



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 **2019** 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

Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Bank of Nova Scotia
Industrial and Commercial Bank of China Limited
Bank of China (Hong Kong) 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

主要營業辦事處

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

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
恒生銀行有限公司
加拿大豐業銀行
中國工商銀行股份有限公司
中國銀行(香港)有限公司

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www.chowsangsang.com

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The following abbreviations are used in this report:

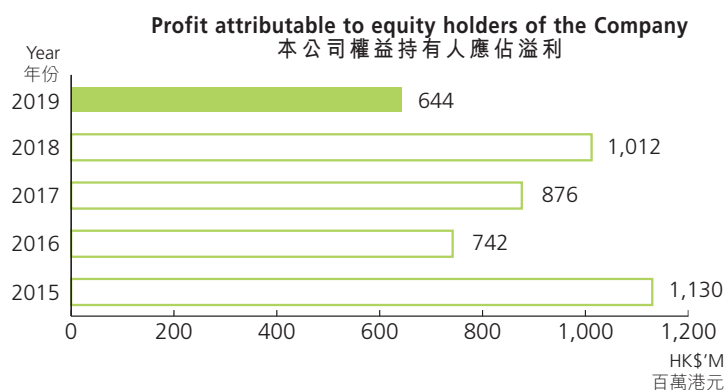
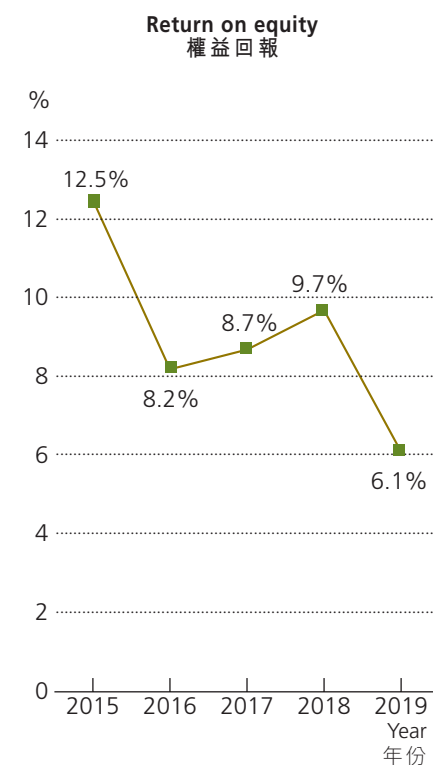
本年報使用下列簡稱：

	<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

FINANCIAL HIGHLIGHTS

財務摘要

		2019 HK\$'000 千港元	2018 HK\$'000 千港元	Change 變動
Turnover	營業額			
Jewellery retail	珠寶零售	16,258,416	17,130,414	-5%
Other businesses	其他業務	1,477,810	1,675,928	-12%
		17,736,226	18,806,342	-6%
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	643,533	1,012,257	-36%
Earnings per share	每股盈利			
– Basic	– 基本	95.0 cents 仙	149.4 cents 仙	-36%
– Diluted	– 攤薄	95.0 cents 仙	149.4 cents 仙	-36%
Dividend per share	每股股息			
– Interim	– 中期	14.0 cents 仙	15.0 cents 仙	
– Final	– 末期	25.0 cents 仙	44.0 cents 仙	
Total dividend per share for the year	全年每股股息總額	39.0 cents 仙	59.0 cents 仙	
Dividend payout ratio	派息比率	41%	39%	
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	10,632,385	10,418,937	+2%
Equity per share	每股權益	\$15.7 元	\$15.4 元	+2%



CHAIRMAN'S MESSAGE

There is scanty need for me to recount here the events that transpired in Hong Kong in the year 2019. Half a year of internal strife in the city has laid waste to much economic assets built up over the years, not to mention the damage to the psyche of the population. Visitor numbers went down to a trickle, and many business hours were lost when shops had to be shuttered for safety. Turnover in our business slumped.

In the course of the past year, it was increasingly apparent that China and the USA are locked in a contest for supremacy and there is going to be a lot more than the salvos fired in the trade war. Amidst the turmoil, China's economy slowed its growth.

The sales growth in our Mainland operations, fueled in the main by new stores, was not enough to offset the loss of sales in Hong Kong. In addition, we made margin provisions on loans arising from our securities and futures broking business. The impact on the Group was such that total turnover 2019 decreased by 6% to HK\$17.7 billion, the overall profit attributable to equity holders had a decrease of 36% to HK\$644 million.

Any sense of relief brought on by the calming down of the unrest in Hong Kong, in January 2020, was soon overwhelmed by the onslaught of COVID-19. Our stores in Mainland China mostly stood closed in late January and February, and those in Hong Kong and Macau, though open, were put on curtailed trading hours with few customers to show. As we move into March, most of our stores outside of Hubei have reopened but trading is slow.

Throughout the battle with the virus, we have put safety and welfare of our staff at the forefront, affording them the discretion to work at home or choose their hours of work. To conserve our wherewithal to weather the storm, we have stopped most if not all procurement. To energise our frontline, we have enabled and encouraged them to use social media to reach out to their customers. We are happy to note that our online shops were able to operate with minimal disruption, ably supported by our dedicated staff of Intelligent Fulfilment Center in Shunde.

Because of the disappearance of customer traffic in our stores, we appealed to our landlords for rental relief based on the premise that the rental contract was signed at a time when footfall was vastly higher. Many have been accommodating, to various degrees, and we applaud and thank them. A number have been downright unsympathetic, however. In times of adversity, one knows who his friends are.

主席致辭

本人在此不用重述2019年在香港發生的事件。半年的社會內亂摧毀了多年來建立的重大經濟成果，更遑論對民眾心理的損害。旅客人數大減，我們為了保障安全而不得不關閉商店和縮短營業時間，因而令營業額下滑。

在過去一年裡，中美角力越來越明顯，紛爭將遠超貿易戰。中國的經濟在動盪陰霾中放慢了增長速度。

我們內地業務的銷售增長主要由新店推動，但不足以抵消香港損失了的銷售。此外，我們就證券及期貨經紀業務產生之孖展貸款作出了撥備。對本集團造成的影響是2019年總營業額下跌6%至177億港元，整體權益持有人應佔溢利下跌36%至644百萬港元。

香港動盪情況於2020年1月平復下來所帶來的瞬間寬慰，迅即被2019冠狀病毒吞噬。我們在中國大陸的分店在1月下旬及2月大部分時間處於休店狀態，雖然香港及澳門的分店照常營業，但縮短了營業時間，顧客人流亦稀少。踏入3月，我們在湖北以外的大部分分店雖已恢復營業，惟生意淡薄。

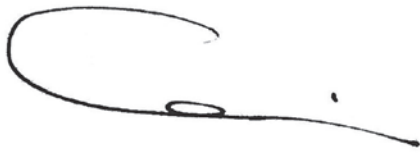
對抗疫期間，我們以員工安全及福祉為重，讓他們在家工作或彈性上班。為了保留公司的資金以渡過逆境，我們暫停了大部分的採購。為提升士氣，我們促成並鼓勵前線員工利用社交媒體接觸他們的客戶。網店的運作全賴我們順德智能配送中心的員工大力協助下未受太大影響，集團對此感到欣慰。

鑑於租約是於市況高位時簽署，以及客流嚴重減少，我們向業主提出減免租金之要求，雖有個別業主對我們完全不表同情而拒絕我們的要求，但許多均願意作出不同程度的減免，對此集團表示讚揚並感謝這些與我們共度時艱的業主。此時此刻，確是患難見真情。

CHAIRMAN'S MESSAGE

At the time of writing it seems that we have seen the worst of the viral outbreak in Mainland China and Hong Kong, but globally the situation is unclear. We will maintain our vigilance over the wellbeing of our staff and our business, and we shall poise ourselves for the resurgence when the sky is finally clear.

I thank our staff, our shareholders and our customers for their unfailing loyalty and support, and I wish everyone good health.



Vincent CHOW Wing Shing
Chairman

Hong Kong
26 March 2020

主席致辭

執筆之時，我們可能已經歷了中國大陸及香港最嚴重的疫情爆發時刻，但全球的景況仍然未明。集團會對員工的福祉及生意狀況保持警惕，並為雨過天青之復甦作好準備。

本人謹此感謝員工、股東及顧客對集團始終如一的忠實支持，亦在此祝願各位身體健康。



主席
周永成

香港
2020年3月26日

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Dr. CHAN Bing Fun, MB, BS, DMRT, aged 86, 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 73, 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. He has been with the Group for over 35 years, having been the Group General Manager and the Chairman since 1998 and 2013 respectively. Mr. CHOW is appointed by the Home Affairs Bureau's to its Advisory Committee on Arts Development as the Chairman as well as the Performing Arts Committee under the Board of West Kowloon Cultural District Authority as a member. He 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. Mr. CHOW 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 63, 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 30 years. Dr. CHOW is the elder brother of Mr. Winston CHOW Wun Sing and a cousin of Mr. Vincent CHOW Wing Shing. 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. Dr. CHOW 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，86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，73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。彼服務本集團超過35年，彼分別於1998年及2013年起出任本集團總經理及主席。周先生獲委任為民政事務局屬下藝術發展諮詢委員會主席及西九文化區管理局董事局下的表演藝術委員會委員。彼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。周先生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，63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30年。周醫生為周允成先生之兄長及周永成先生之堂弟。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

Mr. Stephen TING Leung Huel, MH, FCCA, FCPA (Practising), ACA, CTA(HK), FHKIoD, aged 66, 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 and Remuneration 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 79, 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 62, 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 and a cousin of Mr. Vincent CHOW Wing Shing. He has experience in real estate in Canada. Mr. CHOW's key responsibilities include the marketing and staff learning and development of the Group's jewellery business in Greater China. He is 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.

董事會及高級管理人員

丁良輝先生，MH，FCCA，FCPA (Practising)，ACA，CTA(HK)，FHKIoD，66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及薪酬委員會成員，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)，79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，62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及周永成先生之堂弟。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市場事務及培訓發展工作。彼現任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 65, 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 is also a responsible officer approved by the Securities and Futures Commission and 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 82, 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，65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。彼現時亦為證券及期貨事務監察委員會核准之負責人員。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)，82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 74, 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, FCIS, CFA, MBA, aged 52, 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. Susan MAK Wei Yee, FCCA, CPA, aged 63, 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.

劉文龍先生，OBE，太平紳士，74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，FCIS，CFA，MBA，52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。

麥惠怡女士，FCCA，CPA，63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。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Mr. LAU Hak Bun, aged 67, is the Group's General Manager – Retail Operations (Greater China). Mr. LAU has been with the Group for over 40 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. Sandra SHEK Tsang, aged 51, is the Group's Brand Director. Ms. SHEK is responsible for overseeing the development of the Group's branding, product development, brand marketing, customer service and corporate gift business. Prior to joining the Group in 2013, she was the General Manager of various international jewellery and accessories brands. Ms. SHEK has over 20 years of sales operation and marketing experience in Greater China.

董事會及高級管理人員

劉克斌先生，67歲，本集團之大中華營運總經理。劉先生服務本集團超過40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。

石嶸小姐，51歲，本集團之品牌總監。石小姐負責監管集團之品牌業務、產品開發、市場推廣、顧客服務及企業禮品之整體發展。於2013年加入本集團前，彼曾擔任多家國際飾品及配飾品牌之總經理。石小姐在大中華區品牌營運及市場推廣方面擁有逾20年經驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Overview

After a solid first quarter in which same store sales growth (“SSSG”) for both Mainland China and Hong Kong registered an increase, the second quarter was beset by worsening trade tension between China and the USA. In June Renminbi turned weak while gold rallied. From then on jewellery sales steadily softened in both Mainland China and Hong Kong.

On the Mainland, by quarter four, with the news of a possible trade agreement between China and the USA, consumer sentiment rebounded.

Hong Kong, however, by the second half of 2019 was reeling as the massive demonstration against the Extradition Bill evolved into continuous social unrest; public services were disrupted, and shops had had to suspend trading because of road blockage and protests. Tourist visits dropped significantly. As tourist business accounts for about 50% of our business in Hong Kong, SSSG dropped by 25% for the second half of the year.

The Group’s turnover for 2019 decreased by 6% to HK\$17,736 million. Provisions for impairment losses totalling HK\$372 million (net of tax) were made on loans arising from our securities and futures broking business. Overall profit attributable to equity holders decreased by 36% to HK\$644 million.

Jewellery Retail

Jewellery retail accounted for 92% of the Group’s turnover. Comparing to 2018, turnover decreased by 5%.

