金客戶賬款包括為若干董事賬戶進行證券交易之款項705,000港元(2019年：484,000港元)。應付現金客戶賬款須於要求時償還及按商業條款計息。

^{*} 應付孖展客戶賬款須於要求時償還及按商業條款計息。

28. Other Payables and Accruals

	應計項目	Note 附註
Accruals	應計項目	
Contract liabilities	合約負債	(a)
Refund liabilities	退款負債	
Other payables	其他應付賬款	(b)
Customer gold deposits	客戶存金	(c)

Notes:

- (a) Details of contract liabilities are as follows:

	來自客戶之短期預收款項
Short-term advances received from customers	來自客戶之短期預收款項
Sale of goods	貨品銷售
Customer loyalty programme	客戶忠誠度計劃

Contract liabilities include short-term advances received to deliver jewellery and precious metals, and amount allocated to customer loyalty programme of the Group's retail of jewellery business. The increase in contract liabilities in 2020 and 2019 was mainly due to the increase in short-term advances received from customer orders of goods.

- (b) Other payables are non-interest-bearing.
- (c) The Group provides gold deposit services to its customers. Under this arrangement, customers deposit physical gold with the Group and can withdraw the same units of gold together with a fixed amount of fee on the maturity date. The customer gold deposits are estimated based on the fair value of gold deposits outstanding at the end of the reporting period. The basis of estimation is reviewed on an ongoing basis and revised where appropriate. As at 31 December 2020, gold deposits from customers also included approximately 800 (2019: 2,800) taels of gold from certain management personnel of the Group.

28. 其他應付賬款及應計項目

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
	65,280	65,152
	108,941	88,610
	787	633
	323,265	341,427
	22,526	47,098
	520,799	542,920

附註：

- (a) 合約負債詳情如下：

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
	95,152	74,504
	13,789	14,106
	108,941	88,610

合約負債包括就交付珠寶及貴金屬收取之短期預收款項，以及分配至本集團珠寶零售業務之客戶忠誠度計劃之金額。2020年及2019年合約負債增加主要由於來自客戶貨品訂單收取之短期預收款項增加所致。

- (b) 其他應付賬款為免息。
- (c) 本集團向其客戶提供存金服務。根據此安排，客戶向本集團存入實金，於到期日可提取相同單位之黃金連定額費用。客戶存金乃按於報告期末尚餘存金之公平價值作出估計。估計基準會持續檢討，並在適當時作出修訂。於2020年12月31日，客戶存金亦包括本集團若干管理人員之存金約800兩(2019年：2,800兩)。

29. Derivative Financial Instruments

Assets	資產
Cross currency swaps	交叉貨幣掉期
Liabilities	負債
Bullion contracts	貴金屬合約
Cross currency swaps	交叉貨幣掉期

The bullion contracts and cross currency swaps are stated at their fair values. The above transactions involving derivative financial instruments are conducted with reputable financial institutions or top bullion trading companies. As at 31 December 2020, the aggregate contractual amount of the bullion contracts was HK\$405,296,000 (2019: HK\$464,039,000).

In addition, the Group has entered into cross currency swaps to manage its foreign currency risk. The cross currency swaps were measured at fair value through profit or loss. Changes in the fair value thereof amounting to HK\$3,079,000 (2019: HK\$5,410,000) were charged to the consolidated statement of profit or loss during the year.

The purpose of the above contracts and swaps entered into by the Group is to manage the Group's commodity price risk and foreign currency risk. Such contracts and swaps did not meet the criteria for hedge accounting.

29. 衍生金融工具

2020 HK\$'000 千港元	2019 HK\$'000 千港元
-	145
4,120	9,158
2,934	-
7,054	9,158

貴金屬合約及交叉貨幣掉期按其公平價值列賬。上述涉及衍生金融工具之交易乃與信譽良好之金融機構或頂級貴金屬貿易公司進行。於2020年12月31日，貴金屬合約之合約數額總值為405,296,000港元(2019年：464,039,000港元)。

此外，本集團訂立交叉貨幣掉期管理其外匯風險。該交叉貨幣掉期按公平價值計入損益計量。年內於綜合損益表已扣除其公平價值變動的金額為3,079,000港元(2019年：5,410,000港元)。

本集團訂立上述合約及掉期旨在管理本集團之商品價格風險及外匯風險。該等合約及掉期並不符合對沖會計處理之條件。

30. Interest-bearing Bank Borrowings/Interest-bearing Bank Borrowings arising from Securities and Futures Broking

30. 計息銀行貸款／證券及期貨經紀產生之計息銀行貸款

		2020			2019		
		Contractual interest rate 合約利率 %	Maturity 到期日	HK\$'000 千港元	Contractual interest rate 合約利率 %	Maturity 到期日	HK\$'000 千港元
Current	流動						
Portion of term loans from banks due for repayment within one year	來自銀行須於一年內到期償還之部分定期貸款						
– unsecured	– 無抵押	1.4 – 1.7	2021	117,580	1.6 – 3.7	2020	56,040
– secured	– 有抵押	1.1	2021	180,000	3.9 – 5.0	2020	280,000
				297,580			336,040
Current portion of bank loans due for repayment within one year	須於一年內到期償還之銀行貸款之流動部分						
– unsecured	– 無抵押	1.3 – 3.8	2021	401,442	3.3 – 4.2	2020	440,554
				699,022			776,594
Non-current	非流動						
Non-current portion of bank loans due for repayment within a period of:	須於以下期間內到期償還之銀行貸款之非流動部分：						
More than one year but less than two years	一年以上但少於兩年						
– unsecured	– 無抵押	1.3 – 3.7	2022	323,713	3.3 – 4.2	2021	276,896
More than two years but less than five years	兩年以上但少於五年						
– unsecured	– 無抵押	1.3 – 2.5	2023	57,194	3.3 – 4.1	2022	163,434
				380,907			440,330
				1,079,929			1,216,924

The interest-bearing bank borrowings, including the term loans repayable on demand, are carried at amortised cost. None of the portion of the term loans due for repayment after one year which contain a repayment on demand clause and that are classified as current liabilities is expected to be settled within one year.

計息銀行貸款(包括按要求償還之定期貸款)乃按攤銷成本列賬。預計概無於一年後到期償還且包含按要求償還條款及分類為流動負債之部分定期貸款將於一年內清償。

30. Interest-bearing Bank Borrowings/Interest-bearing Bank Borrowings arising from Securities and Futures Broking (continued)

As at 31 December 2020, the Group's banking facilities amounted to HK\$2,772,119,000 (2019: HK\$3,306,440,000), of which HK\$1,079,929,000 (2019: HK\$1,216,924,000) had been utilised at the end of the reporting period. Certain of the banking facilities amounting to HK\$470,000,000 (2019: HK\$570,000,000) are secured by certain assets of the Group as disclosed in note 19 to the consolidated financial statements.

All of the banking facilities, including bank borrowings and bullion loans (note 31), are subject to the fulfilment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become repayable on demand. In addition, certain of the Group's term loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time, irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with these covenants for all the outstanding bank borrowings and bullion loans. Accordingly, the Group does not consider it is probable that the bank will exercise its discretion to demand repayment so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in note 41(a). As at 31 December 2020 and 2019, none of the covenants relating to drawn down facilities had been breached.

The carrying amounts of the bank loans at the end of the reporting period are denominated in the following currencies:

Hong Kong dollar	港元
New Taiwan dollar	新臺幣

30. 計息銀行貸款／證券及期貨經紀產生之計息銀行貸款(續)

於2020年12月31日，本集團之銀行信貸額為2,772,119,000港元(2019年：3,306,440,000港元)，於報告期末已動用其中1,079,929,000港元(2019年：1,216,924,000港元)。若干銀行信貸額470,000,000港元(2019年：570,000,000港元)以本集團於綜合財務報告附註19披露之若干資產作為抵押。

所有銀行信貸(包括銀行貸款及貴金屬借貸(附註31))須本集團符合若干財務比率，這常見於與金融機構訂立之借貸安排。倘本集團違反協議，所提取信貸將須按要求償還。此外，本集團之若干定期貸款協議包含給予放款人權利可全權酌情隨時要求立即償還之條款，不論本集團是否已遵守協議及履行預定還款責任。

本集團就所有未償還銀行貸款及貴金屬借貸定期監察其遵守該等協議之情況。因此本集團認為只要繼續遵守該等規定，銀行將不會行使其酌情權要求償還貸款。有關本集團管理流動資金風險之進一步詳情載於附註41(a)。於2020年及2019年12月31日，本集團並無違反有關動用信貸之協議。

銀行貸款於報告期末之賬面值以下列貨幣為單位：

	2020	2019
	HK\$'000	HK\$'000
	千港元	千港元
	1,052,349	1,190,884
	27,580	26,040
	<u>1,079,929</u>	<u>1,216,924</u>

31. Bullion Loans

Bullion loans – unsecured	貴金屬借貸 – 無抵押
Bullion trading facilities	貴金屬交易信貸
Contractual interest rate	合約利率
Original maturity	原到期日

The amounts represented borrowings from banks or top bullion trading companies and the amounts payable are pegged with bullion prices.

Certain of the bullion loan facilities are subject to fulfilment of covenants under the Group's banking facilities. Details of which are disclosed in note 30 to the consolidated financial statements.

Bullion loans were borrowed to reduce the impact of fluctuation of bullion prices on bullion inventories. However, the criteria for hedge accounting were not fully met. Bullion loans were designated as financial liabilities at fair value through profit or loss as they are managed and their performance are evaluated on a fair value basis, in accordance with a documented risk management and investment strategy, and information about the bullion loans is provided on that basis to the Group's key management personnel.

The carrying amounts of the bullion loans at the end of the reporting period are denominated in the following currencies:

Renminbi	人民幣
United States dollar	美元

31. 貴金屬借貸

2020	2019
HK\$'000	HK\$'000
千港元	千港元

1,002,135	1,473,773
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3,212,613	3,468,008
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0.9% – 2.7%	0.9% – 4.9%
1 – 5 months	1 – 5 months

該款項指從銀行或頂級貴金屬貿易公司借貸，而應付款項與貴金屬價格掛鈎。

若干貴金屬借貸融資須符合本集團銀行信貸之協議，詳情於綜合財務報告附註30披露。

借入貴金屬借貸目的為減低貴金屬價格波動對貴金屬存貨之影響。然而，未能完全符合對沖會計處理之條件。鑑於貴金屬借貸乃根據既定風險管理及投資策略按公平價值基準管理及評估表現，故獲指定為按公平價值計入損益的財務負債，而有關該等貴金屬借貸之資料乃按相關基準向本集團之主要管理人員提供。

該等貴金屬借貸於報告期末之賬面值以下列貨幣為單位：

2020	2019
HK\$'000	HK\$'000
千港元	千港元

438,534	709,416
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563,601	764,357
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1,002,135	1,473,773
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32. Deferred Tax

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities	遞延稅項負債	Depreciation allowance in excess of related depreciation 折舊免稅額超過有關折舊 HK\$'000 千港元	Withholding taxes 預提稅 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	36,254	212,945	919	250,118
Deferred tax charged/(credited) to the consolidated statement of profit or loss during the year	年內於綜合損益表扣除/(計入)之遞延稅項	(1,340)	33,656	(919)	31,397*
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	34,914	246,601	-	281,515
Deferred tax charged/(credited) to the consolidated statement of profit or loss during the year	年內於綜合損益表扣除/(計入)之遞延稅項	(152)	41,722	(449)	41,121*
Exchange realignment	匯兌調整	72	-	(45)	27
Gross deferred tax liabilities recognised in the consolidated statement of financial position at 31 December 2020	於2020年12月31日於綜合財務狀況表確認之遞延稅項負債總額	34,834	288,323	(494)	322,663

32. 遞延稅項

年內遞延稅項負債及資產變動如下：

32. Deferred Tax (continued)

Deferred tax assets 遞延稅項資產

		Lease liabilities	Decelerated tax depreciation	Losses available for offsetting against future taxable profits	Impairment of accounts receivable	Impairment of right-of-use assets	Others	Total
		租賃負債	減速稅項折舊	可抵銷未來應課稅溢利之虧損	應收賬款減值	使用權資產減值	其他	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於2019年1月1日	7,821	8,023	-	1,787	-	17,254	34,885
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year	年內於綜合損益表計入/(扣除)之遞延稅項	(85)	613	73,612	35	-	3,374	77,549*
Exchange realignment	匯兌調整	(120)	(30)	30	-	-	(293)	(413)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	7,616	8,606	73,642	1,822	-	20,335	112,021
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year	年內於綜合損益表計入/(扣除)之遞延稅項	3,042	3,805	(52,778)	792	27,979	(4,126)	(21,286)*
Exchange realignment	匯兌調整	640	158	584	-	-	84	1,466
Gross deferred tax assets recognised in the consolidated statement of financial position at 31 December 2020	於2020年12月31日於綜合財務狀況表確認之遞延稅項資產總額	11,298	12,569	21,448	2,614	27,979	16,293	92,201

* Net deferred tax charged HK\$62,407,000 (2019: credited HK\$46,152,000) to the consolidated statement of profit or loss during the year (note 11).

* 年內於綜合損益表扣除62,407,000港元(2019年:入賬46,152,000港元)之遞延稅項淨額(附註11)。

The Group has tax losses arising in Hong Kong of HK\$598,154,000 (2019: HK\$445,907,000), Mainland China of HK\$35,125,000 (2019: HK\$25,401,000) and Taiwan and Macau of HK\$14,865,000 (2019: HK\$26,300,000). The tax losses arising in Hong Kong are available indefinitely for offsetting against future taxable profits of the companies in which the tax losses arose, whilst those arising in Mainland China, Taiwan and Macau will expire in five years, ten years and three years, respectively, for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses of HK\$536,019,000 (2019: HK\$42,696,000) as they have arisen in subsidiaries that have been loss-making for some time and it is uncertain whether taxable profit will be available against which the tax losses can be utilised.

本集團於香港產生之稅項虧損為598,154,000港元(2019年:445,907,000港元)、於中國大陸產生之稅項虧損為35,125,000港元(2019年:25,401,000港元)及於臺灣及澳門產生之稅項虧損為14,865,000港元(2019年:26,300,000港元)。於香港產生之稅項虧損可無限期間用作抵銷該等產生稅項虧損公司之未來應課稅溢利，而於中國大陸、臺灣及澳門產生之稅項虧損將分別於五年、十年及三年內屆滿，其後不得用作抵銷未來應課稅溢利。由於此等虧損乃來自虧損已一段時間之附屬公司，以及並未能確定是否有應課稅溢利可運用稅項虧損抵銷，故並無就536,019,000港元(2019年:42,696,000港元)的此等虧損確認遞延稅項資產。

32. Deferred Tax (continued)

Pursuant to the PRC CIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the People's Republic of China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group's subsidiaries established in the People's Republic of China, the applicable rate is 5% or 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in the People's Republic of China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

33. Share Capital

Authorised:
1,000,000,000 ordinary shares of
HK\$0.25 each

Issued and fully paid:
677,434,000 ordinary shares of
HK\$0.25 each

法定：
1,000,000,000 股每股面值
0.25 港元之普通股

已發行及繳足：
677,434,000 股每股面值
0.25 港元之普通股

32. 遞延稅項(續)

根據中國企業所得稅法，於中華人民共和國成立之外商投資企業向外國投資者宣派股息須按10%徵收預提稅。此規定由2008年1月1日起生效，並適用於2007年12月31日後之溢利。如中國大陸與外國投資者所在司法管轄區訂有稅收協定，則可能適用較低的預提稅稅率。就本集團於中華人民共和國成立之附屬公司而言，適用稅率為5%或10%。因此，本集團有責任就該等於中華人民共和國成立之附屬公司於2008年1月1日起產生之溢利所分派之股息繳付預提稅。

本公司向其股東派發之股息並無涉及所得稅。

33. 股本

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
	<u>250,000</u>	<u>250,000</u>
	<u>169,359</u>	<u>169,359</u>

34. Share Option Schemes

At the annual general meeting of the Company held on 11 June 2020, the shareholders of the Company approved the adoption of a new share option scheme (the “New Scheme”) and the termination of the share option scheme adopted on 7 December 2010 (the “Old Scheme”).

Old Scheme

A summary of the principal terms of the Old Scheme is set out below:

The Company operates the Old Scheme for the purpose of providing incentives or rewards to eligible participants for their contribution to the Group and enabling the Group to recruit and retain valuable employees.

Pursuant to the Old Scheme, the Board may, at its discretion, invite any employees, Executive or Non-executive Directors (including Independent Non-executive Directors), advisers, consultants, shareholders of any member of the Group or such other persons from time to time to be an eligible person to whom share options will be granted as an incentive to attract and retain them for their contributions to the business development of the Group. The Old Scheme was approved and adopted by the shareholders of the Company on 7 December 2010 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The total number of shares which may be issued upon exercise of all share options to be granted under the Old Scheme must not in aggregate exceed 10% of the shares in issue on the date of approval of the Old Scheme.

The maximum number of shares issued and to be issued upon exercise of options granted under the Old Scheme and any other share option scheme of the Company to each participant in any 12-month period up to the date of grant shall not exceed 1% of total number of shares of the Company in issue.

An option may be exercised in accordance with the terms of the Old Scheme at any time during a period commencing on such date on or after the date on which the option is granted as the Directors may determine in granting the option and expiring at the close of business on such date as the Directors may determine in granting the option but in any event shall not exceed 10 years from the date of grant (which is the date of offer of grant if the offer for the grant of the option is accepted).

An offer for the grant of options must be accepted within 30 days inclusive of the day on which such offer was made. The amount payable on acceptance of the offer for the grant of an option is HK\$1.00.

The exercise price of share options is determinable by the Directors provided always that it shall be at least the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of offer; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company.

34. 購股權計劃

本公司於2020年6月11日舉行的股東週年大會上，本公司股東批准採納新購股權計劃(「新計劃」)及終止於2010年12月7日採納之購股權計劃(「舊計劃」)。

舊計劃

舊計劃的主要條款概要載列如下：

本公司設有舊計劃，旨在向合資格參與者對本集團作出之貢獻給予獎勵或獎賞，以及令本集團能招募並挽留對本集團具有價值之僱員。

根據舊計劃之規定，董事會可不時酌情邀請任何僱員、執行董事或非執行董事(包括獨立非執行董事)、顧問、諮詢人、本集團任何成員公司之股東或該等其他人士為合資格人士，其將可獲授購股權，作為因彼等對本集團業務發展作出貢獻而吸引並挽留彼等之獎勵。舊計劃於2010年12月7日獲本公司股東批准及採納，除非舊計劃被另行取消或修訂，否則將自該日期起計10年內有效。

行使根據舊計劃授出之全部購股權而可予發行之股份總數，合共不得超過於舊計劃獲批准日期之已發行股份之10%。

每名參與者在任何12個月內(直至授出購股權當日止)，根據舊計劃及本公司任何其他購股權計劃獲授之購股權予以行使時，所發行及將發行之股份數目上限不得超過本公司已發行股份總數之1%。

購股權可根據舊計劃條款之規定，於董事授出購股權時，決定授出之購股權當日或其後日子開始行使，直至董事授出購股權時已決定之日期營業時間結束時屆滿；惟於任何情況下，由授出購股權當日(即提出授出購股權要約當日，而該購股權要約獲接受)起計不可超過10年。

授出購股權之要約必須於提出要約之日起30日內(包括提出要約當日)獲接受。於接受授出購股權之要約時，須繳付1.00港元。

購股權之行使價乃由董事釐定，惟該行使價至少為以下各項之最高者：(i)本公司股份於要約日期在聯交所每日報價表所列之收市價；(ii)本公司股份於緊接要約日期前5個交易日在聯交所每日報價表所列之平均收市價；及(iii)本公司每股股份之面值。

34. Share Option Schemes (continued)

Old Scheme (continued)

Following the termination of the Old Scheme, no options shall be granted under the Old Scheme. However, options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Old Scheme.

During the year, the movements in the share options to subscribe for the Company's shares under the Old Scheme were as follows:

2020

Eligible person	Date of grant	Exercise price per share	Number of share options 購股權數目				Balance as at 31/12/2020 於2020年12月31日結餘	Exercisable period
			Balance as at 1/1/2020 於2020年1月1日結餘	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效		
Continuous contract employees [#]	持續合約僱員 [#]	22/7/2016	14.89	2,648,000	-	-	(2,648,000)	31/12/2017 – 30/12/2020
		22/7/2016	14.89	3,143,000	-	-	(3,143,000)	
Total	合計		<u>5,791,000</u>	<u>-</u>	<u>-</u>	<u>(5,791,000)</u>	<u>-</u>	

2019

Eligible person	Date of grant	Exercise price per share	Number of share options 購股權數目				Balance as at 31/12/2019 於2019年12月31日結餘	Exercisable period
			Balance as at 1/1/2019 於2019年1月1日結餘	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效		
Continuous contract employees [#]	持續合約僱員 [#]	22/7/2016	14.89	2,842,000	-	-	(194,000)	31/12/2017 – 30/12/2020
		22/7/2016	14.89	3,338,000	-	-	(195,000)	
Total	合計		<u>6,180,000</u>	<u>-</u>	<u>-</u>	<u>(389,000)</u>	<u>5,791,000</u>	

[#] Continuous contract employees include an associate of a director, Ms. Genevieve CHOW Karwing, who held 53,000 share options as at 31 December 2019.

Notes:

As at 31 December 2019, the Company had 5,791,000 share options outstanding under the Old Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 5,791,000 additional ordinary shares of the Company and additional share capital of HK\$1,448,000 and share premium of HK\$84,780,000 (before share issue expenses).

34. 購股權計劃(續)

舊計劃(續)

終止舊計劃後，不得根據舊計劃授出任何購股權。然而，終止前授出的購股權將繼續生效，並可根據舊計劃的規則可予行使。

年內，舊計劃下認購本公司股份之購股權變動如下：

Number of share options
購股權數目

Eligible person	Date of grant	Exercise price per share	Number of share options 購股權數目				Balance as at 31/12/2020 於2020年12月31日結餘	Exercisable period
			Balance as at 1/1/2020 於2020年1月1日結餘	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效		
Continuous contract employees [#]	持續合約僱員 [#]	22/7/2016	14.89	2,648,000	-	-	(2,648,000)	31/12/2017 – 30/12/2020
		22/7/2016	14.89	3,143,000	-	-	(3,143,000)	
Total	合計		<u>5,791,000</u>	<u>-</u>	<u>-</u>	<u>(5,791,000)</u>	<u>-</u>	

Number of share options
購股權數目

Eligible person	Date of grant	Exercise price per share	Number of share options 購股權數目				Balance as at 31/12/2019 於2019年12月31日結餘	Exercisable period
			Balance as at 1/1/2019 於2019年1月1日結餘	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled/lapsed during the year 年內註銷/失效		
Continuous contract employees [#]	持續合約僱員 [#]	22/7/2016	14.89	2,842,000	-	-	(194,000)	31/12/2017 – 30/12/2020
		22/7/2016	14.89	3,338,000	-	-	(195,000)	
Total	合計		<u>6,180,000</u>	<u>-</u>	<u>-</u>	<u>(389,000)</u>	<u>5,791,000</u>	

[#] 持續合約僱員包括董事之一名聯繫人士，周嘉穎女士，彼於2019年12月31日持有53,000份購股權。

附註：

於2019年12月31日，本公司在舊計劃下擁有5,791,000份尚未行使之購股權。根據本公司現有股本架構，悉數行使尚未行使之購股權，本公司將發行5,791,000股額外普通股，並新增股本1,448,000港元及股份溢價為84,780,000港元(未扣除股份發行開支)。

34. Share Option Schemes (continued)**New Scheme**

A summary of the principal terms of the New Scheme is set out below:

The purpose of the New Scheme is to provide incentives or rewards to Eligible Participants (as defined below) who have contributed or may contribute to the Group and to enable the Group to attract and retain employees and other personnel that are valuable to the Group and any entity in which the Group holds any equity interest (the “Invested Entity”).