綜觀

中國大陸和香港區域的同店銷售於第一季度均錄得堅實增長後，第二季度受到中美貿易談判緊張局勢惡化的困擾。在6月份，人民幣轉弱及金價反彈，自此中國大陸和香港區域的珠寶銷售持續放緩。

在中國大陸方面，隨著中美於第四季度可能達成貿易協議的消息刺激，消費意欲回彈。

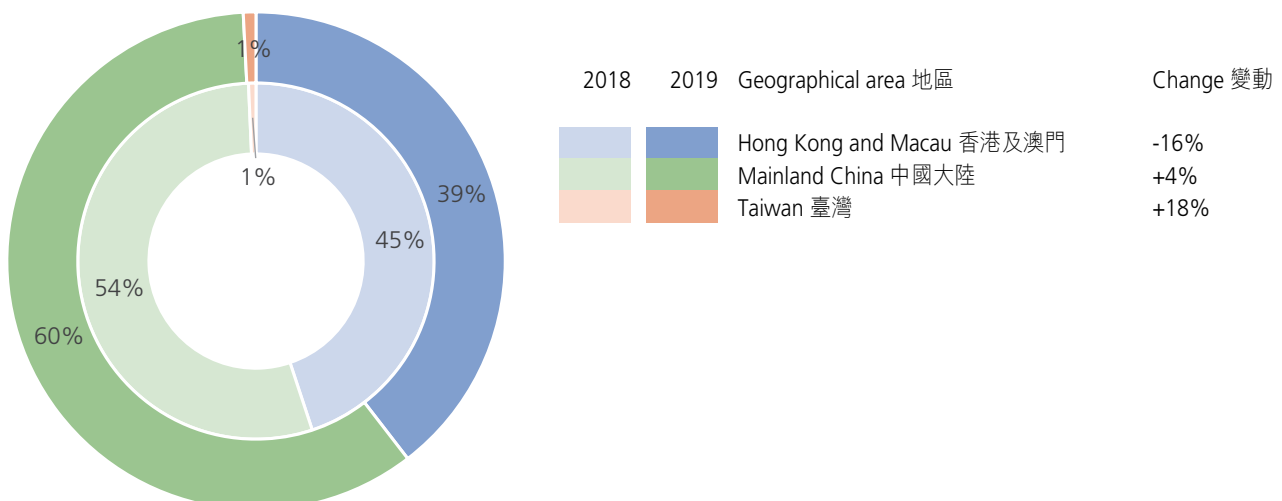
然而，香港在2019年下半年度由於反修訂逃犯條例觸發的大規模示威行動影響演變成持續社會動盪不穩，公共服務無法正常運作，商店因道路阻塞和遊行抗議而不得不暫停營業，訪港旅客人數顯著下降，由於旅客銷售佔本集團香港業務約50%，導致下半年度的同店銷售增長下跌了25%。

2019年本集團營業額下跌6%至17,736百萬港元。本集團就證券及期貨經紀業務產生的貸款計提減值虧損撥備合共372百萬港元(稅後)。整體權益持有人應佔溢利減少36%至644百萬港元。

珠寶零售

珠寶零售佔本集團營業額92%。比對2018年，營業額下跌5%。

Jewellery Retail Turnover
珠寶零售營業額



Jewellery Retail (continued)

Hong Kong and Macau

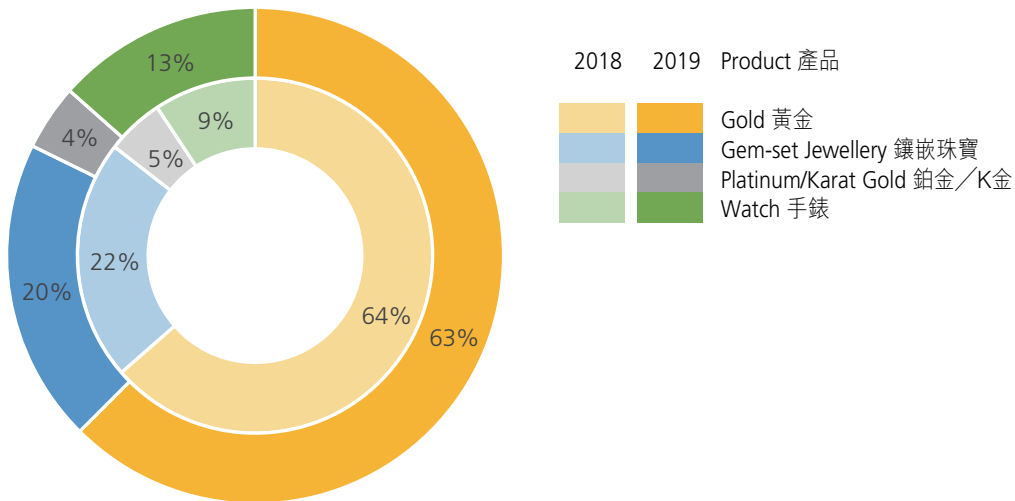
Sales registered a reduction of 16% for the year at HK\$6,436 million. SSSG for the first half was +2%. The second half setback was mainly due to the shrinkage of tourist business and high base comparing to 2018 third quarter (SSSG for 2018 third quarter was +33%).

珠寶零售(續)

香港及澳門

全年銷售錄得16%下跌，為6,436百萬港元。上半年度的同店銷售增長為+2%，惟下半年度倒退主要是由於旅客銷售萎縮及比對2018年第三季度較高的基數(2018年第三季度同店銷售增長為+33%)。

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



SSSG	同店銷售增長	2019 1H vs 2018 1H	2019 2H vs 2018 2H	2019 FY vs 2018 FY
		2019 年上半年度 比對 2018 年上半年度	2019 年下半年度 比對 2018 年下半年度	2019 年全年 比對 2018 年全年
Gold	黃金	-4%	-27%	-16%
Gem-set Jewellery	鑲嵌珠寶	-2%	-40%	-21%
Overall	整體	+2%	-25%	-12%

SSSG for gold and gem-set jewellery were -16% and -21% respectively for the year. Watch continued its strong performance and achieved a +53% SSSG. Overall, SSSG was -12% for the year.

全年黃金及鑲嵌珠寶同店銷售增長分別為-16%及-21%。手錶表現繼續強勁，同店銷售增長達+53%。整體而言，全年同店銷售增長為-12%。

Jewellery Retail (continued)

Hong Kong and Macau (continued)

珠寶零售(續)

香港及澳門(續)

**Number of Stores
分店數目**

Store Brand	分店品牌	As at 31 Dec 2018 於 2018 年 12 月 31 日	As at 31 Dec 2019 於 2019 年 12 月 31 日	Net Change 淨變化
Chow Sang Sang	周生生	59	61	+2
EMPHASIS	EMPHASIS	3	4	+1
點睛品	點睛品	5	5	-
		67	70	+3

During the year, 3 Chow Sang Sang stores, mainly in tourist districts, were closed. 5 new stores were set up in Whampoa, Sham Shui Po, North Point, Tsuen Wan and Tung Chung to further strengthen our network to serve local customers.

年內有3家主要位於遊客區的周生生店結業。另有5家位於黃埔、深水埗、北角、荃灣及東涌的周生生新店開業，這進一步加強本集團服務本地顧客的網絡。

On lease renewals, rental adjustment ranged from -45% to +9%. Reporting on a basis prior to the adoption of HKFRS 16, total shop rental expenditure was HK\$59 million or 9% less than 2018.

續租約之租金調整在-45%至+9%之間，以未採用香港財務報告準則第16號前所用之報告基準計算，店舖總租金開支比2018年減少59百萬港元或9%。

Capital expenditure amounted to HK\$70 million, most of which was for new openings and refitting of stores.

資本性開支為70百萬港元，大部分用於新店開業及店舖重新裝修。

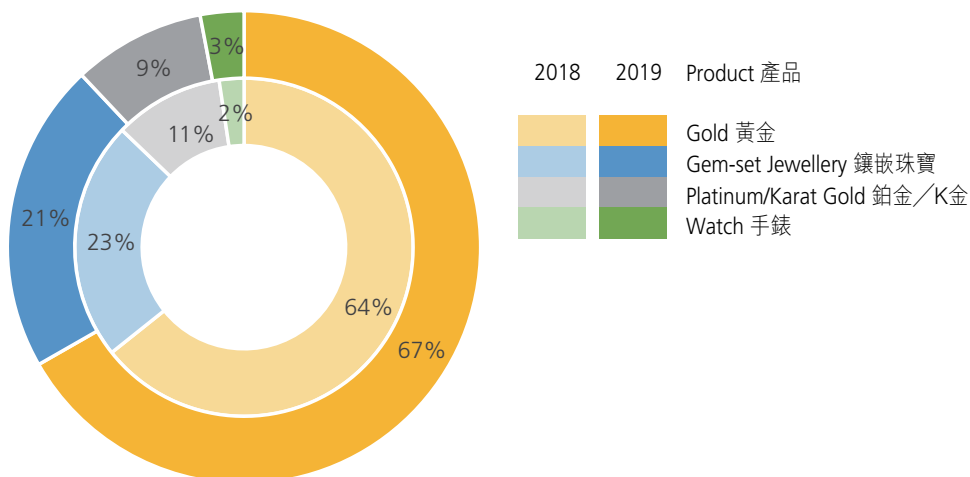
Mainland China

Total turnover rose 4% year-on-year to HK\$9,688 million. In Renminbi terms, total turnover rose by 9%, benefitting mainly from the opening of new stores.

中國大陸

總營業額按年上升4%至9,688百萬港元。以人民幣計算，總營業額上升9%，主要受惠於新店開業。

**Mainland China Sales Mix
中國大陸銷售組合**



Jewellery Retail (continued)

Mainland China (continued)

		2019 1H vs 2018 1H 2019 年上半年度 比對 2018 年上半年度	2019 2H vs 2018 2H 2019 年下半年度 比對 2018 年下半年度	2019 FY vs 2018 FY 2019 年全年 比對 2018 年全年
SSSG	同店銷售增長			
Gold	黃金	+8%	-3%	+3%
Gem-set Jewellery	鑲嵌珠寶	-12%	-5%	-9%
Overall	整體	+1%	-4%	-1%

Gold sales was weaker in the second half with SSSG at -3% comparing to +8% SSSG in the first half. High gold price from June onwards might have deferred consumption. Gem-set jewellery showed improvement with the second half SSSG at -5% while the first half was -12%. For the full year, overall SSSG was -1%.

Online sales continued to grow and accounted for about 16% (2018:15%) of our Mainland China sales. Gold products dominated the sales mix.

珠寶零售(續)

中國大陸(續)

黃金銷售在下半年度表現較為疲弱，同店銷售增長為-3%，比對上半年度之同店銷售增長為+8%。從6月起金價高企，有可能延遲了消費。鑲嵌珠寶表現有所改善，下半年度同店銷售增長為-5%，而上半年度為-12%。全年整體同店銷售增長為-1%。

網上銷售持續增長，佔中國大陸銷售約16%（2018年：15%）。銷售組合中以黃金產品為主。

		Number of Stores 分店數目		
Store Brand	分店品牌	As at 31 Dec 2018 於 2018 年 12 月 31 日	As at 31 Dec 2019 於 2019 年 12 月 31 日	Net Change 淨變化
Chow Sang Sang	周生生	482	574	+92
MINTYGREEN	MINTYGREEN	23	25	+2
EMPHASIS	EMPHASIS	1	7	+6
		506	606	+100

At the end of the year, there were a total of 606 stores located in 135 cities for the Group. New stores numbered 120 and there were 20 closings. Of the new stores, 69 were set up in shopping malls.

With new openings and the refitting of 43 stores, together with the on-going construction of the Intelligent Fulfilment Center in Shunde, capital expenditure came to RMB300 million.

Taiwan

There was no significant change in the results from the prior year.

Wholesale of Precious Metals

Turnover decreased 10% to HK\$1,436 million. Operating profit dropped by 59% to HK\$6 million.

年底本集團共有606家分店，位於135個城市。新店共有120家，另有20家分店結業，新店中有69家設於商場內。

由於新店開業及43家分店重裝，以及在順德興建中的智能配送中心，資本性開支達300百萬元人民幣。

臺灣

業績比對前一年並無重大改變。

貴金屬批發

營業額下跌10%至1,436百萬港元。經營溢利下降59%至6百萬港元。

Securities and Futures Broking

Despite some improvement in the fourth quarter, the market momentum for 2019 was weak with average daily turnover falling below HK\$100 billion. Our turnover also decreased, resulting in a drop of commission income by 30%. The Group made provisions totalling HK\$372 million (net of tax) on loans made to margin clients.

In 2016, we entered into a joint venture ("JV") agreement with Harvest Fund Management Co., Ltd. to form a securities company in the PRC under the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA) framework to explore the opportunities in China. The JV was subject to government approval and granting of license. Owing to change in regulations, it has been agreed not to proceed with the JV arrangement in March 2020.

Investments

Properties

The Group holds various properties that are being used for offices, stores and factories. Rental income from investment properties amounted to HK\$12 million, which is less than 1% of the Group's turnover.

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

As at 31 December 2019, the Group had 3,561,800 shares of HKEC, received as distribution from the reorganisation of the then exchanges in year 2000. The amount remained unchanged throughout the year.

Finance

Financial Position and Liquidity

The Group generates strong recurring cashflow from its jewellery business and continues to enjoy a solid cash position. As at 31 December 2019, the Group had cash and cash equivalents of HK\$1,028 million (2018: HK\$1,303 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\$6,774 million in banking facilities including bank borrowings and bullion loans, out of which HK\$881 million are committed facilities. As at 31 December 2019, the total unutilised banking facilities amounted to HK\$3,992 million (2018: HK\$4,080 million).

As at 31 December 2019, total bank borrowings and bullion loans amounted to HK\$1,217 million and HK\$1,474 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 25.3%, based on total bank borrowings and bullion loans of HK\$2,691 million as a percentage of total equity of HK\$10,632 million. The current ratio of the Group was 3.0. The decrease in current ratio is due to the recognition of the current lease liabilities of HK\$573 million upon the adoption of HKFRS 16.

證券及期貨經紀

儘管第四季度有所改善，2019年的市場氣氛疲弱，每日平均成交額低於1,000億港元。該業務的成交額也下跌，導致佣金收入下降30%。本集團就提供予孖展客戶之貸款撥備合共372百萬港元(稅後)。

於2016年，本集團與嘉實基金管理有限公司訂立合資合同，根據《內地與香港關於建立更緊密經貿關係的安排》(CEPA)框架，於中國成立一家證券公司以開拓中國的機遇。該合資企業須經政府批准及頒發許可證，惟因法規變更，我們於2020年3月同意不再繼續辦理合資安排。

投資

物業

本集團持有之物業包括自用辦公室、店舖及廠房。投資物業帶來之租金收入為12百萬港元，佔本集團營業額少於1%。

香港交易及結算有限公司(「港交所」)股份

於2019年12月31日，本集團持有3,561,800股港交所股份，該等股份乃2000年交易所重組而獲分配。年內持股數量維持不變。

財務

財務狀況及流動資金

本集團的珠寶零售業務提供本集團充裕的現金。於2019年12月31日，本集團手頭現金及現金等價物為1,028百萬港元(2018年：1,303百萬港元)。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6,774百萬港元的銀行融資支持，包括銀行貸款及貴金屬借貸，其中881百萬港元為保證融資。於2019年12月31日，未動用之銀行融資總額為3,992百萬港元(2018年：4,080百萬港元)。

於2019年12月31日，本集團總銀行貸款及貴金屬借貸分別為1,217百萬港元及1,474百萬港元，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2,691百萬港元，以權益總額10,632百萬港元為基準，資本負債比率為25.3%。本集團之流動比率為3.0，流動比率下跌之原因為採用香港財務報告準則第16號後確認了573百萬港元之流動租賃負債。

Finance (continued)

Financial Position and Liquidity (continued)

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 32% of its bank loans at fixed rates as at 31 December 2019, increased from 21% as at 31 December 2018.

As at 31 December 2019, 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 2019, the borrowing denominated in New Taiwan dollar amounted to NT\$100 million.

Charge on Assets, Lease Liabilities and Contingent Liabilities

As at 31 December 2019, listed equity investments of HK\$784 million (2018: HK\$634 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

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

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.

A share option scheme is in place to provide incentives or rewards to eligible participants for their contribution to the Group and enabling the Group to recruit and retain valuable employees. Details of the scheme are set out in note 35 to the consolidated financial statements.

As at 31 December 2019, the total number of employees of the Group was 10,576. There were 1,576 staff in Hong Kong and Macau and 8,823 staff in Mainland China. During the year ended 31 December 2019, total staff costs (excluding Directors' emoluments) amounted to HK\$1,588 million.