Pursuant to the New Scheme, the Board may, at its absolute discretion, offer to grant an option to subscribe for the shares of the Company subject to such conditions as it may think fit to the following persons (the “Eligible Participants”):

- a. any employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- b. any non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- c. any individual acting in his capacity as an adviser or a consultant that provides research, development or other support or advice to the Group or any Invested Entity;
- d. any shareholder of any member of the Group or any Invested Entity or any holder of securities issued by any member of the Group or any Invested Entity; and
- e. any distributor, contractor, customer, supplier, agent, business partner, joint venture business partner, promoter and service provider to the Group or any Invested Entity whom the Directors consider, in their sole discretion, has contributed or may contribute to the Group and any Invested Entity.

The total number of the Company's shares which may be issued upon the exercise of all options to be granted under the New Scheme and any other share option scheme must not, in aggregate, exceed 10% of the total number of the Company's shares in issue as at 11 June 2020 (the “Adoption Date”) (such total number of issued shares being 677,434,000 shares). As at the date of this annual report, the total number of shares available for issue under the New Scheme is 67,743,400 shares, representing 10% of the shares in issue.

34. 購股權計劃(續)**新計劃**

新計劃的主要條款概要載列如下：

新計劃旨在向對本集團作出貢獻或可能作出貢獻之合資格參與人(定義見下文)給予獎勵或獎賞，以及使本集團能吸引並挽留對本集團及本集團持有任何股權之任何實體(「投資實體」)具有價值之僱員及其他人員。

根據新計劃，董事會在彼認為合適的有關條件規限下，可全權酌情向以下人士(「合資格參與人」)授出購股權的要約，以認購本公司股份：

- a. 本公司、其任何附屬公司或任何投資實體的任何僱員(不論為全職或兼職僱員，包括任何執行董事，但不包括任何非執行董事)；
- b. 本公司、其任何附屬公司或任何投資實體的任何非執行董事(包括獨立非執行董事)；
- c. 作為顧問或諮詢人，向本集團或任何投資實體提供研究、開發或其他支持或建議的任何人士；
- d. 本集團任何成員公司或任何投資實體之任何股東，或本集團任何成員公司或任何投資實體所發行之證券之任何持有人；及
- e. 董事全權酌情認為已經或可能對本集團及任何投資實體作出貢獻之本集團或任何投資實體的任何分銷商、承包商、客戶、供應商、代理、業務夥伴、合營業務夥伴、推廣商及服務供應商。

根據新計劃及任何其他購股權計劃將授出之所有購股權獲行使時可予發行之本公司股份總數，合共不得超過本公司於2020年6月11日(「採納日期」)之已發行股份總數的10%(該已發行股份總數為677,434,000股)。於本年報日期，根據新計劃可供發行的股份總數為67,743,400股，即已發行股份的10%。

34. Share Option Schemes (continued)**New Scheme (continued)**

The total number of the Company's shares issued and to be issued upon exercise of the options granted to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of total number of shares of the Company in issue. Any further grant of options in excess of the 1% limit shall be subject to shareholders' approval in general meeting with such Eligible Participant and his close associates (as defined in the Listing Rules) (or his associate (as defined in the Listing Rules) if the Eligible Participant is a connected person (as defined in the Listing Rules)) abstaining from voting.

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

An offer for the grant of options must be accepted within 30 days inclusive of the day on which such offer was made. The amount payable on acceptance of the offer for the grant of an option is HK\$1.00.

The exercise price of share options is determinable by the Board provided always that it shall be at least the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of offer; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of offer; and (iii) the nominal value of a share.

Subject to the termination provisions set out in the New Scheme, the New Scheme shall be valid for a period of 10 years commencing from the Adoption Date.

No share option has been granted under the New Scheme since the Adoption Date.

35. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 76 and 77 of the consolidated financial statements.

Pursuant to the relevant laws and regulations for wholly-foreign-invested enterprises, a portion of the profits of the Group's subsidiaries which are established in the People's Republic of China has been transferred to reserve funds which are restricted as to use.

34. 購股權計劃(續)**新計劃(續)**

每名合資格參與人於任何12個月內獲授出之購股權(包括已行駛及尚未行駛的購股權)予以行使時所發行及將發行之本公司股份總數，不得超過本公司已發行股份總數的1%。倘進一步授出購股權的數目超過1%限額，本公司須在股東大會上取得股東批准，而該合資格參與人及其緊密聯繫人(定義見上市規則)(或倘該合資格參與人為關連人士(定義見上市規則)，則其聯繫人(定義見上市規則))須於會上放棄投票權。

購股權可根據新計劃條款之規定，於董事會授出購股權時，決定授出之購股權當日或其後日子開始行使，直至董事會授出購股權時已決定之日期營業時間結束時屆滿；惟於任何情況下，由授出購股權當日(即提出授出購股權要約當日，而該購股權要約獲接受)起計不可超過10年。

授出購股權的要約須於提出該要約之日期(包括該日)起計30日內獲接納。接納授出購股權的要約須支付1.00港元。

購股權的行使價由董事會釐定，惟該行使價須至少為下列各項的最高者：(i)股份在授出日期的收市價(以聯交所日報表所載者為準)；(ii)股份在緊接授出日期前5個營業日的平均收市價(以聯交所日報表所載者為準)；及(iii)股份面值。

受制於新計劃之終止條文，新計劃自採納日期起計算，有效期為10年。

自採納日期起，概無根據新計劃授出任何購股權。

35. 儲備

本集團之儲備額及年內及過往年度之變動列載於綜合財務報告第76及77頁之綜合權益變動表內。

根據適用於全外商投資企業之相關法律及法規，本集團於中華人民共和國成立之附屬公司之部分溢利已轉撥往用途受限制之儲備金。

36. Notes to the Consolidated Statement of Cash Flows

(a) Reconciliation of operating profit to cash generated from operations

			2020 HK\$'000 千港元	2019 HK\$'000 千港元
Profit before tax	除稅前溢利		920,920	883,291
Adjustments for:	調整：			
Finance costs	財務費用	7	87,864	89,162
Interest income	利息收入	6	(62,930)	(69,528)
Dividend income from listed investments	上市投資之股息收入	6	(24,360)	(24,710)
Dividend income from unlisted investments	非上市投資之股息收入	6	(1,018)	(1,070)
Net loss on disposal of items of property, plant and equipment	出售物業、機器及設備項目淨虧損	6	4,880	4,394
Net loss on disposal of derivative financial instruments	出售衍生金融工具淨虧損	6	21,446	123,232
Net loss on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸淨虧損	6	209,464	224,208
Net fair value loss/(gain) on investment properties	投資物業之公平價值淨虧損/(收益)	6	1,811	(2,088)
Net fair value gain on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸的公平價值淨收益	6	(10,247)	(70)
Net fair value loss on financial assets at fair value through profit or loss	按公平價值計入損益的財務資產之公平價值淨虧損	6	3,760	201
Net fair value loss/(gain) on derivative financial instruments – transactions not qualifying as hedges	衍生金融工具之公平價值淨虧損/(收益) – 不符合對沖定義之交易	6	(1,961)	2,321
Covid-19-related rent concessions from lessors	出租人給予的2019冠狀病毒相關之租金寬減	16(b)	(73,270)	–
Depreciation of property, plant and equipment	物業、機器及設備之折舊	14	277,894	235,750
Depreciation of right-of-use assets	使用權資產之折舊	16(a)	654,309	685,359
Impairment of property, plant and equipment	物業、機器及設備減值	14	4,063	–
Impairment of right-of-use assets	使用權資產減值	16(a)	169,572	–
Impairment of accounts receivable	應收賬款減值	21	20,982	18,790
Impairment of receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款減值	22	44,076	445,668
Write-down of inventories to net realisable value	撇銷存貨至可變現淨值	6	29,198	11,790
			2,276,453	2,626,700
Decrease/(increase) in inventories	存貨之減少/(增加)		346,010	(1,551,725)
Decrease in accounts receivable	應收賬款之減少		115,273	54,964
Increase in receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款之增加		(117,519)	(12,557)
Increase in prepayments, other receivables and other assets	預付款項、其他應收賬款及其他資產之增加		(52,651)	(130,093)
Increase in cash held on behalf of clients	代客戶持有現金之增加		(41,492)	(1,278)
Increase/(decrease) in accounts payable	應付賬款之增加/(減少)		41,243	(35,486)
Increase in payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款之增加		71,781	46,261
Changes in derivative financial instruments	衍生金融工具之變動		(21,446)	(123,232)
Increase/(decrease) in other payables and accruals	其他應付賬款及應計項目之增加/(減少)		(18,638)	37,863
Cash generated from operations	經營所得現金		2,599,014	911,417

36. 綜合現金流量表附註

(a) 經營溢利與經營所得現金之對賬

36. Notes to the Consolidated Statement of Cash Flows (continued)

(b) Changes in liabilities arising from financing activities:

2020

		Interest-bearing bank borrowings	Interest-bearing bank borrowings arising from securities and futures broking	Lease liabilities	Bullion loans
		計息銀行貸款	證券及期貨經紀產生之計息銀行貸款	租賃負債	貴金屬借貸
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2020	於2020年1月1日	936,924	280,000	1,299,901	1,473,773
Changes from financing cash flow	融資現金流量變動	(38,535)	(100,000)	(539,329)	(697,810)
New leases	新租賃	-	-	308,742	-
Foreign exchange movement	外匯變動	1,540	-	24,206	26,955
Interest expense	利息開支	-	-	46,223	-
Interest paid classified as operating cash flows	分類為經營現金流量的已付利息	-	-	(46,223)	-
Termination of leases	終止租賃	-	-	(19,088)	-
Covid-19-related rent concessions from lessors	出租人給予的2019冠狀病毒相關之租金寬減	-	-	(73,270)	-
Net loss on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸淨虧損	-	-	-	209,464
Net fair value gain on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸的公平價值淨收益	-	-	-	(10,247)
At 31 December 2020	於2020年12月31日	<u>899,929</u>	<u>180,000</u>	<u>1,001,162</u>	<u>1,002,135</u>

36. 綜合現金流量表附註(續)

(b) 融資活動產生之負債變動：

36. Notes to the Consolidated Statement of Cash Flows (continued)

(b) Changes in liabilities arising from financing activities:
(continued)

2019

		Interest-bearing bank borrowings	Interest-bearing bank borrowings arising from securities and futures broking 證券及期貨經紀產生之計息	Lease liabilities 租賃負債	Bullion loans 貴金屬借貸
		計息銀行貸款 HK\$'000 千港元	計息銀行貸款 銀行貸款 HK\$'000 千港元	租賃負債 HK\$'000 千港元	貴金屬借貸 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	765,722	200,000	1,058,109	970,140
Changes from financing cash flow	融資現金流量變動	170,827	80,000	(655,508)	290,976
New leases	新租賃	-	-	956,487	-
Foreign exchange movement	外匯變動	375	-	(4,616)	(11,481)
Interest expense	利息開支	-	-	46,310	-
Interest paid classified as operating cash flows	分類為經營現金流量的已付利息	-	-	(46,310)	-
Termination of leases	終止租賃	-	-	(54,571)	-
Net loss on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸淨虧損	-	-	-	224,208
Net fair value gain on bullion loans designated as at fair value through profit or loss	指定為按公平價值訂定盈虧之貴金屬借貸的公平價值淨收益	-	-	-	(70)
At 31 December 2019	於2019年12月31日	<u>936,924</u>	<u>280,000</u>	<u>1,299,901</u>	<u>1,473,773</u>

(c) Total cash outflows for leases

The total cash outflows for leases included in the consolidated statement of cash flows is as follows:

Within operating activities	經營活動內
Within financing activities	融資活動內

(d) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$350,071,000 (2019: HK\$964,298,000) and HK\$308,742,000 (2019: HK\$956,487,000), respectively, in respect of lease arrangements for buildings.