財務(續)

財務狀況及流動資金(續)

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2019年12月31日，本集團的銀行貸款中有32%為定息借貸，較2018年12月31日的21%為高。

於2019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2019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2019年12月31日，本集團以784百萬港元(2018年：634百萬港元)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2019年12月31日，本集團之租賃負債為1,300百萬港元及並無重大或然負債。

人力資源

本集團保持其行之已久按表現為基準的薪酬政策，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。

本集團設有一項購股權計劃，向合資格參與者就彼等對本集團作出的貢獻給予獎勵或獎賞，以及使本集團能招募並挽留對本集團具有價值的僱員。該計劃詳情載於綜合財務報告附註35。

於2019年12月31日，本集團共有10,576位僱員，其中1,576名為香港和澳門地區員工，以及8,823名為中國大陸地區員工。截至2019年12月31日止年度，總員工開支(不包括董事之薪酬)為1,588百萬港元。

Outlook

The first three weeks into 2020 was promising with strong pre-Chinese New Year sales from Mainland China, and continued improvement against previous months in Hong Kong with social unrest less intense. Unfortunately, the positive trend was quickly derailed by the outbreak of the coronavirus disease 2019 (COVID-19) in the last week of January.

To combat the spreading of COVID-19, local governments locked up cities, restricted travel, and told people to stay home. In Mainland China, due to the closure of department stores and shopping malls, up to 77% of our stores suspended operation in the first two weeks of February. The SSSG in Mainland China and in Hong Kong and Macau for the months of January and February 2020 were -45% and -44% respectively. However, approaching the end of March, over 95% of our stores in Mainland China are operating, albeit with curtailed business hours. In Hong Kong and Macau, the majority of our stores remained open throughout but with shortened hours. We have assiduously negotiated with our landlords for relief in shop rentals and have been granted reductions of February and March rents over a wide range starting from zero.

The impact on our business is alarming. However, our short-term and long-term funding sources are well established to provide liquidity during this difficult period. Our gold inventory, being highly liquid, will provide some back-up cover.

We have taken measures to reduce spending by freezing headcounts, optimising staffing where possible, delaying new store openings and re-prioritising investment spending such as refitting of existing stores.

In Hong Kong, we will selectively refit some of the strategic stores to refresh the image and we will continue to vigorously negotiate with our landlords for rental relief.

COVID-19 has spanned the globe. The economy will eventually recover from this epidemic. How long it takes remains to be seen. Domestic consumption will be a key to restart the economic growth which is important to the stability of the country. Our network of stores, though already fairly extensive, can still be improved by deeper penetration of certain cities, and by siting more in malls rather than department stores. Our effort in market segmentation is spearheaded by brands like EMPHASIS, which specialises in bold designs, and MINTYGREEN, which caters for fans of daily wear jewellery. With the economic climate in mind, we plan to continue opening stores judiciously, and limiting the number to say 30. Our Personalised Jewellery Service, already bringing in around 5% of the diamond sales in 2019, will be one of the most important pieces in our toolkit. Our online business will be further strengthened by closer integration with our offline stores.

展望

踏入2020年首三星期之銷售向好，農曆新年前國內銷售強勁，以及過去數月本港的社會動盪逐漸緩和令市況持續改善。可惜向好的勢頭很快被1月份最後一週爆發的2019冠狀病毒摧毀。

各地政府為遏制疫情擴散而封鎖城市、實施交通管制及要求市民留在家中。因百貨公司及商場關閉，本集團在中國大陸有最多77%之分店於2月首兩星期暫停營業。中國大陸區域及香港及澳門區域2020年1月及2月份之同店銷售增長分別為-45%和-44%。然而，接近3月底，我們在中國大陸已有超過95%之分店恢復營業，但縮短了營業時間。我們在香港及澳門大部分分店則保持營業，但亦縮短了營業時間。集團已鏗而不捨地與業主協商減租，並獲減2月及3月份租金，減租幅度甚廣，最少為零。

此情況對本集團生意的影響令人擔憂，然而本集團已為這段困難時期充分準備短期及長期的資金來源作為週轉之用。本集團的黃金庫存具高流動性，可供備用。

本集團已採取措施縮減開支，包括凍結人手、於可行情況下優化員工調配、延後新店開業及重訂投資性開支的緩急次序(如重裝現有店舖)。

在本港，本集團會選擇性地重裝部分重點分店以重塑形象，亦會繼續積極地與業主協商減租事宜。

2019冠狀病毒已擴散全球。經濟需時多久才可從疫症困擾中恢復過來仍待觀察。國內消費將會是重啟經濟增長的關鍵，亦對維持社會穩定相當重要。雖然我們在中國大陸的分店網絡覆蓋已相當廣泛，但仍可透過提高部分城市的滲透率，以及於商場而非百貨店開設更多分店來改善。本集團致力於市場細分，如擁有針對原創設計的品牌EMPHASIS和迎合一眾日常佩飾珠寶愛好者的品牌MINTYGREEN。考慮到現時的經濟環境，本集團將審慎地計劃繼續開設分店，並把數目控制為約30家。我們的專屬訂製服務銷售佔2019年鑽石銷售約5%，這將會是未來業務發展的重要一環。網店與實體店一體化運作將進一步加強本集團的業務整合。

REPORT OF THE DIRECTORS

The Directors present their report and the audited consolidated financial statements for the year ended 31 December 2019.

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, wholesale of precious metals, and securities and futures broking. Details of the principal activities of the subsidiaries are set out in note 47 to the consolidated financial statements.

Results and Dividends

The Group's profit for the year ended 31 December 2019 and the Group's financial position as at that date are set out in the consolidated financial statements on pages 62 to 180.

An interim dividend of HK14.0 cents per ordinary share was paid on 24 September 2019. The Directors recommend the payment of a final dividend of HK25.0 cents per ordinary share in respect of the year to shareholders whose names appear on the register of members of the Company on 19 June 2020.

Business Review

A fair review and the outlook of the Group's business are provided in the Chairman's Message on pages 3 to 4 and the Management Discussion and Analysis on pages 10 to 16 of this annual report. Details of the significant event of the Group after the reporting period are set out in note 45 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 41 to 53.

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 26 to 40.

The above review constitutes part of this report.

董事會報告

董事會謹此呈交截至2019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、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47。

業績及股息

本集團截至2019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62至180頁內。

本公司於2019年9月24日派發中期股息每普通股14.0港仙。董事會建議派發本年度末期股息每普通股25.0港仙予名列於2020年6月19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至4頁之主席致辭以及第10至16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45。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41至53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26至40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				
		2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Turnover	營業額					
Jewellery retail	珠寶零售	16,258,416	17,130,414	14,516,326	14,045,322	16,723,183
Other businesses	其他業務	1,477,810	1,675,928	2,117,055	2,047,215	2,346,074
		17,736,226	18,806,342	16,633,381	16,092,537	19,069,257
Operating profit	經營溢利	883,291	1,322,406	1,132,949	996,055	1,367,603
Share of profits of associates, net	應佔聯營公司溢利，淨值	-	245	4,550	4,207	454
Profit before tax	除稅前溢利	883,291	1,322,651	1,137,499	1,000,262	1,368,057
Income tax	所得稅	(239,758)	(310,394)	(261,081)	(258,086)	(237,737)
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	643,533[#]	1,012,257	876,418[*]	742,176	1,130,320[*]

Assets and Liabilities
資產及負債

		As at 31 December 於 12 月 31 日				
		2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Total assets	總資產	16,236,438	13,838,036	13,670,115	12,201,400	12,011,365
Total liabilities	總負債	(5,604,053)	(3,419,099)	(3,545,040)	(3,163,502)	(2,933,450)
		10,632,385	10,418,937	10,125,075	9,037,898	9,077,915

* Profit attributable to equity holders of the Company for the years ended 31 December 2015 and 2017 included a gain of HK\$245,501,000 and HK\$113,948,000, respectively, on the disposal of shares in Hong Kong Exchanges and Clearing Limited.

* 截至 2015 年及 2017 年 12 月 31 日止年度，本公司權益持有人應佔溢利包括出售香港交易及結算有限公司股份所得收益分別為 245,501,000 港元及 113,948,000 港元。

Profit attributable to equity holders of the Company for the year ended 31 December 2019 included provisions for impairment losses totaling HK\$372,000,000 (net of tax) made on loans arising from our securities and futures broking business.

截至 2019 年 12 月 31 日止年度，本公司權益持有人應佔溢利包括就證券及期貨經紀業務產生的貸款計提減值虧損撥備合共 372,000,000 港元(稅後)。

REPORT OF THE DIRECTORS

Charitable Contributions

During the year, the Group made charitable contributions totalling HK\$2,132,000.

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 181 to 184 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 scheme as set out below, there was no equity-linked agreement entered into by the Company during the year.

Share Option Scheme

A summary of the Company's share option scheme and details of the movements in share options of the Company during the year are set out in note 35 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.

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.

董事會報告

慈善捐款

年內本集團之慈善捐款共2,132,000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181至184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

年內本公司購股權計劃之概要，以及本公司購股權變動之詳情載於綜合財務報告附註35。

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。

優先購股權

本公司章程細則或百慕達法例並無規定，本公司必須向現有股東按持股比例提呈新股之優先購股權之條款。

REPORT OF THE DIRECTORS

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 factors in determining the dividend payment of the Company as well as the procedures on declaring and recommending the dividend payments. 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 2019, the Company's reserves available for distribution, calculated in accordance with the provisions of the Bermuda Companies Act 1981, amounted to HK\$1,894,067,000, of which HK\$169,359,000 has been proposed as a final dividend for the year.

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 63% of the total purchases for the year and purchases from the largest supplier included therein amounted to 37%.

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.

董事會報告

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」)，當中載有釐定本公司派發股息的因素，以及宣派和建議派發股息的程序。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2019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1,894,067,000港元，其中169,359,000港元擬派發為本年度之末期股息。

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63%，當中包括最大供應商所佔採購額達37%。

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。

REPORT OF THE DIRECTORS

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*

Dr. Gerald CHOW King Sing, Mr. LEE Ka Lun and Dr. LO King Man shall retire by rotation at the 2020 annual general meeting (the "2020 AGM") pursuant to the Company's bye-laws. All the retiring Directors, being eligible, offer themselves for re-election at the 2020 AGM.

Directors' Service Contracts

None of the Directors proposed for re-election at the 2020 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 39 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.

董事會報告

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，周敬成醫生、李家麟先生及盧景文博士須於2020年股東週年大會（「2020年股東週年大會」）上輪席退任。所有退任董事均合資格於2020年股東週年大會上膺選連任。

董事之服務合約

擬於2020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39所詳述外，於年內或年底概無任何董事或其關連實體直接或間接在本公司或其任何附屬公司參與並與本集團業務有關之重大交易、安排或合約上擁有重大權益。

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。

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 2019 which is still in force.

Directors' Interests in Shares

As at 31 December 2019, 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:

Name of Directors	董事姓名	Number of shares held				Total	Approximate percentage of shareholding
		Personal interest	Family interest	Corporate interest	Trustee interest		
		個人權益	家屬權益	公司權益	信託人權益	合計	持股權概約百分比
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	13,411,680	70,398 ⁽²⁾	62,544,316 ⁽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".

Save as disclosed above, as at 31 December 2019, 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.

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等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2019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。

董事於股份之權益

於2019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：**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。

除上文披露外，於2019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.

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

As at 31 December 2019, 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	62,544,316 ⁽²⁾	9.23
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

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.

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。

主要股東及其他人士於股份及相關股份之權益

於2019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：**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：

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)

Notes: (continued)

- (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.

48,300,000 shares in the Company were held by Speed Star Holdings Limited, a company beneficially owned by Dr. Gerald CHOW King Sing and his spouse.

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.

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.

Accordingly, Dr. Gerald CHOW King Sing and his spouse were deemed to have interests in the 62,614,714 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.

- (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.
- (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.

Save as disclosed above, as at 31 December 2019, 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.

主要股東及其他人士於股份及相關股份之權益(續)

附註：(續)

- (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。

Speed Star Holdings Limited持有本公司48,300,000股股份，該公司由周敬成醫生及其配偶實益擁有。

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。

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。

因此，周敬成醫生及其配偶分別被視為擁有本公司62,614,714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) 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。

除上文披露外，於2019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

Details of the significant event of the Group after the reporting period are set out in note 45 to the consolidated financial statements.

Auditor

The consolidated financial statements for the year ended 31 December 2019 have been audited by Ernst & Young, who will retire, and being eligible, offer itself for re-appointment at the 2020 AGM.

On behalf of the Board

Vincent CHOW Wing Shing
Chairman

Hong Kong
26 March 2020

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，於年內及截至本報告日期，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

於報告期後，本集團的重要事項詳情載列於綜合財務報告附註45。

核數師

安永會計師事務所已審核截至2019年12月31日止年度之綜合財務報告，並將於2020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
2020年3月26日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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 2019. Unless specified otherwise, all policies and management systems described in this report refer to our jewellery retail and manufacturing operations 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.

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 monitoring and managing ESG-related risks as well as the effectiveness of our ESG risk management and internal control systems.

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2019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珠寶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。香港及中國內地的業務佔我們總收益的大部分。

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，而管理層則負責監察及管理環境、社會及管治的相關風險，以及本集團環境、社會及管治的風險管理及內部管理系統之成效。

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.

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.

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。

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 recalls for safety and health reasons during the year (2018: Nil).

Management has established policies to ensure that the advertising and labelling of our products are in line with applicable laws and regulations, such as the Trade Descriptions Ordinance in Hong Kong and Advertising Law of the People's Republic of China. 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. While complying with the Trade Marks Ordinance in Hong Kong, we also adhered to the Trademark Law and Patent Law of the People's Republic of China.

The Group attaches importance to the interests of our customers in the context of applicable legal provisions, including the Sale of Goods Ordinance in Hong Kong, Product Quality Law and Protecting Consumers' Rights and Interests Law of the People's Republic of China. 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 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. 92 product- and service-related complaints were received during the year as compared to 78 in 2018.

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(2018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，如香港《商品說明條例》及中華人民共和國《廣告法》。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。在遵守香港《商標條例》的同時，本集團亦遵守中華人民共和國《商標法》及《專利法》。

本集團在適用法律條文的背景下，包括香港《貨品售賣條例》、中華人民共和國《產品質量法》及《消費者權益保護法》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。顧客可透過服務熱線、在線服務及社交媒體平台(包括Facebook、微博、微信及Instagram)與我們的團隊聯絡。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92宗有關產品及服務的投訴，2018年則為78宗。

Operating Practices (continued)*Customer Data Protection*

The Group maintains a database of customers. We have policies and procedures that ensure compliance with the relevant laws and regulations such as the Personal Data (Privacy) Ordinance in Hong Kong 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. Suppliers of substandard goods and materials are subject to a system of warnings, temporary or even permanent blocking of orders. Suppliers are similarly monitored for the timeliness of their delivery.

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 such as the Competition Ordinance in Hong Kong and Law of the People's Republic of China on Bid Invitation and Bidding. 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、儲存及保障的相關法律及規例，如香港《個人資料(私隱)條例》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。提供不合標準產品及材料的供應商會受到警告，臨時或甚至永久性不獲授訂單。供應商的交付時間同樣受到監控。

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，如香港《競爭條例》及中華人民共和國《招標投標法》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 compliance with the Prevention of Bribery Ordinance in Hong Kong and Interim Provisions on Prohibition of Commercial Bribery in Mainland China, 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 trainings to employees on their expected conduct upon the identification of potential incidents of corruption or bribery within the workplace. 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 (2018: 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 received 2019 AmCham's CHRMA HR Best Practice Premium Innovation Pioneer Award.

Employment

The Group observes the Hong Kong's Sex Discrimination Ordinance, Disability Discrimination Ordinance, Family Status Discrimination Ordinance, Race Discrimination Ordinance and Mainland China's Employment Promotion Law. 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 the Employment of Children Regulations in Hong Kong, Provisions on Prohibition of Child Labour and Law of the People's Republic of China on the Protection of Minors, 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 is available on the Group's intranet.

營運守則(續)*反貪污*

為符合香港《防止賄賂條例》及內地《關於禁止商業賄賂行為的暫行規定》，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(2018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。我們獲華南美國商會人力資源協會頒發「2019最佳人力資源管理實踐創新先鋒優等獎」，表揚集團之表現。

僱傭

本集團遵守香港《性別歧視條例》、《殘疾歧視條例》、《家庭崗位歧視條例》、《種族歧視條例》及內地《就業促進法》。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。

本集團遵守香港《僱用兒童規例》、中華人民共和國《禁止使用童工規定》及《未成年人保護法》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手冊所訂立的行為準則，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。該文件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, including the Hong Kong's Employment Ordinance and Minimum Wage Ordinance, and Mainland China's Labour Law, Social Insurance Law and Provisions on Minimum Wages, 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 occupational hazards, including the Hong Kong's Occupational Safety and Health Ordinance, Factories and Industrial Undertakings (Safety Management) Regulation, as well as Work Safety Law and Provisions on the Supervision and Administration of Occupational Health at Work Sites of the People's Republic of China. We had zero work-related fatality in 2017 to 2019 and 476 lost days due to work-related injury in 2019 (2018: 459.5). Follow-up work had been carried out immediately to reduce the likelihood of similar events in the future. We had also drawn our employees' attention to the incident so as to heighten their awareness of occupational safety.

僱傭及勞工守則(續)*僱員福利*

在適用法律及規例(包括香港《僱傭條例》、《最低工資條例》, 以及內地《勞動法》、《社會保險法》及《最低工資規定》)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鉤的花紅, 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, 包括香港《職業安全及健康條例》、《工廠及工業經營(安全管理)規例》, 以及中華人民共和國《安全生產法》及《工作場所職業衛生監督管理規定》, 以確保於所有營運地點提供安全的環境及保護僱員免受職業性危害。於2017年至2019年, 本集團並無員工因工死亡, 而2019年因工傷損失工作日數為476日(2018年: 459.5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, 以及提醒員工注意有關意外以提高他們對職業安全的警覺性。

Employment and Labour Practices (continued)*Development and Training*

To cope with the development of the Group's omni-channel 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.

In addition to utilising internal training resources, the Group subsidises employees who require professional qualification 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.

Environment

The Group has issued 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. The Group has established Environmental Policy, Carbon Reduction Method for Implementing Environmental Protection, which provides guidelines to mitigate greenhouse gas emissions, promote efficient use of energy, and handle non-hazardous 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 energy and resource use, effluent, waste and emissions of air in the paragraphs below.

僱傭及勞工守則(續)*發展及培訓*

配合集團全渠道多品牌策略發展，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。

除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發展僱員能力，並重視僱員的個人成長及專業增長。透過促進持續學習的文化，本集團致力培育及挽留最佳人才，並維持於市場具競爭力的地位。

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。本集團制定環保政策及實施環境保護的減碳方法，提供指引減少溫室氣體排放、推廣有效使用能源及處理無害廢棄物。本集團亦已制訂廢水及廢氣的處理及排放守則，制定適當處置及監察有害廢棄物的程序。本集團對環境的承諾已在行為守則內進一步傳達給員工。

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。我們在管理能源及資源使用、廢水、廢棄物及氣體排放之舉措概述如下。

Environment (continued)*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 standardised office, factory and even shop lighting (when feasible) with energy saving lights and LED lights. Billboard and exterior lighting at street level stores are controlled by timer. In addition, indoor temperature is maintained at an optimal, comfortable level to conserve energy.

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.

Where possible, such as at the purpose-built Shunde plant, 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.

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; they will be so considered for any building construction in future.

環境(續)*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。我們的辦公室、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。地舖的廣告牌及室外照明裝置皆由定時器控制。此外，室內溫度維持在最佳及最舒適的水平，從而節約能源。

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。

本集團在可行情況下採用環保建築設計以減少使用空調；如順德廠房的設計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。

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有影響的設施，日後的樓宇建築亦將考慮採用相近的設施。

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)	
			2019	2018	2019	2018
Energy 能源	Electricity 電力	Megawatt Hour (MWh) 兆瓦時	23,868	22,725	-	-
		Gigajoule (GJ) 千兆焦耳	85,923	81,811	5.4	4.9
	Fuel ¹ 燃料 ¹	Gigajoule (GJ) 千兆焦耳	1,566	1,862		
Water 水	Freshwater 淡水	Tonnes 噸	110,135	103,905	6.8	6.1

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

¹ Fuel used in the operations includes natural gas, towngas and liquefied petroleum gas.

¹ 營運中使用的燃料，包括天然氣、煤氣及液化石油氣。

Environment (continued)

Energy and Resources Management (continued)

- 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 town gas was calculated based on the formula provided by The Hong Kong and China Gas Company Limited.

Our total energy, water consumption and greenhouse gas emissions increased between 2018 and 2019 as we scaled up our manufacturing operations and opened more shops. Nevertheless, our fuel usage in 2019 dropped by about 16% in comparison with that in 2018, as a result of the gradual replacement of blowtorch which uses town gas with vacuum ingot casting machines that run on electricity to melt gold. During the year, our Xi'an Manufacturing Plant also 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 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.

環境(續)

能源及資源管理(續)

- 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。

由於我們擴大了製造業務的規模及開設了更多店舖，能源消耗量、用水量及溫室氣體排放於2018年至2019年間有所增加。然而，由於逐漸以熔金機取代煤氣火鎗用作熔化黃金，我們於2019年的燃料使用量較2018年減少約16%。年內，我們的西安工廠亦成立約章，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節省資源。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。

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)	
		2019	2018	2019	2018
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	87	103	0.9	0.8**
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	14,264	13,622**		

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

** figures related to Scope 2 greenhouse gas emissions in 2018 were recalculated with the emission factors in China's Regional Grid Average CO₂ Emission Factors in 2012 to keep the calculation method consistent with that for 2019

** 2018年範圍2之溫室氣體排放有關數字，經使用《2012年中國區域電網平均二氧化碳排放因子》重新計算，以保持與2019年的計算方法一致

Environment (continued)

Energy and Resources Management (continued)

- 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.

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. Our operation complies with the Water Pollution Control Ordinance in Hong Kong, and the Law of People's Republic of China on Prevention and Control of Water Pollution.

環境(續)

能源及資源管理(續)

- 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「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。

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。我們的營運乃遵守香港《水污染管制條例》及中華人民共和國《水污染防治法》。

Type of Emission 排放類別	Unit 單位	Total Volume of Effluent Discharged* 廢水排放總量*	
		2019	2018
Wastewater from Jewellery Manufacturing 珠寶製造產生之廢水	Tonnes 噸	43,831	36,773**

* figures are rounded to the nearest whole number

** figure is adjusted as a result of aligning the data collection methodology among the manufacturing plants

* 數字湊整至最接近之整數

** 因統一工廠間之數據收集方法，數字已作調整

Compared with 2018, the Group discharged more wastewater due to increased 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2018年相比，由於製造及生產活動增加，本集團於年內排放更多廢水。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 plant and laboratory of the Group were bestowed the Wastewi\$e Certificate (Excellence Level) by Hong Kong Green Organisation Certification. Compared to 2018, fewer packaging materials were used and distributed in general due to reduction in sales volume during the 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2018年相比，由於年內銷量減少，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*	
		2019	2018
Paper Box 紙盒	Tonnes 噸	414	424
Jewellery Pouch 小型珠寶袋	Tonnes 噸	11	12
Paper Bag 紙袋	Tonnes 噸	176	177
Others (e.g. plastic, leather, wood, and etc.) 其他物料 (例如塑膠、皮革、木材等)	Tonnes 噸	25	29

* figures are rounded to the nearest whole number

* 數字湊整至最接近之整數

Environment (continued)*Waste Management (continued)*

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. There are guidelines to encourage the use of email and e-chat for company business. Employees receive notices to check online their salary statements in lieu of paper slips.

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.

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 waste handling and disposal comply with Hong Kong's Waste Disposal Ordinance, Waste Disposal (Chemical Waste) (General) Regulation and Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Waste.

The Group endeavours to reduce the use of hazardous materials wherever feasible. As an example, during the year 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.

環境(續)*廢棄物管理(續)*

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，服務來賓時亦會採取相同做法。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，並且設有指引鼓勵使用電子郵件及電子聊天工具執行公司業務。員工收到通知後可在網上查閱糧單以代替使用紙張。

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。

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。廢棄物處理乃遵守香港《廢物處置條例》、《廢物處置(化學廢物)(一般)規例》及中華人民共和國《固體廢物污染環境防治法》。

本集團致力在可行情況下減少使用有害物料。舉例而言，香港廠房於年內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。

Environment (continued)

Waste Management (continued)

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)

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	
		2019	2018
Highly Acidic Waste 高酸性廢物	Tonnes 噸	7.0	6.5*
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	7.5	3.0

* figure of highly acidic waste in 2018 is restated. From 2019 onwards, all highly acidic waste in Shunde is handled by qualified third party. For comparability, the 2018 figure also included the amount of highly acidic waste generated by Shunde Laboratory which was originally left out because of reporting boundary

* 2018年高酸性廢物之數字經重列。自2019年起，順德之所有高酸性廢物均由合資格第三方處理。就比較而言，2018年數字亦包括順德實驗室產生之高酸性廢物量，該數據由於報告最初所設之範圍而未被納入在過往的計算內

Type of Non-Hazardous Waste 無害廢棄物類別	Unit 單位	Amount of Waste** 廢棄物量**			
		2019		2018	
		Generated 產生	Recycled 回收	Generated 產生	Recycled 回收
Paper 紙張	Tonnes 噸	46	19	52	8
Toner Cartridge 碳粉盒	Pieces 個	3,889	748	3,960	1,101
General Waste 一般廢棄物	Tonnes 噸	37	-	51	-

** figures are rounded to the nearest whole number

** 數字湊整至最接近之整數

In comparison with last year, more hazardous waste was generated during the year as a result of increased production activities and replacement of the existing solution tanks in transition to cyanide-free production technique. Meanwhile, the Group has made 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，由於生產活動增加及因過渡至無氰化物生產技術而需要更換現有溶液罐，導致年內產生較多的有害廢棄物。在此期間，集團在減少排放無害廢棄物方面則取得進展。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 Management²*

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. We complied with the Air Pollution Control Ordinance in Hong Kong and Law of People's Republic of China on the Prevention and Control of Atmospheric Pollution.

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, Young Entrepreneurs Development Council, St. James' Settlement People's Food Bank, Yan Chai Hospital and Yan Oi Tong.

Recognising the importance of quality education for young people, the Group provides scholarship funds to The Hong Kong Academy for Performing Arts and the City University of Hong Kong.

環境(續)*廢氣排放管理²*

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。我們遵守香港《空氣污染管制條例》及中華人民共和國《大氣污染防治法》。

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、青年企業家發展局、聖雅各福群會眾膳坊、仁濟醫院及仁愛堂。

我們認為提供優質教育予青年尤為重要，故本集團於香港演藝學院及香港城市大學設立獎學金。

² 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.

² 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. For example, we have organised visits to elderly to show our love and care, youth empowerment programmes to support the younger generation's personal growth, and volunteering work to clean the environment and promote 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.

Governance

The Group recognises the importance of good governance above and beyond compliance with regulatory requirements. The Group may from time to time be subject to changes in applicable laws and regulations in the jurisdictions where the Group conducts operations. Such matters could have an adverse impact on our ease and freedom of operation, financial well-being and the results of our business. Accordingly, compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, in particular those that have significant impact on the Group. The management is responsible for ensuring that the conduct of business is in conformity with all applicable laws and regulations.

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。例如我們安排探訪長者以表達愛心及關懷，組織青年賦權計劃以支持年輕一代的個人成長，以及參與清潔環境及促進環境保護之義務工作。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。

管治

本集團深明良好管治較遵從監管要求更為重要。本集團經營所在司法管轄區的適用法律及規例不時變動，該等變動可能對我們業務運作的自由方便、財務狀況及業績帶來不利影響。因此，本集團設有合規程序，確保嚴格遵守適用法律、規則及規例，尤其是對本集團有重大影響的該等規則。管理層負責確保業務過程中的行為符合所有適用法律及規例。

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, customers and employees. The Company has complied throughout the year 2019 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、客戶及員工之利益。本公司於2019年年度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 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。

全體董事已書面確認，年內彼等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, briefings, seminars and workshops, 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、簡報、研討會及工作坊，及/或閱讀有關議題的資料。

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 2019 are set out as follows:

董事的出席紀錄

各董事出席於2019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：

Name of Directors	董事姓名	Attendance/Number of Meetings				Annual General Meeting
		Board	Audit	Remuneration	Nomination	
		董事會	審核委員會	薪酬委員會	提名委員會	股東週年大會
Executive Directors:						
Mr. Vincent CHOW Wing Shing	周永成先生					
<i>Chairman and Group General Manager</i>	<i>主席兼集團總經理</i>	4/4	-	-	-	1/1
Dr. Gerald CHOW King Sing	周敬成醫生	3/4	-	-	1/1	1/1
Mr. Winston CHOW Wun Sing	周允成先生					
<i>Group Deputy General Manager</i>	<i>集團副總經理</i>	4/4	-	-	-	1/1
Non-executive Directors:						
Mr. Stephen TING Leung Huel	丁良輝先生	4/4	2/2	1/1	-	1/1
Mr. CHUNG Pui Lam	鍾沛林先生	4/4	2/2	1/1	1/1	1/1
Independent Non-executive Directors:						
Mr. LEE Ka Lun	李家麟先生					
<i>Chairman of the three Committees</i>	<i>三個委員會之主席</i>	4/4	2/2	1/1	1/1	1/1
Dr. CHAN Bing Fun	陳炳勳醫生	4/4	2/2	1/1	1/1	0/1
Dr. LO King Man	盧景文博士	4/4	2/2	1/1	1/1	1/1
Mr. Stephen LAU Man Lung	劉文龍先生	4/4	2/2	1/1	1/1	1/1

- The Director is not a member

- 董事並非成員

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.