36. 綜合現金流量表附註(續)

(b) 融資活動產生之負債變動:(續)

	Interest-bearing bank borrowings arising from securities and futures broking 證券及期貨經紀產生之計息	Lease liabilities 租賃負債	Bullion loans 貴金屬借貸
	計息銀行貸款 銀行貸款 HK\$'000 千港元	租賃負債 HK\$'000 千港元	貴金屬借貸 HK\$'000 千港元
At 1 January 2019	200,000	1,058,109	970,140
Changes from financing cash flow	80,000	(655,508)	290,976
New leases	-	956,487	-
Foreign exchange movement	-	(4,616)	(11,481)
Interest expense	-	46,310	-
Interest paid classified as operating cash flows	-	(46,310)	-
Termination of leases	-	(54,571)	-
Net loss on bullion loans designated as at fair value through profit or loss	-	-	224,208
Net fair value gain on bullion loans designated as at fair value through profit or loss	-	-	(70)
At 31 December 2019	<u>280,000</u>	<u>1,299,901</u>	<u>1,473,773</u>

(c) 租賃現金流出總額

計入綜合現金流量表的租賃現金流出總額如下:

	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Within operating activities	118,104	101,488
Within financing activities	539,329	655,508
	<u>657,433</u>	<u>756,996</u>

(d) 主要非現金交易

年內，本集團就樓宇租賃安排的使用權資產及租賃負債的非現金增加分別為350,071,000港元(2019年: 964,298,000港元)及308,742,000港元(2019年: 956,487,000港元)。

37. Commitments

- (a) The Group had the following capital commitments at the end of the reporting period:

Contracted, but not provided for Property, plant and equipment Capital contributions payable to a joint venture (note)	已訂約，但未撥備 物業、機器及設備 應付注資一家合營企業 (附註)
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Note:

In 2016, the Group entered into an agreement with independent third parties to form a joint venture. In March 2020, the Group did not proceed with the joint venture agreement.

- (b) The Group has various lease contracts that have not yet commenced as at 31 December 2020. The future lease payments for these non-cancellable lease contracts are HK\$18,908,000 (2019: HK\$24,537,000) due within one year, HK\$58,495,000 (2019: HK\$100,631,000) due in the second to fifth years, inclusive and HK\$488,000 (2019: HK\$3,563,000) due after five years.

37. 承擔

- (a) 本集團於報告期末的資本承擔如下：

2020 HK\$'000 千港元	2019 HK\$'000 千港元
16,453	19,242
-	453,033
16,453	472,275

附註：

於2016年，本集團與獨立第三方訂立合同以成立一家合營企業。於2020年3月本集團沒有繼續此合資協議。

- (b) 於2020年12月31日，本集團有尚未開始的各種租賃合約。該等不可撤銷租賃合約的未來租賃款項有18,908,000港元(2019年：24,537,000港元)於一年內到期、58,495,000港元(2019年：100,631,000港元)於第二至第五年(包括首尾兩年)到期及488,000港元(2019年：3,563,000港元)於五年後到期。

38. Connected and Related Party Transactions

- (a) In addition to the transactions and balances detailed elsewhere in these consolidated financial statements, the Group had the following material transactions with connected and/or related parties during the year at mutually agreed terms:

Nature of transactions 交易性質	Relationship 關係	2020 HK\$'000 千港元	2019 HK\$'000 千港元
Lease payments for the lease of a retail shop [#] 租賃零售店舖之租賃開支 [#]	Certain Directors of the Company who have beneficial interests in the property 本公司若干董事於該物業擁有實益權益	3,300	3,769
Lease payments for short-term leases of quarters of the Company's Directors 租賃本公司董事宿舍之短期租賃之租賃款項	Related companies in which certain Directors of the Company have beneficial interests 本公司若干董事擁有實益權益之關連公司	900	900
Consultancy expenses for the provision of image consultancy services to the Group 向本集團提供形象顧問服務之顧問開支	A related company in which family members of a Director of the Company have beneficial interests 本公司一名董事家族成員擁有實益權益之關連公司	1,233	448
Commission fee for sale of consignment stock 寄賣存貨之銷售佣金	A Director of the Company who has beneficial interest in the consignment stock 本公司一名董事於寄賣存貨擁有實益權益	-	115

[#] As at 31 December 2020, the right-of-use assets related to a retail shop from these related parties amounted to HK\$3,275,000 (2019: Nil) and lease liabilities of HK\$3,240,000 (2019: Nil) were due to these related parties of the Group. Depreciation of right-of-use assets related to this retail shop amounted to HK\$3,275,000 (2019: HK\$929,000) and interest on lease liabilities to these related parties of the Group amounted to HK\$168,000 (2019: HK\$5,000) during the year ended 31 December 2020.

All of the above related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. The above transactions are exempted from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.33 of the Listing Rules.

38. 關連人士交易

- (a) 除已於本綜合財務報告其他部分詳載之交易及結餘外，本集團於年內與關連人士按共同協商之條款進行以下重大交易：

[#] 於2020年12月31日，有關來自該等關連人士之一間零售店舖之使用權資產為3,275,000港元(2019年：零港元)，本集團欠付該等關連人士之租賃負債為3,240,000港元(2019年：零港元)。於截至2020年12月31日止年度，有關該零售店舖之使用權資產之折舊為3,275,000港元(2019年：929,000港元)及本集團支付該等關連人士之租賃負債利息為168,000港元(2019年：5,000港元)。

上述所有關連人士交易亦構成上市規則第十四A章所界定之持續關連交易。上述交易根據上市規則第14A.33條獲豁免申報、年度審核、公告及獨立股東批准之規定。

38. Connected and Related Party Transactions (continued)

(b) Emoluments of key management personnel of the Group

The aggregate amount of emoluments paid and payable to key management personnel during the year, including the amounts paid and payable to the Company's Executive Directors, is as follows:

Fees	袍金
Salaries and allowances	薪金及津貼
Discretionary bonuses paid and payable	已付及應付酌情花紅
Pension scheme contributions	退休金計劃供款

Further details of Directors' emoluments are included in note 8 to the consolidated financial statements.

38. 關連人士交易(續)

(b) 本集團主要管理人員酬金

年內已付及應付主要管理人員之酬金總額，包括已付及應付本公司執行董事之金額，載列如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元
1,063	1,090
40,793	36,497
4,984	2,989
791	1,133
47,631	41,709

董事酬金進一步詳情載於綜合財務報告附註8。

39. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

2020

Financial assets

財務資產

		Financial assets at fair value through profit or loss – mandatorily designated as such 按公平價值 計入損益的 財務資產 – 強制指定 為此類別 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本 列賬的 財務資產 HK\$'000 千港元	Financial assets designated at fair value through other comprehensive income – equity investments 指定為按公平價值 計入其他全面收益 的財務資產 – 股份投資 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets included in other assets	包含在其他資產之財務資產	-	207,170	-	207,170
Financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產	-	-	1,446,083	1,446,083
Accounts receivable	應收賬款	-	834,649	-	834,649
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	-	658,673	-	658,673
Financial assets included in prepayments, other receivables and other assets	包含在預付款項、其他應收賬款及其他資產的財務資產	-	71,299	-	71,299
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	9,634	-	-	9,634
Cash held on behalf of clients	代客戶持有現金	-	485,289	-	485,289
Cash and cash equivalents	現金及等同現金	-	1,653,767	-	1,653,767
		9,634	3,910,847	1,446,083	5,366,564

Financial liabilities

財務負債

		Financial liabilities at fair value through profit or loss 按公平價值計入損益的財務負債	Held for trading 持作買賣 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本入 賬之財務負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Accounts payable	應付賬款	-	-	129,803	129,803
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	-	-	575,052	575,052
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	-	-	351,580	351,580
Derivative financial instruments	衍生金融工具	-	7,054	-	7,054
Interest-bearing bank borrowings	計息銀行貸款	-	-	1,079,929	1,079,929
Bullion loans	貴金屬借貸	1,002,135	-	-	1,002,135
Lease liabilities	租賃負債	-	-	1,001,162	1,001,162
		1,002,135	7,054	3,137,526	4,146,715

39. 按類別分類之金融工具

於報告期末，各類別之金融工具賬面值如下：

39. Financial Instruments by Category (continued)

2019

Financial assets

財務資產

		Financial assets at fair value through profit or loss – mandatorily designated as such 按公平價值 計入損益的 財務資產 – 強制指定 為此類別 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本 列賬的 財務資產 HK\$'000 千港元	Financial assets designated at fair value through other comprehensive income – equity investments 指定為按公平價值 計入其他全面收益 的財務資產 – 股份投資 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets included in other assets	包含在其他資產之財務資產	-	206,340	-	206,340
Financial assets designated at fair value through other comprehensive income	指定為按公平價值計入其他全面收益的財務資產	-	-	935,599	935,599
Accounts receivable	應收賬款	-	915,804	-	915,804
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	-	585,230	-	585,230
Financial assets included in prepayments, other receivables and other assets	包含在預付款項、其他應收賬款及其他資產的財務資產	-	56,728	-	56,728
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	13,394	-	-	13,394
Derivative financial instruments	衍生金融工具	145	-	-	145
Cash held on behalf of clients	代客戶持有現金	-	443,797	-	443,797
Cash and cash equivalents	現金及等同現金	-	1,028,326	-	1,028,326
		<u>13,539</u>	<u>3,236,225</u>	<u>935,599</u>	<u>4,185,363</u>

Financial liabilities

財務負債

		Financial liabilities at fair value through profit or loss 按公平價值計入損益的財務負債	Designated as such upon initial recognition 於初次確認時 指定為此類別 HK\$'000 千港元	Held for trading 持作買賣 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本入 賬之財務負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Accounts payable	應付賬款	-	-	-	116,156	116,156
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	-	-	-	503,271	503,271
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	-	-	-	390,356	390,356
Derivative financial instruments	衍生金融工具	-	9,158	-	-	9,158
Interest-bearing bank borrowings	計息銀行貸款	-	-	-	1,216,924	1,216,924
Bullion loans	貴金屬借貸	1,473,773	-	-	-	1,473,773
Lease liabilities	租賃負債	-	-	-	1,299,901	1,299,901
		<u>1,473,773</u>	<u>9,158</u>	<u>3,526,608</u>	<u>5,009,539</u>	<u>5,009,539</u>

40. Fair Value and Fair Value Hierarchy of Financial Instruments

At the end of the reporting period, the carrying amounts of the Group's financial assets and liabilities approximated to their fair values.

Management has assessed that the fair values of accounts receivable, receivables arising from securities and futures broking, financial assets included in prepayments, other receivables and other assets, cash held on behalf of clients, cash and cash equivalents, accounts payable, payables arising from securities and futures broking, financial liabilities included in other payables and accruals and bank borrowings due for repayment within one year approximate to their carrying amounts largely due to the short term maturities of these instruments.

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

The fair values of other assets and bank borrowings due for repayment after one year approximate to their carrying amounts, which have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings, bullion loans and other borrowings as at 31 December 2020 were assessed to be insignificant.

The fair values of listed equity investments are based on quoted market prices. The fair values of the unlisted equity investments designated at fair value through other comprehensive income have been estimated using the income capitalisation method and net realisable value method. The valuation requires the management to make estimate about the capitalisation rates. Management believes that the estimated fair value resulting from the valuation technique, which is recorded in the consolidated statement of financial position, and the related change in fair value, which is recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The fair value of bullion loans and customer gold deposits is based on open market prices of bullion.

The Group enters into derivative financial instruments with reputable financial institutions or top bullion trading companies. As at 31 December 2020, derivative financial instruments represented bullion contracts and cross currency swaps which are measured based on bullion market prices and swap pricing respectively. The carrying amounts of the bullion contracts and cross currency swaps are the same as their fair values.