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。

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 HKEX.

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。

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.

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。

Board Committees (continued)*Audit Committee (continued)*

In 2019, 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.

Remuneration Committee

The principal functions include reviewing and making recommendations to the Board for approval 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 of Directors and senior management and staff bonus scheme; 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.

董事委員會(續)*審核委員會(續)*

於2019年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。

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，以及提出建議予董事會批准。

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員工花紅計劃作出檢討，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法。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。

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

In determining the Board composition, the Committee will consider 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.

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)*

在確定董事會的組成時，委員會將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。

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. It also assessed and confirmed the independence of the INEDs, and make recommendation to the Board on the nomination of Mr. Winston CHOW Wun Sing, Mr. Stephen TING Leung Huel and Mr. Stephen LAU Man Lung for re-election as Directors by the shareholders at the annual general meeting of the Company held on 31 May 2019. The Committee considered that an appropriate balance of diversity perspectives of the Board is maintained.

Corporate Governance Functions

The Board 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.

In 2019, 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。委員會亦評核及確認獨立非執行董事之獨立性，並建議董事會提名周允成先生、丁良輝先生及劉文龍先生供股東於本公司2019年5月31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已維持了適當平衡。

企業管治職能

董事會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。

於2019年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 54 to 61 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 2019 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54至61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2019年提供之服務及已付／應付相關費用如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
4,063	3,872
1,555	757
1,955	451
7,573	5,080

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 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.

風險管理及內部管治

董事會負責確保本集團有足夠風險管理及內部管治，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治制度的效力。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。管理層對可能出現損失的情況制訂應急方案。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。

Risk Management and Internal Control (continued)**風險管理及內部管控(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 the uncertainties in the global economic and political environment and the weakened consumer demand. We see opportunities to grow 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, 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 42 to the consolidated financial statements | <ul style="list-style-type: none"> • 零售市場受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。本集團認為透過產品及品牌差異化可增加及提升客戶忠誠度 • 本集團業務將受有關珠寶製造及零售、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42 |
|---|---|

*Internal Control**內部管控*

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.

內部管控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)**風險管理及內部管控(續)***Internal Control (continued)**內部管控(續)*

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

本集團現有之主要內部管控包括以下各項：

- An Internal Audit team conducts regular audits of different aspects of the operations and reports any findings to the Audit Committee
 - All inventory movements are properly recorded and reconciled, and verification and cross-checking with source documents procedures are in place
 - 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
 - Major or material connected transactions require pre-approval of INEDs and all continuing connected transactions are reviewed on a regular basis
 - Business plans are prepared annually. Income and expenditure are subject to regular budgetary review
 - 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
- 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
 - 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
 - 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
 - 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，並定期檢討所有持續關連交易
 - 每年編制業務計劃。收入及開支受定期預算檢討之管控
 - 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資料，並制訂披露內部資料的指引，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 2019, 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2019年12月31日止年度本集團之風險管理及內部管控系統，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控系統。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 shops, 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。除商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 62 to 180, which comprise the consolidated statement of financial position as at 31 December 2019, 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 2019, 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 ("HKSAAs") 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62至180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2019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賬、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2019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**

The Group manufactures and sells jewellery products, which are subject to changing consumer demands and fashion trends. Significant judgement was required to assess the appropriate level of inventory provision for these jewellery products which might be sold below cost. This took into account factors that included but were not limited to, economic outlook, sales forecasts and the forecast market value for the jewellery products.

The write-down of inventories to net realisable value during the current year and the carrying amount of inventories (net of inventory provision) as at 31 December 2019 amounted to HK\$11,790,000 and HK\$8,932,514,000, respectively.

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

貴集團因應客戶需求及潮流趨勢變化製造及銷售珠寶產品。評估該等可能以低於成本價格出售之珠寶產品之合適存貨撥備水平須作出重大判斷。其計及(包括但不限於)經濟前景、銷售預測及預期珠寶產品之市值等因素。

年內，撇銷存貨至可變現淨值及於2019年12月31日存貨賬面值(扣除存貨撥備)分別為11,790,000港元及8,932,514,000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 were valued at HK\$333,026,000 as at 31 December 2019.

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2019年12月31日之估值為333,026,000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 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 obtained an understanding of management's processes for the initial identification of slow moving or obsolete jewellery products. We also assessed the inventory provision by comparing the selling prices of the jewellery products to their costs.

In addition to the above, an independent gemologist was engaged by the Group to assess the net realisable values of certain jewellery items held by the Group as at 31 December 2019. We reviewed the sampling approach adopted by the gemologist, which was based on a mix of material and random items. For diamond products assessed by the independent gemologist, we also evaluated the net realisable value with reference to independently published sales prices.

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。我們了解管理層初步識別滯銷或陳舊珠寶產品之過程。我們亦透過比較珠寶產品之成本及售價，評估存貨撥備。

除上述者外，貴集團於報告期末委聘獨立寶石鑑定師評估 貴集團於2019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 2019, gross receivables arising from securities and future broking and the related credit loss allowance amounted to HK\$1,030,898,000 and HK\$445,668,000, 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 23 to the consolidated financial statements.

於2019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1,030,898,000港元及445,668,000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23。

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 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 determine whether there was any shortfall by comparing the loan 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：

- 我們評估貴集團估計信貸虧損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。

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。

審計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, related safeguards.

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轄之任何重大缺陷。

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，相關之防範措施。

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

26 March 2020

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

2020年3月26日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2019

綜合損益賬

截至2019年12月31日止年度

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
TURNOVER	營業額	5		
Jewellery retail	珠寶零售		16,258,416	17,130,414
Other businesses	其他業務		1,477,810	1,675,928
			17,736,226	18,806,342
Cost of sales	銷售成本		(12,958,750)	(14,175,208)
Gross profit	毛利		4,777,476	4,631,134
Other income, net	其他收入·淨值		118,251	110,459
Selling and distribution costs	銷售及分銷費用		(2,784,708)	(2,775,215)
Administrative expenses	行政費用		(686,123)	(613,503)
Other losses, net	其他虧損·淨值		(452,443)	(20,092)
Gain on disposal of an associate	出售聯營公司之收益	19	–	26,614
Finance costs	財務費用	7	(89,162)	(36,991)
Share of profit of an associate	應佔聯營公司溢利	19	–	245
PROFIT BEFORE TAX	除稅前溢利	6	883,291	1,322,651
Income tax	所得稅	11	(239,758)	(310,394)
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		643,533	1,012,257
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		95.0 cents 仙	149.4 cents 仙
Diluted	攤薄		95.0 cents 仙	149.4 cents 仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2019

綜合全面收益表

截至2019年12月31日止年度

		Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
PROFIT FOR THE YEAR	年內溢利		643,533	1,012,257
OTHER COMPREHENSIVE LOSS	其他全面虧損			
Item that may be reclassified subsequently to profit or loss:	日後可能重新分類至損益賬之項目：			
Exchange differences on translation	換算產生之匯兌差額		(106,424)	(314,059)
Items that will not be reclassified subsequently to profit or loss:	日後不會重新分類至損益賬之項目：			
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		91,208	(48,263)
Revaluation upon transfer of a leasehold land and building to an investment property	租賃土地及樓宇轉撥往投資物業時重估	14	–	845
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	於其後期間不會重新分類至損益賬之其他全面收益／(虧損)淨額		91,208	(47,418)
Other comprehensive loss for the year	年內其他全面虧損		(15,216)	(361,477)
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		628,317	650,780

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

綜合財務狀況表

於2019年12月31日

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	14	1,014,404	853,823
Investment properties	投資物業	15	333,026	331,317
Right-of-use assets	使用權資產	16(b)	1,270,893	–
Prepaid land lease payments	預付土地租賃款項	16(a)	–	11,040
Intangible assets	無形資產	17	271	271
Other assets	其他資產	18	217,087	207,821
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	20	935,599	844,391
Deferred tax assets	遞延稅項資產	33	112,021	27,064
Total non-current assets	總非流動資產		3,883,301	2,275,727
CURRENT ASSETS	流動資產			
Inventories	存貨	21	8,932,514	7,451,326
Accounts receivable	應收賬款	22	915,804	1,001,041
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	23	585,230	1,018,341
Prepayments, other receivables and other assets	預付款項、其他應收賬款及其他資產	24	433,861	327,377
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	25	13,394	13,595
Derivative financial instruments	衍生金融工具	30	145	5,555
Tax recoverable	可收回稅項		66	28
Cash held on behalf of clients	代客戶持有現金	26	443,797	442,519
Cash and cash equivalents	現金及等同現金	26	1,028,326	1,302,527
Total current assets	總流動資產		12,353,137	11,562,309
CURRENT LIABILITIES	流動負債			
Accounts payable	應付賬款	27	116,156	146,017
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	28	503,271	457,010
Other payables and accruals	其他應付賬款及應計項目	29	542,920	491,875
Derivative financial instruments	衍生金融工具	30	9,158	12,405
Interest-bearing bank borrowings	計息銀行貸款	31	496,594	507,988
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	31	280,000	200,000
Bullion loans	貴金屬借貸	32	1,473,773	970,140
Lease liabilities	租賃負債	16(c)	572,891	–
Tax payable	應付稅項		160,435	125,812
Total current liabilities	總流動負債		4,155,198	2,911,247
NET CURRENT ASSETS	流動資產淨值		8,197,939	8,651,062
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		12,081,240	10,926,789

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

綜合財務狀況表

於2019年12月31日

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行貸款	31	440,330	257,734
Lease liabilities	租賃負債	16(c)	727,010	–
Deferred tax liabilities	遞延稅項負債	33	281,515	250,118
Total non-current liabilities	總非流動負債		1,448,855	507,852
Net assets	資產淨值		10,632,385	10,418,937
EQUITY	權益			
Issued capital	已發行股本	34	169,359	169,359
Reserves	儲備	36	10,463,026	10,249,578
Total equity	總權益		10,632,385	10,418,937

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 2019

		Note	Issued capital	Share premium
		附註	已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元
At 1 January 2018	於 2018 年 1 月 1 日		169,230	1,051,502
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	換算產生之匯兌差額		-	-
Revaluation upon transfer of a leasehold land and building to an investment property	租賃土地及樓宇轉撥往投資物業時重估	14	-	-
Total comprehensive income for the year	年內全面收益總額		-	-
Equity-settled share option arrangements	權益結算之購股權安排	35	-	-
Issue of shares upon exercise of share options	於購股權獲行使時發行股份		129	8,854
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 2018	於 2018 年 12 月 31 日		<u>169,359</u>	<u>1,060,356*</u>
At 31 December 2018	於 2018 年 12 月 31 日		169,359	1,060,356
Effect of adoption of HKFRS 16	採納香港財務報告準則第 16 號的影響	2.2	-	-
At 1 January 2019 (restated)	於 2019 年 1 月 1 日 (重列)		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	換算產生之匯兌差額		-	-
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>

* These reserve accounts comprise the consolidated reserves of HK\$10,463,026,000 (2018: HK\$10,249,578,000) in the consolidated statement of financial position.

綜合權益變動表

截至2019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 35) (附註35)	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 36) (附註36)	HK\$'000 千港元	HK\$'000 千港元
13,615	343,101	890,689	4,897	100,756	353,490	7,216,274	10,143,554
-	-	-	-	-	-	1,012,257	1,012,257
-	-	(48,263)	-	-	-	-	(48,263)
-	-	-	-	(314,059)	-	-	(314,059)
-	845	-	-	-	-	-	845
-	845	(48,263)	-	(314,059)	-	1,012,257	650,780
3,086	-	-	-	-	-	-	3,086
(1,329)	-	-	-	-	-	-	7,654
(121)	-	-	-	-	-	121	-
-	-	-	-	-	56,703	(56,703)	-
-	-	-	-	-	-	(386,137)	(386,137)
15,251*	343,946*	842,426*	4,897*	(213,303)*	410,193*	7,785,812*	10,418,937
15,251	343,946	842,426	4,897	(213,303)	410,193	7,785,812	10,418,937
-	-	-	-	628	-	(22,585)	(21,957)
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)
14,268*	343,946*	933,634*	4,897*	(319,099)*	478,957*	7,946,067*	10,632,385

* 此等儲備賬目組成綜合財務狀況表之綜合儲備10,463,026,000港元(2018年:10,249,578,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2019

綜合現金流量表

截至2019年12月31日止年度

		Note	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量			
Cash generated from operations	經營所得現金	37(a)	911,417	1,091,086
Interest received	已收利息		69,653	94,260
Interest paid	已付利息		(58,237)	(5,641)
Hong Kong profits tax paid	已付香港利得稅		(35,363)	(29,992)
Mainland China tax paid	已付中國大陸稅項		(215,962)	(218,573)
Net cash flows from operating activities	經營業務所得之現金流量淨額		671,508	931,140
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Purchases of items of property, plant and equipment	購買物業、機器及設備項目		(414,729)	(338,192)
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		279	166
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		(434)	(4,297)
Decrease/(increase) in other assets	其他資產之減少/(增加)		(8,832)	6,911
Proceeds from disposal of an associate	出售一家聯營公司所得款項	19	–	59,312
Dividends received from listed investments	已收上市投資股息		24,710	23,597
Dividends received from unlisted investments	已收非上市投資股息		1,070	1,101
Net cash flows used in investing activities	投資活動所用之現金流量淨額		(397,936)	(251,402)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Proceeds from issue of shares upon exercise of share options	於購股權獲行使時發行股份之所得款項		–	7,654
New bank loans	新增銀行貸款		2,371,140	2,270,000
Repayment of bank loans	償還銀行貸款		(2,120,313)	(2,305,561)
New bullion loans	新增貴金屬借貸		2,102,108	1,525,003
Repayment of bullion loans	償還貴金屬借貸		(1,811,132)	(1,616,667)
Principal portion of lease payments	租賃款項之本金部分	37(b)	(655,508)	–
Interest paid	已付利息		(30,632)	(30,534)
Dividends paid	已付股息		(392,912)	(386,137)
Net cash flows used in financing activities	融資活動所用之現金流量淨額		(537,249)	(536,242)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及等同現金之增加/(減少)淨額		(263,677)	143,496
Cash and cash equivalents at beginning of year	於年初之現金及等同現金		1,302,527	1,199,915
Effect of foreign exchange rate changes, net	外幣匯率變動影響，淨值		(10,524)	(40,884)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年終之現金及等同現金		1,028,326	1,302,527

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2019

綜合現金流量表

截至2019年12月31日止年度

	Note	2019	2018
	附註	HK\$'000 千港元	HK\$'000 千港元
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及等同現金結存分析			
Cash and bank balances	26	900,563	1,123,687
Non-pledged time deposits with original maturity of less than three months when acquired	26	127,763	178,840
		1,028,326	1,302,527

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
- wholesale of precious metals
- securities and futures broking

Particulars of the Company's subsidiaries are detailed in note 47 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 2019. 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:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) 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
- 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47。

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2019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：

- (a) 與被投資方其他投票權持有者之合約安排；
- (b) 從其他合約安排中產生之權利；及
- (c) 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 following new and revised HKFRSs for the first time for the current year's consolidated financial statements:

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

Except for the amendments to HKFRS 9 and HKAS 19, and Annual Improvements to HKFRSs 2015-2017 Cycle, which are not relevant to the preparation of the Group's consolidated financial statements, the nature and the impact of the new and revised HKFRSs are described below:

2.1 編製基準(續)**綜合基準(續)**

損益賬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) 損益賬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賬或保留溢利。

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下列新訂及經修訂香港財務報告準則：

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

除香港財務報告準則第9號及香港會計準則第19號之修訂本，以及香港財務報告準則2015年至2017年週期之年度修改，與編製本集團之綜合財務報告並不相關外，新訂及經修訂香港財務報告準則之性質及影響闡述如下：

2.2 Changes In Accounting Policies and Disclosures (continued)**HKFRS 16**

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

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretations.