40. 金融工具之公平價值及公平價值等級

於報告期末，本集團之財務資產及負債之賬面值與其公平價值相若。

管理層已評定應收賬款、證券及期貨經紀產生之應收賬款、包含在預付款項、其他應收賬款及其他資產之財務資產、代客戶持有現金、現金及等同現金、應付賬款、證券及期貨經紀產生之應付賬款、包含在其他應付賬款及應計項目之財務負債及須於一年內到期償還之銀行貸款之公平價值與其賬面值相若，主要由於該等工具將於短期內到期。

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

其他資產及須於1年後到期償還之銀行貸款之公平價值與其賬面值相若，有關賬面值乃採用具有類似條款、信貸風險及餘下到期日之工具之現時適用利率折現計算預期未來現金流量。本集團於2020年12月31日就計息銀行貸款、貴金屬借貸及其他貸款面對之不履約風險所導致之公平價值變動被評估為並不重大。

上市股份投資之公平價值乃根據市場報價計算。指定為按公平價值計入其他全面收益之非上市股份投資之公平價值乃採用收入資本化法及可變現淨值法作出估計。該項估值要求管理層對資本化比率作出估計。管理層認為就估值技術產生之估計公平價值已於綜合財務狀況表賬及相關公平價值變動已於其他全面收益賬，並屬合理，及為於報告期末最適當之價值。

貴金屬借貸及客戶存金之公平價值乃按貴金屬之公開市價計算。

本集團與信譽良好之金融機構或頂級貴金屬貿易公司訂立衍生金融工具。於2020年12月31日，衍生金融工具指分別按貴金屬市場價格計算之貴金屬合約及掉期價格計算之交叉貨幣掉期。貴金屬合約及交叉貨幣掉期之賬面值與其公平價值相同。

40. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Below is a summary of significant unobservable input to the valuation of financial instruments together with a quantitative sensitivity analysis:

40. 金融工具之公平價值及公平價值等級(續)

以下為金融工具估值之重大難以觀察數據概要連同量化敏感度分析：

	Valuation technique 估值技術	Significant unobservable input 重大難以觀察數據	Range 範圍	Sensitivity of the input to fair value 數據對公平價值之敏感度
As at 31 December 2020 於2020年12月31日				
Unlisted equity investments designated at fair value through other comprehensive income	Income capitalisation method	Capitalisation rate	3.8% to 4.5%	1% increase/ decrease in capitalisation rate would result in decrease/increase in fair value by HK\$194,000
指定為按公平價值計入其他全面收益的非上市股份投資	收入資本化法	資本化比率	3.8% 至 4.5%	資本化比率增加/減少1%將導致公平價值減少/增加194,000港元
	Net realisable value method 可變現淨值法	N/A 不適用	N/A 不適用	N/A 不適用
As at 31 December 2019 於2019年12月31日				
Unlisted equity investments designated at fair value through other comprehensive income	Income capitalisation method	Capitalisation rate	3.8% to 4.8%	1% increase/ decrease in capitalisation rate would result in decrease/increase in fair value by HK\$201,000
指定為按公平價值計入其他全面收益的非上市股份投資	收入資本化法	資本化比率	3.8% 至 4.8%	資本化比率增加/減少1%將導致公平價值減少/增加201,000港元
	Net realisable value method 可變現淨值法	N/A 不適用	N/A 不適用	N/A 不適用

40. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

40. 金融工具之公平價值及公平價值等級(續)

公平價值等級

下表呈列本集團金融工具之公平價值計量等級：

按公平價值計量之資產：

		Fair value measurement using 採用以下項目之公平價值計量			
		Quoted prices in active markets (Level 1) 活躍市場 報價 (級別1) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 數據 (級別2) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大難以觀察 數據 (級別3) HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日				
Financial assets designated at fair value through other comprehensive income	指定為按公平價值計入 其他全面收益的財務 資產	1,413,890	–	32,193	1,446,083
Financial assets at fair value through profit or loss	按公平價值計入損益的 財務資產	9,634	–	–	9,634
		1,423,524	–	32,193	1,455,717
As at 31 December 2019	於2019年12月31日				
Financial assets designated at fair value through other comprehensive income	指定為按公平價值計入 其他全面收益的財務 資產	901,135	–	34,464	935,599
Financial assets at fair value through profit or loss	按公平價值計入損益的 財務資產	13,394	–	–	13,394
Derivative financial instruments	衍生金融工具	–	145	–	145
		914,529	145	34,464	949,138

40. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

Fair value hierarchy (continued)

The movements in fair value measurements in Level 3 during the year are as follows:

Financial assets designated at fair value through other comprehensive income:	指定為按公平價值計入其他全面收益的財務資產：
At 1 January	於1月1日
Total loss recognised in other comprehensive income	於其他全面收益中確認之虧損總額
At 31 December	於12月31日

Liabilities measured at fair value:

40. 金融工具之公平價值及公平價值等級(續)

公平價值等級(續)

年內級別3之公平價值計量變動如下：

2020	2019
HK\$'000	HK\$'000
千港元	千港元

34,464 37,287

(2,271) (2,823)

32,193 34,464

按公平價值計量之負債：

Fair value measurement using
採用以下項目之公平價值計量

		Quoted prices in active markets (Level 1) 活躍市場 報價 (級別1) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 數據 (級別2) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大難以觀察 數據 (級別3) HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2020	於2020年12月31日				
Bullion loans	貴金屬借貸	1,002,135	-	-	1,002,135
Derivative financial instruments	衍生金融工具	-	7,054	-	7,054
Customer gold deposits	客戶存金	22,526	-	-	22,526
		1,024,661	7,054	-	1,031,715
As at 31 December 2019	於2019年12月31日				
Bullion loans	貴金屬借貸	1,473,773	-	-	1,473,773
Derivative financial instruments	衍生金融工具	-	9,158	-	9,158
Customer gold deposits	客戶存金	47,098	-	-	47,098
		1,520,871	9,158	-	1,530,029

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

年內，財務資產及財務負債之級別1及級別2之間均無公平價值計量轉移，亦無轉入或轉出級別3。

41. Financial Risk Management Objectives and Policies

(a) Financial risk factors

The Group's principal financial instruments comprise bank borrowings, and cash and bank deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The Group's overall risk management policies focus on the unpredictability of financial markets and seek to utilise potential adverse effects on the Group's financial performance. Risk management is carried out by management under the policies approved by the Board and it identifies, evaluates and monitors financial risks in close co-operation with the Group's operating units.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk, equity price risk and commodity price risk. The Board reviews and agrees policies for managing each of these risks and they are utilising below.

Interest rate risk

The Group is exposed to interest rate risk due to potential changes in interest rates of interest-bearing financial assets and liabilities. Interest-bearing financial assets are mainly loans to margin clients whereas interest-bearing financial liabilities are primarily bank borrowings with primarily floating interest rates which expose the Group to cash flow interest rate risk.

For Hong Kong dollar floating-rate borrowings, assuming that the amount of liability outstanding at the end of the reporting period was outstanding for the whole year, a 50-basis point increase/decrease in interest rates at 31 December 2020 and 2019 would have decreased/increased the Group's profit before tax by HK\$3,798,000 and HK\$3,996,000, respectively. The sensitivity to the interest rate used is considered reasonable, with all other variables held constant and before any impact on tax.

The Group's interest rate risk exposure also arises from margin financing and other lending activities. The Group has the legal capacity to quickly recall such loans or re-price its loans to an appropriate level. A 50 basis-point increase/decrease in interest rates at 31 December 2020 and 2019 would have increased/decreased the Group's profit before tax by HK\$1,320,000 and HK\$1,417,000 respectively. The analysis is prepared assuming the amount of assets carried at the end of the reporting period was carried for the whole year. The sensitivity to the interest rate used is considered reasonable, with all other variables held constant and before any impact on tax.

41. 財務風險管理目標及政策

(a) 財務風險因素

本集團之主要金融工具包括銀行貸款與現金及銀行存款。此等金融工具之主要用途乃為本集團之業務籌集資金。本集團有若干其他財務資產及負債來自其經營業務直接產生，例如應收賬款及應付賬款。

本集團之整體風險管理政策針對金融市場之難以預測性，並尋求減低對本集團財務表現構成之潛在不利影響。風險管理乃由管理層根據董事會批核之政策進行，而管理層與本集團之營運單位緊密合作，以識別、評估及監察財務風險。

本集團金融工具所產生之主要風險為利率風險、外匯風險、信貸風險、流動資金風險、股份價格風險及商品價格風險。董事會審閱並同意下文所概述管理各項此等風險之政策。

利率風險

本集團因計息財務資產及負債之利率潛在變動而承受利率風險。計息財務資產主要為孖展客戶貸款，而計息財務負債主要為銀行貸款，主要按浮動利率計息，導致本集團承受現金流量利率風險。

就港元浮動利率貸款而言，假設於報告期末結欠之負債金額乃於整個年度結欠，利率於2020年及2019年12月31日增加／減少50個基點，將分別減少／增加本集團除稅前溢利3,798,000港元及3,996,000港元。在所有其他變數維持不變及計入任何稅項影響前之情況下，本集團認為對所用利率之敏感度乃屬合理。

本集團之利率風險亦來自孖展借貸及其他貸款活動。本集團擁有法定能力要求即時收回有關貸款或重訂其貸款至適當水平。利率於2020年及2019年12月31日增加／減少50個基點，將分別增加／減少本集團除稅前溢利1,320,000港元及1,417,000港元。此分析乃假設於報告期末列賬之資產金額乃於整個年度列賬而達致。在所有其他變數維持不變及計入任何稅項影響前之情況下，本集團認為對所用利率之敏感度乃屬合理。

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Interest rate risk (continued)

The Group's policy is to obtain the most favorable interest rates available without increasing its foreign currency exposures. In addition, the Group monitors the level of interest rate exposure and considers utilising hedging instruments should the need arise.

Foreign currency risk

The Group has transactional currency exposures mainly arising from sales or purchases by operating units in currencies other than the units' functional currency. Management conducted periodical review of exposures and requirements of various currencies, and used cross currency swaps to manage certain of its foreign currency exposures on significant and recurring future commercial transactions. Hedging is only considered for firm commitments.

The Group's assets and liabilities are mainly denominated in Hong Kong dollar, Renminbi and United States dollar. Currency risk is managed by partly financing non-Hong Kong dollar assets with loans denominated in the relevant currencies.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair values of monetary assets and liabilities) and the Group's equity.

		Increase/ (decrease) RMB rate 人民幣匯率 增加/(減少) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity 權益 增加/(減少) HK\$'000 千港元
2020				
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣轉弱	5	4,975	348,765
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣加強	(5)	(4,975)	(348,765)
2019				
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣轉弱	5	4,488	294,460
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣加強	(5)	(4,488)	(294,460)

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

利率風險(續)

本集團之政策乃在不增加其外匯風險之情況下爭取最有利之利率。此外，本集團監察利率風險承擔水平，及於有需要時考慮採用對沖工具。

外匯風險

本集團之交易貨幣風險主要來自業務單位以其功能貨幣以外之貨幣進行之買賣。管理層就不同貨幣的風險及需要進行定期檢討，並利用交叉貨幣掉期管理其重大及經常性未來商業交易之若干外幣風險。本集團僅就確定承擔進行對沖。

本集團之資產及負債主要以港元、人民幣及美元為單位。管理外匯風險方法是以外幣貸款為手上非港元資產進行部分融資。

下表顯示於所有其他因數維持不變之情況下，本集團於報告期末之除稅前溢利(因貨幣資產及負債公平價值的變動)及本集團的權益對人民幣匯率可能合理變動之敏感度。

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Credit risk

The accounts receivable and receivables arising from securities and futures broking represent the Group's major exposure to the credit risk arising from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets in the consolidated statement of financial position. The Group's retail sales of jewellery and watches are usually transacted on a cash basis, via popular credit cards or through reputable and dispersed department stores. The Group's credit sales to corporate clients and wholesale customers are generally on credit terms within 60 days. The Group has no significant concentrations of credit risk with respect to its retail business as it has a large number of diversified customers. For accounts receivable arising from the wholesale of diamonds and precious metals, the Group trades only with recognised and creditworthy third parties and bullion banks. The Group's receivables from margin clients arising from the ordinary course of business of dealing in securities are secured by the underlying collaterals. The Group seeks to maintain strict control over its outstanding receivables and has its credit control policy to minimise the credit risk. In addition, all receivable balances are monitored on an ongoing basis and overdue balances are followed up by senior management.