2.2 會計政策及披露之變動(續)**香港財務報告準則第16號**

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

本集團採用經修訂追溯採納法採納香港財務報告準則第16號，並於2019年1月1日首次應用。根據此方法，追溯應用準則將對首次採納的累計影響作為對2019年1月1日保留溢利期初結餘之調整，而2018年的比較資料並無重列且繼續根據香港會計準則第17號及其相關詮釋呈報。

2.2 Changes In Accounting Policies and Disclosures (continued)**HKFRS 16 (continued)****New definition of a lease**

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

As a lessee – Leases previously classified as operating leases*Nature of the effect of adoption of HKFRS 16*

The Group has certain lease contracts for its office properties, retail stores and factories. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less ("short-term leases") (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

2.2 會計政策及披露之變動(續)**香港財務報告準則第16號(續)****租賃的新定義**

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

作為承租人 – 先前分類為經營租約之租賃*採納香港財務報告準則第16號之影響性質*

本集團擁有若干辦公室、零售店舖及廠房的租賃合約。作為承租人，本集團先前根據租賃會否把資產擁有權絕大部分回報及風險轉讓予本集團的評估把租賃分類為融資租約或經營租約。根據香港財務報告準則第16號，本集團應用單一處理方法就所有租賃確認及計量使用權資產及租賃負債，惟就低價值資產租賃(按個別租賃基準選擇)及租期為12個月或以下之租賃(「短期租賃」)(按相關資產類別選擇)的兩項選擇性豁免除外。自2019年1月1日開始，本集團確認使用權資產之折舊(和減值，如有)及就未償還租賃負債所產生之應計利息(作為財務費用)，取代在租賃期限以直線法確認之經營租約的租金費用。

2.2 Changes In Accounting Policies and Disclosures (continued)**HKFRS 16 (continued)****As a lessee – Leases previously classified as operating leases (continued)***Impact on transition*

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019.

The right-of-use assets were recognised based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 January 2019.

All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the consolidated statement of financial position.

For the leasehold land and buildings (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 January 2019. They continue to be measured at fair value applying HKAS 40.

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

- Applying the short-term leases exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Using hindsight in determining the lease term where the contract contains options to extend/terminate the lease
- Excluding the initial direct costs from the measurement of the right-of-use assets at the date of initial application
- Using a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relying on its assessment of whether leases were onerous by applying HKAS 37 immediately before 1 January 2019 as an alternative to performing an impairment review

2.2 會計政策及披露之變動(續)**香港財務報告準則第16號(續)****作為承租人 – 先前分類為經營租約之租賃(續)***過渡之影響*

於2019年1月1日的租賃負債乃按剩餘租賃款項之現值，並採用於2019年1月1日的增量借貸利率貼現後予以確認。

使用權資產乃按賬面值確認，猶如該標準一直應用，惟本集團於2019年1月1日應用的增量借貸利率除外。

所有該等資產於該日根據香港會計準則第36號評估任何減值。本集團選擇在綜合財務狀況表獨立呈列使用權資產。

就先前計入投資物業及按公平價值計量之租賃土地及樓宇(為賺取租金收入及/或獲得資本升值而持有)而言，本集團於2019年1月1日繼續將其列為投資物業，並繼續根據香港會計準則第40號按公平價值計量。

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

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

2.2 Changes In Accounting Policies and Disclosures (continued)

HKFRS 16 (continued)

Financial impact at 1 January 2019

The impact arising from the adoption of HKFRS 16 at 1 January 2019 was as follows:

2.2 會計政策及披露之變動(續)

香港財務報告準則第16號(續)

於2019年1月1日之財務影響

於2019年1月1日採納香港財務報告準則第16號的影響如下：

		Increase/ (decrease) 增加/(減少) HK\$'000 千港元
Assets	資產	
Right-of-use assets	使用權資產	1,049,125
Property, plant and equipment	物業、機器及設備	(1,596)
Prepaid land lease payments	預付土地租賃款項	(11,040)
Prepayments, other receivables and other assets	預付款項、其他應收賬款及其他資產	(18,112)
Deferred tax assets	遞延稅項資產	7,821
Total assets	總資產	<u>1,026,198</u>
Liabilities	負債	
Lease liabilities	租賃負債	1,058,109
Other payables and accruals	其他應付賬款及應計項目	(9,954)
Total liabilities	總負債	<u>1,048,155</u>
Equity	權益	
Retained profits	保留溢利	(22,585)
Exchange fluctuation reserve	外匯變動儲備	628
Total equity	總權益	<u>(21,957)</u>

2.2 Changes In Accounting Policies and Disclosures (continued)

HKFRS 16 (continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

**Operating lease commitments as at
31 December 2018**

Less:

Commitments relating to short-term leases and those with a remaining lease term ended on or before 31 December 2019
Commitments relating to leases not yet commence on 1 January 2019

**於2018年12月31日的
經營租約承擔**

減：

有關短期租賃及剩餘租賃期於2019年12月31日或之前屆滿的租賃承擔
有關於2019年1月1日尚未開始的租賃承擔

HK\$'000
千港元

1,240,545

(9,377)

(86,711)

1,144,457

Weighted average incremental borrowing rate as at 1 January 2019

於2019年1月1日的加權
平均增量借貸利率

3.7%

**Discounted operating lease commitments and
lease liabilities as at 1 January 2019**

**於2019年1月1日的貼現經營租約
承擔及租賃負債**

1,058,109

Amendments to HKAS 28

Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group had no long-term interests in associates and joint ventures on 1 January 2019. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

香港會計準則第28號修訂本

香港會計準則第28號修訂本釐清香港財務報告準則第9號的豁免範圍僅包括應用權益法的於聯營公司或合營企業之權益，而不包括實質上構成於該聯營公司或合營企業的淨投資一部分之長期權益(並無就此應用權益法)。因此，實體應用香港財務報告準則第9號(包括香港財務報告準則第9號下之減值規定)而非香港會計準則第28號將該等長期權益入賬。僅就確認聯營公司或合營企業之虧損及於聯營公司或合營企業之淨投資減值而言，香港會計準則第28號繼而應用於包括長期權益等的淨投資。於2019年1月1日，本集團並無於聯營公司或合營企業之長期權益。因此，該等修訂對本集團之財務狀況或表現概無任何影響。

2.2 Changes In Accounting Policies and Disclosures (continued)**HK(IFRIC)-Int 23**

HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group’s tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any impact on the financial position or performance of the Group.

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	Definition of a Business ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 17	Insurance Contracts ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹

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

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

³ No mandatory effective date yet determined but available for adoption

2.2 會計政策及披露之變動(續)**香港(國際財務報告詮釋委員會)-詮釋第23號**

香港(國際財務報告詮釋委員會)-詮釋第23號闡述當稅項處理涉及影響應用香港會計準則第12號之不確定性(一般稱為「不確定稅項狀況」)時(本期及遞延)所得稅之會計處理方法。該詮釋並不適用於香港會計準則第12號範圍外之稅項或徵費,或其並無具體包括有關不確定稅項處理之利息及罰款之規定。該詮釋具體針對(i)實體是否考慮分開處理不確定稅項;(ii)實體對稅務機關審查稅項處理所作之假設;(iii)實體如何釐定應課稅溢利或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率之方式;及(iv)實體如何考慮事實及情況變動之方式。於採納該詮釋時,本集團考慮其內部銷售之轉讓價會否產生任何不確定稅項狀況。按本集團之稅務法規及轉讓價研究,本集團認為其轉讓價政策很有可能獲稅務機關接納。因此,該詮釋對本集團之財務狀況或表現概無任何影響。

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未生效之新訂及經修訂香港財務報告準則:

香港財務報告準則第3號 修訂本	業務之定義 ¹
香港財務報告準則第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 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 ³
香港財務報告準則第17號	保險合約 ²
香港會計準則第1號及 香港會計準則第8號修訂本	重大性之定義 ¹

¹ 於2020年1月1日或以後開始之會計期間生效

² 於2021年1月1日或以後開始之會計期間生效

³ 尚未釐定強制生效日期惟可供採納

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 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 expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur 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 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. 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 are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

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.

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。本集團預期將自2020年1月1日起按未來適用法採納該等修訂。由於該等修訂按未來適用法應用於首次應用日期或之後發生的交易或其他事項，故於過渡日期本集團不會受到該等修訂之影響。

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號修訂本旨在解決銀行同業拆息改革對財務申報之影響。該等修訂提供可在替換現有利率基準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，該等修訂規訂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。該等修訂於2020年1月1日或之後開始之年度期間生效。允許提前應用。預期該等修訂將不會對本集團綜合財務報告造成任何重大影響。

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，由該交易產生之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。

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

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. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

2.4 Summary of Significant Accounting Policies

Investment in an associate

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and other comprehensive income of associate is included in the consolidated statement of profit or loss and consolidated statement of other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investment in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

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策，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。倘可合理預期對資料的錯誤陳述會影響主要使用者所作的決策，則視為重大錯誤陳述。本集團預期將自2020年1月1日起按未來適用法採納該等修訂。該等修訂預期不會對本集團綜合財務報告造成重大影響。

2.4 主要會計政策概要

於聯營公司之投資

聯營公司乃本集團長期持有其一般不少於20%之股份投票權，及對其有重大影響力之實體。重大影響力為參與被投資方財務及營運決策之權力，惟並非對該等政策之控制權或共同控制權。

本集團於聯營公司之投資以權益會計法按本集團應佔淨資產減任何減值虧損於綜合財務狀況表列賬。本集團所佔聯營公司購入後之業績及其他全面收益已分別計入綜合損益賬及綜合其他全面收益表內。此外，如有直接於聯營公司之權益確認之變動，本集團在適用時於綜合權益變動表確認其應佔之任何變動。本集團與其聯營公司之間之交易所產生之未變現收益及虧損以本集團於聯營公司之投資為限予以對銷，惟倘有證據顯示未變現虧損為已轉讓出現減值之資產則除外。

倘於聯營公司之投資成為於合營公司之投資(反之亦然)，則保留權益不會重新計量，而該項投資會繼續以權益法入賬。在所有其他情況下，於失去對聯營公司之重大影響力後，本集團按其公平價值計量並確認任何保留投資。於失去重大影響力後之聯營公司賬面值與保留投資公平價值及出售事項所得款項之任何差異，於損益賬中確認。

2.4 Summary of Significant Accounting Policies (continued)**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.

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(續)**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。

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賬確認。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，差額於損益賬確認為議價購買收益。

過往自綜合保留溢利撤銷之商譽

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撤銷。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撤銷，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賬中確認。

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賬內扣除，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賬內，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 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.

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.

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賬中扣除。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賬內確認。

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。

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

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.

For a transfer from owner-occupied properties to investment properties, the related revaluation surplus is retained in the buildings revaluation reserve and remains there until the subsequent disposal or retirement of the property, where by that time the revaluation surplus is transferred to retained profits.

Investment properties

Investment properties are interests in buildings (including the leasehold property held as a right-of-use asset (2018: leasehold property under an operating lease) 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.

For a transfer from investment properties to owner-occupied properties, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

2.4 主要會計政策概要(續)**物業、機器及設備及折舊(續)**

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。

自用物業轉撥為投資物業，有關重估盈餘保留於樓宇重估儲備中，直至該物業日後出售或棄用，屆時重估盈餘撥往保留溢利。

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(2018年：經營租約下之租賃物業)，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賬。

任何棄用或出售投資物業之盈虧在棄用或出售當年之綜合損益賬中確認。

由投資物業轉撥為自用物業之物業，用作日後會計處理之視作成本為其於更改用途當日之公平價值。倘本集團之自用物業轉為投資物業，則在用途變更當日之前，本集團自用物業根據「物業、機器及設備及折舊」所規定之政策將該物業入賬，及/或持有作使用權資產之物業則根據「使用權資產」所規定之政策將該物業入賬，於該日之物業賬面值與公平價值之任何差額根據上述「物業、機器及設備及折舊」所規定之重估政策入賬。

2.4 Summary of Significant Accounting Policies (continued)**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.

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 (applicable from 1 January 2019)

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:

Prepaid land lease payments	50 years
Buildings	2–10 years

2.4 主要會計政策概要(續)**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。

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賬內確認。

租賃(自2019年1月1日起適用)

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：

預付土地租賃款項	50年
樓宇	2至10年

2.4 Summary of Significant Accounting Policies (continued)

Leases (applicable from 1 January 2019) (continued)

Group as a lessee (continued)

(a) Right-of-use assets (continued)

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.

(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 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(自2019年1月1日起適用)(續)

本集團作為承租人(續)

(a) 使用權資產(續)

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。

(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 (applicable from 1 January 2019) (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.