Maximum exposure and year-end staging

The tables below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

信貸風險

應收賬款及證券及期貨經紀產生之應收賬款乃本集團由於交易對手不履約而產生之主要信貸風險，最高風險相等於綜合財務狀況表中此等財務資產之賬面值。本集團之珠寶及鐘錶零售銷售通常以現金、通過普及信用卡或透過信譽良好及分散之百貨公司進行交易。本集團向企業客戶及批發客戶進行之信貸銷售一般按60日內之除賬期進行。由於零售業務擁有大量分散客戶，故並無重大集中之信貸風險。就鑽石及貴金屬批發產生之應收賬款，本集團僅與獲確認及有信譽之第三者及金商進行交易。本集團來自日常業務中證券買賣產生之應收孖展客戶賬款以有關已抵押證券作抵押。本集團對逾期應收賬款維持嚴格控制，並設有信貸控制政策以減低信貸風險。此外，所有應收賬款結餘均受持續監察，逾期結餘由高級管理人員跟進。

最高風險及年末分階段分類

下表根據本集團的信貸政策，列示信貸質素及最高信貸風險，除非無須過大成本或努力便可獲得其他資料，否則下表主要以逾期資料，及於12月31日之年末分階段分類為基礎。呈列數字為財務資產的賬面總值。

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 December 2020

		12-month ECLs		Lifetime ECL			Total 合計
		12個月預期 信貸虧損		全期預期信貸虧損			
		Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段	Simplified approach 簡化方法		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Accounts receivable*	應收賬款*	-	-	-	884,455	884,455	
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款						
- Normal**	- 正常**	425,434	11,888	-	-	437,322	
- Doubtful**	- 不確定**	-	-	711,095	-	711,095	
Financial assets included in other assets	包含在其他資產之財務資產	207,170	-	-	-	207,170	
Financial assets included in prepayments, other receivables and other assets	包含在預付款項、其他應收賬款及其他資產的財務資產						
- Normal**	- 正常**	71,299	-	-	-	71,299	
Cash held on behalf of clients	代客戶持有現金						
- Not yet past due	- 尚未逾期	485,289	-	-	-	485,289	
Cash and cash equivalents	現金及等同現金						
- Not yet past due	- 尚未逾期	1,653,767	-	-	-	1,653,767	
		2,842,959	11,888	711,095	884,455	4,450,397	

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

信貸風險(續)

最高風險及年末分階段分類(續)

於2020年12月31日

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 December 2019

		12-month	Lifetime ECL			Total	
		ECLs	Simplified				
		12個月預期	全期預期信貸虧損			合計	
		信貸虧損	Stage 1	Stage 2	Stage 3	approach	Total
			第1階段	第2階段	第3階段	簡化方法	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Accounts receivable*	應收賬款*	–	–	–	–	942,312	942,312
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款						
– Normal**	– 正常**	319,697	–	–	–	–	319,697
– Doubtful**	– 不確定**	–	–	711,201	–	–	711,201
Financial assets included in other assets	包含在其他資產之財務資產	206,340	–	–	–	–	206,340
Financial assets included in prepayments, other receivables and other assets	包含在預付款項、其他應收賬款及其他資產的財務資產						
– Normal**	– 正常**	56,728	–	–	–	–	56,728
Cash held on behalf of clients	代客戶持有現金						
– Not yet past due	– 尚未逾期	443,797	–	–	–	–	443,797
Cash and cash equivalents	現金及等同現金						
– Not yet past due	– 尚未逾期	1,028,326	–	–	–	–	1,028,326
		<u>2,054,888</u>	<u>–</u>	<u>711,201</u>	<u>–</u>	<u>942,312</u>	<u>3,708,401</u>

* For accounts receivable to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 21 to the consolidated financial statements.

** The credit quality of the receivables arising from securities and futures broking and financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

信貸風險(續)

最高風險及年末分階段分類(續)

於2019年12月31日

		12-month	Lifetime ECL			Total	
		ECLs	Simplified				
		12個月預期	全期預期信貸虧損			合計	
		信貸虧損	Stage 1	Stage 2	Stage 3	approach	Total
			第1階段	第2階段	第3階段	簡化方法	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Accounts receivable*	應收賬款*	–	–	–	–	942,312	942,312
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款						
– Normal**	– 正常**	319,697	–	–	–	–	319,697
– Doubtful**	– 不確定**	–	–	711,201	–	–	711,201
Financial assets included in other assets	包含在其他資產之財務資產	206,340	–	–	–	–	206,340
Financial assets included in prepayments, other receivables and other assets	包含在預付款項、其他應收賬款及其他資產的財務資產						
– Normal**	– 正常**	56,728	–	–	–	–	56,728
Cash held on behalf of clients	代客戶持有現金						
– Not yet past due	– 尚未逾期	443,797	–	–	–	–	443,797
Cash and cash equivalents	現金及等同現金						
– Not yet past due	– 尚未逾期	1,028,326	–	–	–	–	1,028,326
		<u>2,054,888</u>	<u>–</u>	<u>711,201</u>	<u>–</u>	<u>942,312</u>	<u>3,708,401</u>

* 本集團應用簡化方式評估應收賬款的減值，以撥備矩陣為基礎的資料披露於綜合財務報告附註21。

** 倘證券及期貨經紀產生之應收賬款及包含在預付款項、其他應收賬款及其他資產的財務資產並無逾期且並無資訊顯示該等財務資產之信貸風險自初次確認後大幅增加，則該等財務資產之信貸質量被視為「正常」。否則，該等財務資產之信貸質量被視為「不確定」。

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuation in cash flows. The responsibility of the Group's treasury department is to maintain a balance between continuity of funding and flexibility through the use of banking facilities in order to meet its liquidity requirements both in the short term and long term. The Group maintains significant flexibility to respond to opportunities and events by ensuring that committed credit lines are available. All debts of the Group (other than lease liabilities) as at 31 December 2020 would mature within three years.

The maturity profile of the Group's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2020

		No fixed terms of repayment/repayable on demand	3 months or less	1 year or less but over 3 months	2 years or less but over 1 year	5 years or less but over 2 years	Over 5 years	Undated	Total
	無固定償還期/須按要求償還	3個月或以下	1年或以下但3個月以上	2年或以下但1年以上	5年或以下但2年以上	5年以上	無期限	合計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Accounts payable	應付賬款	81,174	48,629	-	-	-	-	129,803	
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	486,508	88,544	-	-	-	-	575,052	
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	151,240	200,340	-	-	-	-	351,580	
Derivative financial instruments	衍生金融工具	-	4,120	2,934	-	-	-	7,054	
Lease liabilities	租賃負債	-	159,545	431,208	314,926	141,409	11,910	1,058,998	
Term loans subject to repayment on demand clause	按要求償還條款之定期貸款	297,580	-	-	-	-	-	297,580	
Other interest-bearing bank borrowings	其他計息銀行貸款	-	118,412	298,278	259,973	126,751	-	803,414	
Bullion loans	貴金屬借貸	-	924,264	77,871	-	-	-	1,002,135	
		<u>1,016,502</u>	<u>1,543,854</u>	<u>810,291</u>	<u>574,899</u>	<u>268,160</u>	<u>11,910</u>	<u>4,225,616</u>	

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

流動資金風險

本集團監控並維持現金及等同現金於管理人員認為足夠水平，為本集團運作提供資金及緩和現金流量波動之影響。本集團財政部門之責任為透過使用銀行信貸在資金之持續性及靈活性之間取得平衡，以配合其短期及長期流動資金需求。本集團透過確保擁有可動用之已承諾信貸額度，維持充裕靈活性以回應商機及事件。於2020年12月31日，本集團所有債項(租賃負債除外)均於三年內到期。

於報告期末，本集團之財務負債按已訂約但未折現款項計算之到期情況如下：

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Liquidity risk (continued)

2019

		No fixed terms of repayment/repayable on demand	3 months or less	1 year or less but over 3 months	2 years or less but over 1 year	5 years or less but over 2 years	Over 5 years	Undated	Total
		無固定償還期/須按要求償還	3個月或以下	1年或以下但3個月以上	2年或以下但1年以上	5年或以下但2年以上	5年以上	無期限	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Accounts payable	應付賬款	83,322	32,834	-	-	-	-	-	116,156
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	444,712	58,559	-	-	-	-	-	503,271
Financial liabilities included in other payables and accruals	包含在其他應付賬款及應計項目之財務負債	124,026	266,330	-	-	-	-	-	390,356
Derivative financial instruments	衍生金融工具	-	8,328	-	-	-	-	830	9,158
Lease liabilities	租賃負債	-	153,397	458,646	467,035	269,074	24,508	-	1,372,660
Term loans subject to repayment on demand clause	按要求償還條款之定期貸款	336,040	-	-	-	-	-	-	336,040
Other interest-bearing bank borrowings	其他計息銀行貸款	-	139,486	325,913	288,160	166,193	-	-	919,752
Bullion loans	貴金屬借貸	-	1,217,378	256,395	-	-	-	-	1,473,773
		<u>988,100</u>	<u>1,876,312</u>	<u>1,040,954</u>	<u>755,195</u>	<u>435,267</u>	<u>24,508</u>	<u>830</u>	<u>5,121,166</u>

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The fair values of these listed equity investments are affected by market forces and other factors. The Group is exposed to equity price risk arising from individual equity investments classified as financial assets designated at fair value through other comprehensive income (note 19) and financial assets at fair value through profit or loss (note 24) as at 31 December 2020. The Group's listed investments are listed on the Stock Exchange and are valued at quoted market prices at the end of the reporting period. The majority of the listed equity investments are held for non-trading purposes.

股份價格風險

股份價格風險指股份證券之公平價值因股份指數水平及個別證券價值出現變動而下跌之風險。此等上市股份投資之公平價值受市場力量及其他因素影響。本集團於2020年12月31日被分類為指定為按公平價值計入其他全面收益的財務資產(附註19)及按公平價值計入損益的財務資產(附註24)之個別股份投資因而承受股份價格風險。本集團之上市投資於聯交所上市，以報告期末所報市價計值。大部分上市股份投資乃持作非買賣用途。

41. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Equity price risk (continued)

The following table demonstrates the sensitivity to every 10% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period. For the purpose of this analysis, the impact with respect to the financial assets designated at fair value through other comprehensive income is deemed to be on the fair value reserve.

2020

Investments listed in Hong Kong: Financial assets designated at fair value through other comprehensive income	於香港上市之投資： 指定為按公平價值計入其他全面收益的財務資產	1,413,890	-	141,389
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	9,634	963	-

2019

Investments listed in Hong Kong: Financial assets designated at fair value through other comprehensive income	於香港上市之投資： 指定為按公平價值計入其他全面收益的財務資產	901,135	-	90,114
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	13,394	1,339	-

Commodity price risk

The Group is engaged in the sale of jewellery including bullion products. The bullion market is influenced by global as well as regional supply and demand conditions. A significant decline in prices of bullion could adversely affect the Group's financial performance. In order to reduce the commodity price risk, the Group uses bullion loans as well as derivative financial instruments, such as bullion contracts, to reduce its exposure to fluctuation in the bullion prices on bullion inventories. The bullion price exposures are monitored by management.

For the bullion loans and bullion contracts, assuming that the amount outstanding at the end of the reporting period was outstanding for the whole year, a 10% increase/decrease in market prices of bullion at 31 December 2020 and 2019 would have decreased/increased the Group's profit before tax by HK\$141,155,000 and HK\$194,697,000, respectively. The sensitivity to the market prices of bullion used is considered reasonable, with all other variables held constant and before any impact on tax. This information has not taken into account potential financial impact on other financial statement line items.