Leases (applicable before 1 January 2019)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the consolidated statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the leasehold land and buildings as a finance lease in property, plant and equipment.

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.

2.4 主要會計政策概要(續)**租賃(自2019年1月1日起適用)(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，計入綜合損益賬之營業額。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。

租賃(於2019年1月1日前適用)

倘若資產擁有權之全部回報及風險絕大部分保留於出租人之租約，以經營租約入賬。倘若本集團為出租人時，本集團於經營租約下租出資產包括在非流動資產內，於經營租約下之應收租金以直線法按租期計入綜合損益賬內。倘若本集團為承租人時，於經營租約下之應付租金扣除收到出租人之任何優惠，以直線法按租期於綜合損益賬扣除。

經營租約之預付土地租賃款項最初按成本列報，並於其後以直線法在租約年期確認。當租賃款項無法可靠地分配為土地部分及樓宇部分，全部租賃款項乃計入租賃土地及樓宇成本，列作物業、機器及設備之融資租賃。

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。

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

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.

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.

2.4 主要會計政策概要(續)**投資及其他金融資產(續)***初次確認及計量(續)*

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。

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賬內確認。

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

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.

2.4 主要會計政策概要(續)**投資及其他金融資產(續)***其後計量(續)**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賬。倘股息支付權已確立，而股息相關之經濟收益並能作出可靠計算，則股息於綜合損益賬內確認為其他收入，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。

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賬內確認。

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，於綜合損益賬內確認為其他收入。

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。

2.4 Summary of Significant Accounting Policies (continued)**Derecognition of financial assets (continued)**

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.

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)**不再確認財務資產(續)**

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。

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賬確認。於綜合損益賬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賬確認，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賬的收益或虧損除外。於綜合損益賬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賬確認。

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賬之財務費用內。

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賬確認。

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賬。

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賬之財務費用。

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, 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（及税法）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)

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 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)

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響作出調整。

(a) 貨品銷售

來自貨品銷售之收益指在撇除退回、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 segment operates a customer loyalty programme, which allows customers to accumulate award credits when they purchase products in the Group's retail stores. 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
本集團的珠寶零售分部設有客戶忠誠度計劃，讓客戶於本集團零售店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)**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.

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.

2.4 主要會計政策概要(續)**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。

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賬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。

2.4 Summary of Significant Accounting Policies (continued)**Share-based payments (continued)**

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.

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.

2.4 主要會計政策概要(續)**股份支付(續)**

於釐定獎賞於授出日期的公平價值時並未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。

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賬扣除。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，本集團作出之僱員供款利益全數歸屬於僱員，至於本集團作出之僱員自願性供款則除外，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。

2.4 Summary of Significant Accounting Policies (continued)**Employee benefits (continued)***Pension schemes and other retirement benefits (continued)*

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.

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).

2.4 主要會計政策概要(續)**僱員福利(續)***退休金計劃及其他退休福利(續)*

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賬扣除。

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。

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賬確認。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賬確認之項目，其換算差額亦分別於其他全面收益或損益賬確認）。

2.4 Summary of Significant Accounting Policies (continued)**Foreign currencies (continued)**

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.

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:

2.4 主要會計政策概要(續)**外幣(續)**

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，其損益賬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賬中確認。

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. 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：

3. Significant Accounting Judgements and Estimates (continued)

Judgements (continued)

(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.

(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 (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

3. 主要會計判斷及估計(續)

判斷(續)

(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。

(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。

3. Significant Accounting Judgements and Estimates (continued)**Judgements (continued)***(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.

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 2019, the amount recognised as refund liabilities was HK\$633,000 (2018: HK\$496,000) for the expected returns.

3. 主要會計判斷及估計(續)**判斷(續)***(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。

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2019年12月31日，就預期退貨確認為退款負債之金額為633,000港元(2018年：496,000港元)。

3. Significant Accounting Judgements and Estimates (continued)

Estimation uncertainty (continued)

(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 2019 was HK\$34,464,000 (2018: HK\$37,287,000). Further details are included in note 20 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 products) 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 22 to the consolidated financial statements.

(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.

3. 主要會計判斷及估計(續)

估計不明朗因素(續)

(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2019年12月31日，非上市股份投資之公平價值為34,464,000港元(2018年：37,287,000港元)。進一步詳情載於綜合財務報告附註20。

(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22。

(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。

3. Significant Accounting Judgements and Estimates (continued)

Estimation uncertainty (continued)

- (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).
- (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 33 to the consolidated financial statements.
- (g) *Impairment of non-financial assets (other than goodwill)*
The Group assesses whether there are any indicators of impairment for all non-financial assets (including right-of-use 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)

- (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）。
- (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33。
- (g) *非財務資產減值(商譽除外)*
本集團於每個報告期末評估全部非財務資產(包括使用權資產)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)**

- (h) *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.
- (i) *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 limited to economic outlook, sales forecasts and the forecast market value for the jewellery products. 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 manufacture and retail of jewellery segment produces jewellery products for the Group's retail business and operates retail stores mainly in Hong Kong, Macau, Mainland China 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, gain on disposal of an associate and share of profit of an associate 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)**

- (h) *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賬確認之收益或虧損作出相應調整。
- (i) *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、銷售預測及預期珠寶產品之市值)。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) 珠寶製造及零售分部為本集團之零售業務製造珠寶產品，並主要於香港、澳門、中國大陸及臺灣經營零售店；
- (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、出售聯營公司之收益及應佔聯營公司溢利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)

			Manufacture and retail of jewellery 珠寶製造 及零售	Wholesale of precious metals 貴金屬 批發	Securities and futures broking 證券及 期貨經紀	Other businesses 其他 業務	Total
	Note 附註	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	合計 HK\$'000 千港元
Year ended	截至2019年						
31 December 2019	12月31日						
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>	<i>調節:</i>						
Elimination of intersegment sales	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>	<i>調節:</i>						
Dividend income	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)

		Manufacture and retail of jewellery 珠寶製造 及零售 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)

4. 經營分部資料(續)

		Manufacture and retail of jewellery 珠寶製造 及零售	Wholesale of precious metals 貴金屬 批發	Securities and futures broking 證券及 期貨經紀	Other businesses 其他 業務	Total 合計
	Note 附註	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
Year ended 31 December 2018		截至2018年 12月31日 止年度				
Segment revenue		分部收益				
Sales to external customers	5	銷售予外來客戶	17,130,414	1,602,531	34,513	18,794,552
Intersegment sales		內部銷售	–	1,177,438	–	1,180,543
Other revenue		其他收益	–	–	11,790	11,790
			<u>17,130,414</u>	<u>2,779,969</u>	<u>41,989</u>	<u>19,986,885</u>
<i>Reconciliation:</i> Elimination of intersegment sales		<i>調節:</i> 對銷內部銷售				(1,180,543)
						<u>18,806,342</u>
Segment results		分部業績	1,205,170	14,088	42,815	1,271,575
<i>Reconciliation:</i> Dividend income		<i>調節:</i> 股息收入				24,217
Gain on disposal of an associate		出售聯營公司 之收益				26,614
Share of profit of an associate		應佔聯營公司 溢利				245
Profit before tax		除稅前溢利				<u>1,322,651</u>

4. Operating Segment Information (continued)

4. 經營分部資料(續)

		Manufacture and retail of jewellery 珠寶製造 及零售 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 2018 年					
31 December 2018	12 月 31 日					
	止年度					
Other segment information	其他分部資料					
Interest income	利息收入	(26,525)	(12)	(68,119)	(6)	(94,662)
Dividend income	股息收入	-	-	(481)	-	(481)
Net fair value gain on investment properties	投資物業之公平價 值淨收益	-	-	-	(10,647)	(10,647)
Net fair value 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 屬借貸的公平價 值淨虧損	29,353	-	-	-	29,353
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	3,522	(512)	-	-	3,010
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	-	-	3,478	-	3,478
Net 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 屬借貸淨收益	(11,811)	-	-	-	(11,811)
Net loss on disposal of derivative financial instruments	出售衍生金融工具 淨虧損	5,309	448	-	-	5,757
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	2,302	-	88	-	2,390
Depreciation of property, plant and equipment	物業、機器及設備 之折舊	209,745	-	2,395	384	212,524
Amortisation of prepaid land lease payments	攤銷預付土地租賃 款項	281	-	-	-	281
Impairment of accounts receivable	應收賬款減值	8,459	-	-	-	8,459
Write-down of inventories to net realisable value	撇銷存貨至可變現 淨值	706	-	-	-	706
Finance costs	財務費用	31,201	-	5,790	-	36,991
Capital expenditure	資本性開支	336,931	-	1,261	-	338,192

4. Operating Segment Information (continued)

(a) Geographical information

Revenue from external customers

Hong Kong and Macau	香港及澳門
Mainland China	中國大陸
Taiwan	臺灣

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

Non-current assets

Hong Kong and Macau	香港及澳門
Mainland China	中國大陸
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

2019	2018
HK\$'000	HK\$'000
千港元	千港元
7,912,189	9,363,640
9,689,478	9,328,580
134,559	114,122

17,736,226 **18,806,342**

上述收益資料乃按客戶所在地區劃分。

非流動資產

2019	2018
HK\$'000	HK\$'000
千港元	千港元
1,600,135	692,549
1,204,597	684,081
30,949	27,642

2,835,681 **1,404,272**

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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
17,724,182	18,794,552
12,044	11,790
17,736,226	18,806,342

5. Turnover (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

Segments	分部	Manufacture and retail of jewellery 珠寶製造及零售 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 2019	截至2019年 12月31日止年度					
Type 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					
Hong Kong and Macau	香港及澳門	6,435,605	1,435,672	24,113	5,981	7,901,371
Mainland China	中國大陸	9,688,252	–	–	–	9,688,252
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

(i) 分類收益資料

5. Turnover (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Segments	分部	Manufacture and retail of jewellery 珠寶製造及零售 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 2018	截至2018年 12月31日止年度					
Type of goods or services	貨品或服務類型					
Sale of goods	貨品銷售	17,130,414	1,602,531	–	27,094	18,760,039
Securities and futures broking	證券及期貨經紀	–	–	34,513	–	34,513
Total revenue from contracts with customers	來自客戶合約之總收益	<u>17,130,414</u>	<u>1,602,531</u>	<u>34,513</u>	<u>27,094</u>	<u>18,794,552</u>
Geographical area	地區市場					
Hong Kong and Macau	香港及澳門	7,688,991	1,602,531	34,513	27,094	9,353,129
Mainland China	中國大陸	9,327,301	–	–	–	9,327,301
Taiwan	臺灣	114,122	–	–	–	114,122
Total revenue from contracts with customers	來自客戶合約之總收益	<u>17,130,414</u>	<u>1,602,531</u>	<u>34,513</u>	<u>27,094</u>	<u>18,794,552</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>17,130,414</u>	<u>1,602,531</u>	<u>34,513</u>	<u>27,094</u>	<u>18,794,552</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	Manufacture and retail of jewellery 珠寶製造及零售 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 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>
For the year ended 31 December 2018		截至2018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	17,130,414	1,602,531	34,513	27,094	18,794,552
Intersegment sales	內部銷售	—	1,177,438	—	—	1,177,438
		17,130,414	2,779,969	34,513	27,094	19,971,990
Intersegment adjustments and eliminations	內部調整及對銷	—	(1,177,438)	—	—	(1,177,438)
Total revenue from contracts with customers	來自客戶合約之總收益	<u>17,130,414</u>	<u>1,602,531</u>	<u>34,513</u>	<u>27,094</u>	<u>18,794,552</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 and recognised from performance obligations satisfied in previous periods:

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，以及就過往期間完成之履約責任確認之收益金額：

2019	2018
HK\$'000	HK\$'000
千港元	千港元

53,730	67,439
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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):

Cost of inventories sold	銷貨成本
Write-down of inventories to net realisable value [^]	撇銷存貨至可變現淨值 [^]
Depreciation of property, plant and equipment	物業、機器及設備之折舊
Depreciation of right-of-use assets (2018: Amortisation of prepaid land lease payments)	使用權資產之折舊 (2018年：攤銷預付土地租賃款項)
Auditor's remuneration	核數師酬金
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
Operating lease payments in respect of leasehold land and buildings:	有關租賃土地及樓宇之經營租約款項：
Minimum lease payments	最低租賃款項
Contingent rents	或然租金
Employee benefit expense* (excluding Directors' emoluments (note 8)):	僱員福利開支* (不包括董事酬金(附註8))：
Wages and salaries	工資及薪金
Equity-settled share option expense	權益結算之購股權開支
Pension scheme contributions	退休金計劃供款
Less: Forfeited contributions	減：已沒收供款
Net pension scheme contributions	退休金計劃供款淨額

6. 除稅前溢利

本集團之除稅前溢利已扣除/(計入)：

Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	12,599,520	14,180,556
	11,790	706
14	235,750	212,524
16(a), 16(b)	685,359	281
	4,063	3,872
16(d)	55,178	–
	–	768,105
	–	18,697
	–	786,802
35	1,378,343	1,316,105
	–	3,086
	210,035	197,592
	(59)	(301)
	209,976	197,291
	1,588,319	1,516,482

6. Profit before Tax (continued)

Impairment of accounts receivable [#]	應收賬款減值 [#]
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 [#]
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)
Net fair value gain on investment properties [#]	投資物業之公平價值淨收益 [#]
Net fair value loss/(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虧損/(收益) [#]
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 [#]
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 [#]
Net loss/(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淨虧損/(收益) ^{^^}
Net loss on disposal of derivative financial instruments ^{^^}	出售衍生金融工具淨虧損 ^{^^}
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
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
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\$3,545,000 (2018: HK\$3,969,000) 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.

^{**} This balance was included in “Cost of sales” on the face of the consolidated statement of profit or loss for the year ended 31 December 2018. The design fee was determined in the ordinary and usual course of business of the Group paid to a related party.