41. 財務風險管理目標及政策(續)

(a) 財務風險因素(續)

股份價格風險(續)

下表顯示按於報告期末之賬面值計算，於所有其他變數不變及計入任何稅項影響前對股份投資公平價值每10%變動之敏感度。就本分析而言，對指定為按公平價值計入其他全面收益的財務資產之有關影響分別被視為對公平價值儲備造成影響。

Carrying amount of equity investments 股份投資之賬面值 HK\$'000 千港元	Increase/decrease in profit before tax 除稅前溢利增加/減少 HK\$'000 千港元	Increase/decrease in equity 權益增加/減少 HK\$'000 千港元
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商品價格風險

本集團從事銷售珠寶，包括貴金屬產品。貴金屬市場受全球以及地區性供求情況影響。貴金屬價格大跌可能對本集團之財務狀況構成不利影響。為降低商品價格風險，本集團使用貴金屬借貸以及貴金屬合約等衍生金融工具，以減低貴金屬價格波動對貴金屬存貨之風險承擔。管理層會監察貴金屬價格之風險承擔。

就貴金屬借貸及貴金屬合約而言，假設於報告期末結欠之金額乃於整個年度結欠，貴金屬市價於2020年及2019年12月31日增加/減少10%，將分別減少/增加本集團除稅前溢利141,155,000港元及194,697,000港元。在所有其他變數維持不變及計入任何稅項影響前之情況下，本集團認為對所用貴金屬市價之敏感度乃屬合理。此資料並無考慮對其他財務報告項目之潛在財務影響。

41. Financial Risk Management Objectives and Policies (continued)

(b) 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 a healthy capital ratio in order to support its business and to enhance shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, raise and repay debts or issue new shares. The Group is required to comply with certain externally imposed capital requirements set out in certain of its banking facility agreements. Additionally, certain subsidiaries engaged in securities and futures broking, which are regulated entities under the Securities and Futures Commission of Hong Kong ("SFC"), and a subsidiary which is a member of the CGSE, are required to comply with respective minimum capital requirements imposed by the SFC and the CGSE. During the two years ended 31 December 2020 and 2019, these subsidiaries complied with respective minimum capital requirements imposed by the SFC and the CGSE. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

The Group monitors capital using a gearing ratio, which is total borrowings to total equity. Total borrowings include interest-bearing bank borrowings, interest-bearing bank borrowings arising from securities and futures broking and bullion loans. Total equity comprises all components of equity attributable to equity holders of the Company. The Group's policy is to maintain the gearing ratio at a reasonable level. The gearing ratios at the end of the reporting periods were as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
Total borrowings	總借貸	<u>2,082,064</u>	<u>2,690,697</u>
Total equity	總權益	<u>12,019,114</u>	<u>10,632,385</u>
Gearing ratio	資本負債比率	<u>17.3%</u>	<u>25.3%</u>

41. 財務風險管理目標及政策(續)

(b) 資本管理

本集團資本管理之主要目標為保障本集團持續經營業務之能力，並維持穩健之資本比率，以支持其業務及增加股東之價值。

本集團按經濟狀況及業務策略之變動管理其資本架構，並對其作出調整。為維持或調整資本架構，本集團可能調整向股東派付之股息、增加及償還債項或發行新股。本集團須遵守其若干銀行融資協議所載之若干外在資本規定。此外，若干附屬公司從事證券及期貨經紀業務並為香港證券及期貨事務監察委員會（「證監會」）所指之受規管實體，以及一家附屬公司為金銀業貿易場之會員，該等公司須遵守證監會及金銀業貿易場實施之有關最低資本規定。於截至2020年及2019年12月31日止兩個年度，該等附屬公司遵守證監會及金銀業貿易場各自實施之最低資本規定。截至2020年及2019年12月31日止年度，本集團管理資本之目標、政策或程序並無作出變動。

本集團按資本負債比率（即總借貸對比總權益）監控資本。總借貸包括計息銀行貸款、證券及期貨經紀產生之計息銀行貸款及貴金屬借貸。總權益包括本公司權益持有人應佔權益之所有部分。本集團之政策為將資本負債比率維持在合理水平。於報告期末之資本負債比率如下：

42. Offsetting Financial Assets and Financial Liabilities (continued)

42. 抵銷財務資產及財務負債(續)

2019

		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities	Net amounts of financial assets set off in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
		已確認財務資產總額	抵銷之已確認財務負債總額	呈報之財務資產淨額	Financial instruments	Cash collateral pledged	淨額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Assets	資產						
Accounts receivable	應收賬款	915,810	(6)	915,804	-	-	915,804
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	643,089	(57,859)	585,230	-	-	585,230
		<u>1,558,899</u>	<u>(57,865)</u>	<u>1,501,034</u>	<u>-</u>	<u>-</u>	<u>1,501,034</u>
		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities	Net amounts of financial liabilities set off in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
		已確認財務資產總額	抵銷之已確認財務負債總額	呈報之財務負債淨額	Financial instruments	Cash collateral pledged	淨額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Liabilities	負債						
Accounts payable	應付賬款	116,162	(6)	116,156	-	-	116,156
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	561,130	(57,859)	503,271	-	-	503,271
		<u>677,292</u>	<u>(57,865)</u>	<u>619,427</u>	<u>-</u>	<u>-</u>	<u>619,427</u>

43. Event After the Reporting Period

Subsequent to the end of the reporting period, the Company announced the cessation of operation of its securities and futures broking business, details of which were contained in the announcement dated 29 January 2021.

43. 報告期後事項

報告期結束後，本公司宣布停止經營其證券及期貨經紀業務，有關詳情載於日期為2021年1月29日的公告。

44. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

		2020 HK\$'000 千港元	2019 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Interests in subsidiaries	於附屬公司之權益	<u>3,182,683</u>	<u>3,143,162</u>
CURRENT ASSETS	流動資產		
Prepayments	預付款項	337	335
Cash and cash equivalents	現金及等同現金	<u>1,553</u>	<u>2,424</u>
Total current assets	總流動資產	<u>1,890</u>	<u>2,759</u>
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付賬款及應計項目	7,544	7,514
Tax payable	應付稅項	<u>21</u>	<u>357</u>
Total current liabilities	總流動負債	<u>7,565</u>	<u>7,871</u>
NET CURRENT LIABILITIES	流動負債淨額	<u>(5,675)</u>	<u>(5,112)</u>
Net assets	資產淨值	<u>3,177,008</u>	<u>3,138,050</u>
EQUITY	權益		
Issued capital	已發行股本	169,359	169,359
Reserves (note)	儲備(附註)	<u>3,007,649</u>	<u>2,968,691</u>
Total equity	總權益	<u>3,177,008</u>	<u>3,138,050</u>

44. 本公司財務狀況表

有關本公司於報告期末之財務狀況表之資料如下：

Vincent CHOW Wing Shing
Director

周永成
董事

Winston CHOW Wun Sing
Director

周允成
董事

44. Statement of Financial Position of the Company (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	1,060,356	15,251	975,582	908,498	2,959,687
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	401,916	401,916
Transfer of share option reserve upon the forfeiture of share options	於沒收購股權時轉撥購股權儲備	-	(983)	-	983	-
Dividends declared and paid during the year	年內宣派及繳付股息	-	-	-	(392,912)	(392,912)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	1,060,356	14,268	975,582	918,485	2,968,691
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	242,189	242,189
Transfer of share option reserve upon the forfeiture of share options	於沒收購股權時轉撥購股權儲備	-	(14,268)	-	14,268	-
Dividends declared and paid during the year	年內宣派及繳付股息	-	-	-	(203,231)	(203,231)
At 31 December 2020	於2020年12月31日	1,060,356	-	975,582	971,711	3,007,649

The Company's contributed surplus arose in 1992 as a result of the Group's reorganisation and represents the difference between the nominal value of the Company's shares allocated under the reorganisation scheme and the then consolidated net asset value of the acquired subsidiaries.

Under the Bermuda Companies Act 1981, the contributed surplus is distributable to shareholders under certain circumstances.

44. 本公司財務狀況表(續)

附註：

本公司儲備之概要如下：

本公司於1992年產生之繳入盈餘來自本集團重組，乃根據重組計劃配發之本公司股份面值與被收購附屬公司當時之綜合資產淨值之差額計算。

根據百慕達1981年公司法，在若干情況下，繳入盈餘可分派予股東。

45. Particulars of Subsidiaries

Information about subsidiaries is as follows:

Name 名稱	Place of incorporation/ registration/ and business 成立/ 註冊及營業地點	Issued ordinary share capital/ registered capital 已發行普通股本/ 註冊股本	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Acclaim Holdings Limited 雅慶有限公司	British Virgin Islands 英屬維爾京群島	US\$600,000 600,000 美元	–	100	Investment holding 投資控股
Chow Sang Sang Bullion Dealers Limited 周生生金號有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Investment holding 投資控股
Chow Sang Sang (China) Company Limited* 周生生(中國)商業有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	HK\$1,500,000,000 1,500,000,000 港元	–	100	Sale of jewellery and watches 珠寶及鐘錶銷售
Chow Sang Sang Commodities Limited 周生生商品有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Dormant 暫無營業
Chow Sang Sang Corporate Gift Limited 周生生企業禮品有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	–	100	Sale of corporate gift products 企業禮品銷售
Chow Sang Sang Diamond (Guangdong) Co., Ltd.* 周生生鑽石(廣東)有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	RMB10,000,000 10,000,000 元人民幣	–	100	Diamond polishing 鑽石打磨
Chow Sang Sang Diamond (Shanghai) Co., Ltd.* 周生生鑽石(上海)有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	US\$10,000,000 10,000,000 美元	–	100	Diamond trading 鑽石買賣
Chow Sang Sang Finance Limited 周生生財務有限公司	Hong Kong 香港	HK\$15,000,000 15,000,000 港元	–	100	Group financing 集團融資
Chow Sang Sang Futures Limited 周生生期貨有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	–	100	Futures broking 期貨經紀
Chow Sang Sang Holdings (BVI) Limited 周生生集團(英屬維爾京群島) 有限公司	British Virgin Islands 英屬維爾京群島	US\$50,000 50,000 美元	100	–	Investment holding 投資控股
Chow Sang Sang Holdings Limited 周生生集團有限公司	Hong Kong 香港	HK\$250 250 港元	–	100	Investment holding 投資控股

45. 附屬公司詳情

附屬公司之資料如下：

45. Particulars of Subsidiaries (continued)

45. 附屬公司詳情(續)

Name 名稱	Place of incorporation/ registration/ and business 成立/ 註冊及營業地點	Issued ordinary share capital/ registered capital 已發行普通股本/ 註冊股本	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chow Sang Sang International (Shunde) Limited 周生生國際(順德)有限公司	Hong Kong/ Mainland China 香港/中國大陸	HK\$2 2 港元	–	100	Property investment 物業投資
Chow Sang Sang Investments Limited 周生生投資有限公司	Hong Kong 香港	HK\$2,500,000 2,500,000 港元	–	100	Investment holding 投資控股
Chow Sang Sang Jewellery (China) Limited 周生生珠寶(中國)有限公司	Hong Kong 香港	HK\$1 1 港元	–	100	Provision of marketing services and investment holding 提供市場推廣服務 及投資控股
Chow Sang Sang Jewellery Company Limited 周生生珠寶金行有限公司	Hong Kong 香港	HK\$30,000,000 30,000,000 港元	–	100	Retail of jewellery and watches 珠寶及鐘錶零售
Chow Sang Sang Jewellery (Foshan) Co., Ltd.* 周生生珠寶(佛山)有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	HK\$275,307,500 275,307,500 港元	–	100	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery Pte Ltd	Singapore 新加坡	SG\$2 2 坡元	–	100	Dormant 暫無營業
Chow Sang Sang Jewellery (Qingdao) Co., Ltd.* 周生生珠寶(青島)有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	RMB20,000,000 20,000,000 元人民幣	–	100	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery (Shaanxi) Co., Ltd.* 周生生珠寶金行(陝西)有限公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	HK\$24,400,000 24,400,000 港元	–	100	Manufacture and sale of jewellery 珠寶製造及銷售
Chow Sang Sang Jewellery (Taiwan) Limited 周生生珠寶行股份有限公司	British Virgin Islands/ Taiwan 英屬維爾京群島/臺灣	US\$50,000 50,000 美元	–	100	Sale of jewellery 珠寶銷售
Chow Sang Sang Manufacturing International Limited 周生生首飾廠國際有限公司	British Virgin Islands 英屬維爾京群島	US\$1 1 美元	–	100	Investment holding 投資控股

45. Particulars of Subsidiaries (continued)

45. 附屬公司詳情(續)

Name 名稱	Place of incorporation/ registration/ and business 成立/ 註冊及營業地點	Issued ordinary share capital/ registered capital 已發行普通股本/ 註冊股本	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Chow Sang Sang Nominees Limited 周生代理有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000 港元	–	100	Provision of nominee services 提供代理人服務
Chow Sang Sang Property Holdings (BVI) Limited	British Virgin Islands (redomiciled from Netherlands Antilles)/ Hong Kong 英屬維爾京群島 (遷自荷蘭安的列斯)/ 香港	US\$30,000 30,000 美元	–	100	Property investment 物業投資
Chow Sang Sang Properties Limited 周生置業有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000 港元	–	100	Property investment 物業投資
Chow Sang Sang Securities Limited 周生證券有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000 港元	–	100	Securities broking 證券經紀
Emphasis Jewellery Company Limited 點睛品珠寶有限公司	Macau 澳門	MOP25,000 25,000 澳門元	–	100	Retail of jewellery 珠寶零售
Foshan Shunde Jinpeng Jewelry Company Limited* 佛山市順德區金鵬珠寶首飾 有限責任公司*	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	RMB1,000,000 1,000,000 元人民幣	–	100	Manufacture and sale of jewellery 珠寶製造及銷售
Fullink Developments Inc.	British Virgin Islands 英屬維爾京群島	US\$1 1 美元	–	100	Dormant 暫無營業
Hong Kong Gemological Research and Authentication Centre Company Limited 香港寶石研究及鑑定中心有限公司	Hong Kong 香港	HK\$100,000 100,000 港元	–	100	Gemological research and authentication 寶石研究及鑑定
The Future Rocks Company Limited [^]	Hong Kong 香港	HK\$100,000 100,000 港元	–	100	Investment holding 投資控股
The Future Rocks (Guangdong) Company Limited* [#] 石代電子商務(廣東)有限公司* [#]	People's Republic of China/Mainland China 中華人民共和國/ 中國大陸	HK\$5,500,000 5,500,000 港元	–	100	E-commerce 電子商務
Tsin Chuk Kam Manufactory Ltd. 千足金製造廠有限公司	British Virgin Islands/ Mainland China 英屬維爾京群島/ 中國大陸	US\$100,000 100,000 美元	–	100	Processing of jewellery 珠寶加工

45. Particulars of Subsidiaries (continued)

Name 名稱	Place of incorporation/ registration/ and business 成立/ 註冊及營業地點	Issued ordinary share capital/ registered capital 已發行普通股本/ 註冊股本	Percentage of equity attributable to the Company 本公司所佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
World Commercial Sales Company Limited 世界批發行有限公司	Hong Kong 香港	HK\$2,500,000 2,500,000 港元	–	100	Wholesale of precious metals 貴金屬批發
338.Net Limited	Hong Kong 香港	HK\$2 2 港元	–	100	Dormant 暫無營業

* These companies were registered as wholly-foreign-invested enterprises under the law of the People's Republic of China

Incorporated during the year ended 31 December 2020

^ Incorporated during the year ended 31 December 2019

* 此等公司乃根據中華人民共和國法律註冊之全外商投資企業

於截至2020年12月31日止年度內成立

^ 於截至2019年12月31日止年度內成立

46. Approval of the Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 25 March 2021.

46. 綜合財務報告之批准

本綜合財務報告於2021年3月25日獲董事會批准及授權刊發。

PARTICULARS OF PROPERTIES HELD

As at 31 December 2020

所持物業詳情

於2020年12月31日

Particulars of major properties held by the Group are as follows:

本集團持有的主要物業詳情如下：

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
Hong Kong 香港					
# 229 Nathan Road, Kowloon 九龍彌敦道229號全幢	K.I.L. 6357	Rental/ own use 出租/自用	31,225*	Commercial 商業	Short 短
# G/F & M/F, 326-328 Castle Peak Road, Kowloon 九龍青山道326至328號地下連閣樓	N.K.I.L. 2507 & 2177	Rental/own use 出租/自用	2,790*	Commercial 商業	Medium 中
# G/F & 1/F, 99-101 Wuhu Street, Hunghom, Kowloon 九龍紅磡蕪湖街99至101號地下及1樓	H.H.I.L. 472, 471 & 447 s A	Own use 自用	2,345*	Commercial 商業	Medium 中
# Roof, G/F & 1/F, 432 Prince Edward Road West, Kowloon 九龍太子道西432號地下、1樓及天台	N.K.I.L. 2266 R.P.	Rental/own use 出租/自用	1,788*	Commercial 商業	Medium 中
# Shop B, G/F, 428-430 Prince Edward Road West, Kowloon 九龍太子道西428至430號地下B舖	N.K.I.L. 2267 R.P. & 2268 R.P.	Own use 自用	1,078*	Commercial 商業	Medium 中
Flat A, 11/F and Roof, 199 Nam Cheong Street, Kowloon 九龍南昌街199號11樓A座連天台	N.K.I.L. 1230 s.A.R.P. & s.B.ss.2	Rental 出租	551*	Residential 住宅	Medium 中
2/F, Flats A & B, 3/F, 4/F, 5/F & Flat A, 6/F, 231 Nathan Road, Kowloon 九龍彌敦道231號2樓、3樓A及B座、4樓、5 樓及6樓A座	K.I.L. 6642	Rental/own use 出租/自用	10,836*	Commercial 商業	Short 短
Units A1, A2, A3, A4, A6, A8, A11, A13, 1/F, Unit A6, 2/F, Unit A4, 8/F & Unit A3, 10/F, Block A, 489-491 Castle Peak Road, Kowloon 九龍青山道489至491號A座1樓A1、A2、 A3、A4、A6、A8、A11、A13室、2樓A6室、 8樓A4室及10樓A3室	N.K.I.L. 3515 s C, D & F	Own use 自用	38,440	Industrial 工業	Medium 中

PARTICULARS OF PROPERTIES HELD

As at 31 December 2020

所持物業詳情

於2020年12月31日

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
Hong Kong 香港					
Car Ports No. 7 & 22 on G/F, Car Ports No. 26 & 57 in Basement, Ho On Mansion, 107-109 Austin Road, Kowloon 九龍柯士甸道107至109號好安樓地下車位7及22號及地庫車位26及57號	K.I.L. 10223	Rental/own use 出租／自用	N/A 不適用	Car park 車位	Medium 中
Car Parking Space No. B162 in Basement, Balwin Court, 154-164 Argyle Street, Kowloon 九龍亞皆老街154至164號寶雲閣地庫B162號車位	R.P. of K.I.L. 4208	Rental 出租	N/A 不適用	Car park 車位	Long 長
# G/F-3/F, 691-693 Nathan Road, Kowloon 九龍彌敦道691至693號地下至3樓	K.I.L. 2444 s.A.R.P. & 2444 R.P.	Rental/own use 出租／自用	9,890*	Commercial 商業	Medium 中
# 85 Castle Peak Road, Yuen Long, New Territories 新界元朗青山公路85號全幢	Lot No. 3640 in D.D. 120	Own use 自用	3,255	Commercial 商業	Medium 中
# Shop B, G/F, 70-78 Kwong Fuk Road, Tai Po, New Territories 新界大埔廣福道70至78號地下B舖	Tai Po Town Lot No. 28	Own use 自用	2,089*	Commercial 商業	Medium 中
Shop No. 305, G/F, Lok Hin Terrace, 350 Chai Wan Road, Hong Kong 香港柴灣道350號樂軒台地下305號舖	Chai Wan Inland Lot No. 149	Rental 出租	175*	Commercial 商業	Medium 中

PARTICULARS OF PROPERTIES HELD

As at 31 December 2020

所持物業詳情

於2020年12月31日

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
Mainland China 中國大陸					
Unit 501, Block 4, Meile Village, Rongshan Community Association, Ronggui Street Representative Office, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區容桂街道辦事處容山居委會美樂村4座501室	100100-047	Own use 自用	1,010	Residential 住宅	Medium 中
East of Guangzhu Highway, Licun Management Zone, Licun District, Lunjiao Town, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區倫教鎮荔村管理區廣珠路東側	154077-014	Rental 出租	123,700	Industrial/ commercial 工業/商業	Medium 中
# Unit No. 1-1, Fulihua Mansion, No. 150 Qinghui Road, Daliang Town, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區大良鎮清暉路150號富麗華大廈1號之1	134092-003	Own use 自用	1,906	Commercial 商業	Medium 中
16/F, Block B, R&F Yingtai Plaza, Section 2, No. 100 Huangpu Avenue West, Tianhe District, Guangzhou City, Guangdong Province 廣東省廣州市天河區黃埔大道西100號2段富力盈泰廣場B座16層	2310-7-50	Own use 自用	23,686	Commercial 商業	Medium 中
Car Parking Space Nos. 200 and 201, 2nd Basement, R&F Yingtai Plaza, Section 2, No.100 Huangpu Avenue West, Tianhe District, Guangzhou City, Guangdong Province 廣東省廣州市天河區黃埔大道西100號2段富力盈泰廣場負2層200及201號車位	2310-7-50	Own use 自用	N/A 不適用	Car park 車位	Medium 中

PARTICULARS OF PROPERTIES HELD

As at 31 December 2020

所持物業詳情

於2020年12月31日

Description 摘要	Lot Number 地段號數	Use 用途	Gross Floor Area 建築面積	Type 種類	Lease Term 租期
			(Sq. ft. approx.) (大約平方呎)		
Mainland China 中國大陸					
Unit Nos. 1601-1602, 16/F, Block B, Vanmetropolis, No.1 Tangyan Road, High- tech District, Xian City, Shaanxi Province 陝西省西安市高新區唐延路1號旺座 國際城B座16層1601至1602室	10501060004-17	Own use 自用	5,025	Commercial 商業	Medium 中
Car Parking Space No. D010, 1st Basement and Car Parking Space No. F061, 2nd Basement, Vanmetropolis, No. 1 Tangyan Road, High-tech District, Xian City, Shaanxi Province 陝西省西安市高新區唐延路1號旺座 國際城地下1層車庫D區010號車位及 地下2層車庫F區061號車位	10501060004-17	Own use 自用	N/A 不適用	Car park 車位	Medium 中
No. 3 Xinxi 4th Road North, Lunjiao Town, Shunde District, Foshan City, Guangdong Province 廣東省佛山市順德區倫教鎮新熹4路北3號	164084-189	Own use 自用	583,225	Industrial 工業	Medium 中
Taiwan 臺灣					
Units 1-2, 7/F, No. 21, Sec. 6, Zhongxiao E. Rd., Nangang Dist., Taipei, Taiwan, R.O.C. 中華民國臺灣臺北市南港區忠孝東路6段 21號7樓1至2單位	0568-0000	Own use 自用	6,847	Commercial 商業	Freehold 永久業權
Car Parking Space Nos. 132 and 133 in B5, No. 21, Sec. 6, Zhongxiao E. Rd., Nangang Dist., Taipei, Taiwan, R.O.C. 中華民國臺灣臺北市南港區忠孝東路6段 21號地下5層132及133號車位	0568-0000	Own use 自用	N/A 不適用	Car park 車位	Freehold 永久業權

Location of branches
分行地點

* Saleable area
實用面積

INFORMATION FOR SHAREHOLDERS

Financial Calendar

Announcement of 2020 interim results:	27 August 2020
2020 interim dividend payment:	24 September 2020
Announcement of 2020 annual results:	25 March 2021
Closure of register of members for annual general meeting:	28 May to 2 June 2021 (both dates inclusive)
Annual general meeting:	2 June 2021
Closure of register of members for final dividend and special final dividend:	8 June to 10 June 2021 (both dates inclusive)
2020 final dividend and special final dividend payment:	21 June 2021

Share Information

Stock code on The Stock Exchange of Hong Kong Limited:	116
Board lot size:	1,000 shares

Bermuda Principal Share Registrar

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

Hong Kong Branch Share Registrar

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong
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Corporate Affairs Department
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Email: ir@chowsangsang.com

股東資訊

財務日誌

公布2020年中期業績:	2020年8月27日
派發2020年中期股息:	2020年9月24日
公布2020年全年業績:	2021年3月25日
暫停辦理股份過戶登記手續 (股東週年大會):	2021年5月28日 至6月2日 (包括首尾兩天)
股東週年大會:	2021年6月2日
暫停辦理股份過戶登記手續(末期股息及特別末期股息):	2021年6月8日 至6月10日 (包括首尾兩天)
派發2020年末期股息及特別末期股息:	2021年6月21日

股份資料

於香港聯合交易所有限公司之股份代號:	116
每手買賣單位:	1,000 股

百慕達股份過戶登記總處

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

香港股份過戶登記分處

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