6. 除稅前溢利(續)

Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
22	18,790	8,459
23	445,668	–
	1,357	3,064
15	(2,088)	(10,647)
	(70)	29,353
	2,321	3,010
	201	3,478
	224,208	(11,811)
	123,232	5,757
	4,394	2,390
	(69,528)	(94,662)
	(24,710)	(23,597)
	(1,070)	(1,101)
	–	169
	5,742	37,993

[^] 此結餘包含在綜合損益賬上「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3,545,000港元(2018年: 3,969,000港元)。

[#] 此等結餘包含在綜合損益賬上「其他虧損，淨值」中。

^{^^} 此等結餘包含在綜合損益賬上「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。

^{**} 此等結餘包含在截至2018年12月31日止年度的綜合損益賬上「銷售成本」中。向關連人士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

Interest on bank loans, overdrafts and other loans	銀行貸款、透支及其他貸款之利息
Interest on lease liabilities	租賃負債利息

7. 財務費用

2019 HK\$'000 千港元	2018 HK\$'000 千港元
42,852	36,991
46,310	—
89,162	36,991

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:

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：

Fees	袍金
Other emoluments:	其他酬金：
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

2019 HK\$'000 千港元	2018 HK\$'000 千港元
3,320	3,119
6,181	5,951
502	1,426
103	99
6,786	7,476
10,106	10,595

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
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>3,320</u>	<u>6,181</u>	<u>502</u>	<u>103</u>	<u>10,106</u>
2018					
Executive Directors:	執行董事：				
Mr. Vincent CHOW Wing Shing	407	3,128	744	-	4,279
Dr. Gerald CHOW King Sing	338	291	49	14	692
Mr. Winston CHOW Wun Sing	277	2,532	633	85	3,527
	<u>1,022</u>	<u>5,951</u>	<u>1,426</u>	<u>99</u>	<u>8,498</u>
Non-executive Directors:	非執行董事：				
Mr. Stephen TING Leung Huel	338	-	-	-	338
Mr. CHUNG Pui Lam	338	-	-	-	338
Dr. CHAN Bing Fun*	338	-	-	-	338
Mr. LEE Ka Lun*	407	-	-	-	407
Dr. LO King Man*	338	-	-	-	338
Mr. Stephen LAU Man Lung*	338	-	-	-	338
	<u>2,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,097</u>
	<u>3,119</u>	<u>5,951</u>	<u>1,426</u>	<u>99</u>	<u>10,595</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 (2018: Nil).

There was no arrangement under which a Director waived or agreed to waive any emoluments during the year (2018: Nil).

9. Senior Management's Emoluments

The emoluments paid to the members of senior management by band are as follows:

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
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元

10. Five Highest Paid Employees

The five highest paid employees of the Group during the year included two (2018: two) Directors, details of whose emoluments are set out in note 8 above. Details of the emoluments for the year of the remaining three (2018: 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
Equity-settled share option expense	權益結算之購股權開支
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(2018年:零)。

年內董事並無訂立任何放棄或同意放棄任何酬金的安排(2018年:零)。

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	
2019	2018
1	1
2	-
-	1
1	-
-	2
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(2018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(2018年:三名)最高薪酬非董事僱員之詳細酬金資料如下:

2019	2018
HK\$'000	HK\$'000
千港元	千港元
8,181	7,955
767	3,182
-	219
409	398
9,357	11,754

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
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元

11. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 (2018: HK\$2,000,000) of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 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% (2018: 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
Overprovision in prior years	過往年度超額撥備
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 in prior years	過往年度撥備不足
Deferred (note 33)	遞延(附註33)
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	
2019	2018
2	–
–	1
1	–
–	2
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%(2018年: 16.5%)撥備,惟本集團一家附屬公司除外,該公司符合自2018/2019課稅年度起生效之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(2018年: 2,000,000港元)按8.25%計算,而剩餘應課稅溢利則按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%(2018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。

2019	2018
HK\$'000	HK\$'000
千港元	千港元
33,609	61,412
(86)	(11)
252,142	218,864
245	220
(46,152)	29,909
239,758	310,394

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:

	除稅前溢利		
Profit before tax		883,291	1,322,651
Tax charge at the Hong Kong statutory tax rate of 16.5% (2018: 16.5%)	按香港法定稅率 16.5% (2018年: 16.5%) 計算稅項	145,743	218,237
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	79,949	64,141
Adjustments in respect of current tax of previous periods	就過往期間之稅項作本期調整	159	209
Profit attributable to an associate	歸屬於聯營公司之溢利	-	(40)
Estimated income not subject to tax	無須繳稅之估計收入	(30,269)	(17,556)
Estimated expenses not deductible for tax	不可扣稅之估計支出	12,847	5,814
Effect of withholding tax at 5% or 10% (2018: 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% (2018年: 5% 或 10%) 計算預提稅之影響	32,651	37,113
Tax losses utilised from previous periods	使用過往期間之稅項虧損	(3,220)	(1,402)
Estimated tax losses not recognised	尚未確認之估計稅項虧損	1,898	3,878
Tax charge at the Group's effective rate	按本集團實質稅率計算之稅項	239,758	310,394

During the year ended 31 December 2018, the Group's share of tax charge attributable to the associate amounting to HK\$15,000 was included in "Share of profit of an associate" on the face of the consolidated statement of profit or loss.

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：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit before tax	883,291	1,322,651
Tax charge at the Hong Kong statutory tax rate of 16.5% (2018: 16.5%)	145,743	218,237
Difference in tax rates applied for specific provinces or enacted by local authorities	79,949	64,141
Adjustments in respect of current tax of previous periods	159	209
Profit attributable to an associate	-	(40)
Estimated income not subject to tax	(30,269)	(17,556)
Estimated expenses not deductible for tax	12,847	5,814
Effect of withholding tax at 5% or 10% (2018: 5% or 10%) on the distributable profits of the Group's subsidiaries established in the People's Republic of China	32,651	37,113
Tax losses utilised from previous periods	(3,220)	(1,402)
Estimated tax losses not recognised	1,898	3,878
Tax charge at the Group's effective rate	239,758	310,394

截至2018年12月31日止年度，本集團應佔聯營公司稅項為15,000港元，已包含在綜合損益賬上「應佔聯營公司溢利」中。

12. Dividends

	於年內確認派發之股息：		
Dividends recognised as distribution during the year:			
Final dividend for 2018: HK44.0 cents (2017: HK42.0 cents) per ordinary share	2018年末期股息：每普通股44.0港仙 (2017年：42.0港仙)	298,071	284,522
Interim dividend for 2019: HK14.0 cents (2018: HK15.0 cents) per ordinary share	2019年中期股息：每普通股14.0港仙 (2018年：15.0港仙)	94,841	101,615
		392,912	386,137
Dividends proposed after the end of the reporting period:	於報告期末後擬派發之股息：		
Final dividend for 2019: HK25.0 cents (2018: HK44.0 cents) per ordinary share	2019年末期股息：每普通股25.0港仙 (2018年：44.0港仙)	169,359	298,071

The proposed final dividend for 2019 was recommended after the end of the reporting period and has not been recognised as a liability at the end of the reporting period, and it is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

12. 股息

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Final dividend for 2018: HK44.0 cents (2017: HK42.0 cents) per ordinary share	298,071	284,522
Interim dividend for 2019: HK14.0 cents (2018: HK15.0 cents) per ordinary share	94,841	101,615
	392,912	386,137
Final dividend for 2019: HK25.0 cents (2018: HK44.0 cents) per ordinary share	169,359	298,071

2019年擬派發之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. Earnings per Share Attributable to Equity Holders of the Company

The calculation of the basic earnings per share amount is based on the profit for the year attributable to equity holders of the Company and the weighted average number of ordinary shares of 677,434,000 (2018: 677,402,822) in issue during the year.

The calculation of the diluted earnings per share amounts for the years ended 31 December 2019 and 2018 is based on the profit for the year attributable to equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

Earnings

Profit attributable to equity holders of the Company, used in the basic and diluted earnings per share calculation

盈利

本公司權益持有人應佔溢利，用於計算每股基本及攤薄盈利

Shares

Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation

Weighted average number of ordinary shares for effect of share options dilution

股份

用於計算每股基本盈利之年內已發行普通股加權平均股份

潛在攤薄普通股加權平均股份之購股權

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及年內已發行加權平均股份 677,434,000 股（2018 年：677,402,822 股）普通股計算。

截至 2019 年及 2018 年 12 月 31 日止年度每股攤薄盈利金額乃按年內本公司權益持有人應佔溢利計算。計算時採用的普通股加權平均股份為年內已發行普通股數目，與計算每股基本盈利時所用者相同，另假設全部購股權被視為獲行使而無償發行的普通股加權平均股份。

每股基本及攤薄盈利乃按以下計算：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	643,533	1,012,257
	Number of shares 股份數目	
	2019	2018
	677,434,000	677,402,822
	—	5,563
	677,434,000	677,408,385

14. Property, Plant and Equipment

14. 物業、機器及設備

		Freehold land 永久業權土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2019	於 2019 年 12 月 31 日							
At 1 January 2019 (restated):	於 2019 年 1 月 1 日 (重列):							
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	<u>19,712</u>	<u>289,618</u>	<u>59,809</u>	<u>411,583</u>	<u>4,500</u>	<u>67,005</u>	<u>852,227</u>
At 31 December 2018, net of accumulated depreciation	於 2018 年 12 月 31 日，扣除累計折舊	19,712	289,618	59,809	413,179	4,500	67,005	853,823
Effect of adoption of HKFRS 16	採納香港財務報告準則第 16 號之影響	-	-	-	(1,596)	-	-	(1,596)
At 1 January 2019 (restated)	於 2019 年 1 月 1 日 (重列)	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	<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 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	<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>

14. Property, Plant and Equipment (continued)

14. 物業、機器及設備(續)

	Note	Freehold land 永久業權土地 HK\$'000 千港元	Leasehold land and buildings 租賃土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Leasehold improvements, furniture, fixtures and equipment 租賃物業裝修、傢俬、裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2018	於 2018 年 12 月 31 日							
At 1 January 2018: Cost or valuation	於 2018 年 1 月 1 日: 成本或估值	20,274	528,830	144,711	1,106,367	12,664	-	1,812,846
Accumulated depreciation	累計折舊	-	(209,850)	(84,538)	(746,641)	(9,496)	-	(1,050,525)
Net carrying amount	賬面淨值	<u>20,274</u>	<u>318,980</u>	<u>60,173</u>	<u>359,726</u>	<u>3,168</u>	<u>-</u>	<u>762,321</u>
At 1 January 2018, net of accumulated depreciation	於 2018 年 1 月 1 日, 扣除累計折舊	20,274	318,980	60,173	359,726	3,168	-	762,321
Surplus on revaluation	重估盈餘	-	845	-	-	-	-	845
Additions	添置	-	-	18,392	246,820	3,149	69,831	338,192
Transfer from investment properties	轉自投資物業	15	1,200	-	-	-	-	1,200
Transfer to investment properties	轉往投資物業	15	(1,000)	-	-	-	-	(1,000)
Disposals	出售	-	-	(51)	(2,505)	-	-	(2,556)
Depreciation provided during the year	年內折舊撥備	-	(22,057)	(16,068)	(172,708)	(1,691)	-	(212,524)
Exchange realignment	匯兌調整	(562)	(8,350)	(2,637)	(18,154)	(126)	(2,826)	(32,655)
At 31 December 2018, net of accumulated depreciation	於 2018 年 12 月 31 日, 扣除累計折舊	<u>19,712</u>	<u>289,618</u>	<u>59,809</u>	<u>413,179</u>	<u>4,500</u>	<u>67,005</u>	<u>853,823</u>
At 31 December 2018: Cost or valuation	於 2018 年 12 月 31 日: 成本或估值	19,712	517,574	155,742	1,226,486	13,153	67,005	1,999,672
Accumulated depreciation	累計折舊	-	(227,956)	(95,933)	(813,307)	(8,653)	-	(1,145,849)
Net carrying amount	賬面淨值	<u>19,712</u>	<u>289,618</u>	<u>59,809</u>	<u>413,179</u>	<u>4,500</u>	<u>67,005</u>	<u>853,823</u>

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\$13,739,000 (2018: HK\$15,094,000).

15. Investment Properties

Carrying amount at 1 January	於1月1日之賬面值
Transfer from leasehold land and buildings	轉自租賃土地及樓宇
Transfer to leasehold land and buildings	轉至租賃土地及樓宇
Net gain from a fair value adjustment	公平價值調整之淨收益
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\$333,026,000 on 31 December 2019 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 181 to 184.

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13,739,000港元(2018年：15,094,000港元)。

15. 投資物業

Note	2019	2018
附註	HK\$'000	HK\$'000
	千港元	千港元
	331,317	322,013
14	-	1,000
14	-	(1,200)
6	2,088	10,647
	(379)	(1,143)
	333,026	331,317

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2019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333,026,000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181至184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 2019 and 2018, 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2019年及2018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 2018	於2018年1月1日之賬面值	300,280	21,733	322,013
Transfer from leasehold land and buildings	轉自租賃土地及樓宇	1,000	-	1,000
Transfer to leasehold land and buildings	轉至租賃土地及樓宇	(1,200)	-	(1,200)
Net gain from a fair value adjustment recognised in profit or loss	於損益賬中確認的公平價值調整之淨收益	10,410	237	10,647
Exchange realignment	匯兌調整	-	(1,143)	(1,143)
Carrying amount at 31 December 2018 and 1 January 2019	於2018年12月31日及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	於損益賬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	於2019年12月31日之賬面值	310,990	22,036	333,026

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) HK\$ 港元
As at 31 December 2019 於2019年12月31日			
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	7,000 to 至 58,000 (11,000)
Properties held outside Hong Kong 於香港境外持有之物業	Market comparison method 市場比較法	Price per square foot 每平方米呎價格	200
As at 31 December 2018 於2018年12月31日			
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	7,000 to 至 58,000 (11,000)
Properties held outside Hong Kong 於香港境外持有之物業	Market comparison method 市場比較法	Price per square foot 每平方米呎價格	200

A significant increase/decrease in the price per square foot would result in a significant increase/decrease in the fair value of the investment properties.

每平方米呎價格大幅上升/下跌將導致投資物業之公平價值大幅增加/減少。

The investment properties are valued by the market comparison method having regard to comparable sales transactions as available in the relevant market. The valuations take into account the characteristics of the properties which included the location, size, floor level, year of completion and other factors collectively.

投資物業乃參考有關市場上之可比較銷售交易後，以市場比較法進行估值。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) Prepaid land lease payments (before 1 January 2019)

		HK\$'000 千港元
Carrying amount at 1 January 2018	於2018年1月1日的賬面值	12,216
Recognised in profit or loss during the year (note 6)	年內於損益賬確認(附註6)	(281)
Exchange realignment	匯兌調整	(626)
		<hr/>
Carrying amount at 31 December 2018	於2018年12月31日的賬面值	11,309
Current portion included in prepayments, other receivables and other assets	計入預付款項、其他應收款及其他資產之流動部分	(269)
		<hr/>
Non-current portion	非流動部分	<u>11,040</u>

(b) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

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) 預付土地租賃款項(於2019年1月1日之前)

		HK\$'000 千港元
Carrying amount at 1 January 2018	於2018年1月1日的賬面值	12,216
Recognised in profit or loss during the year (note 6)	年內於損益賬確認(附註6)	(281)
Exchange realignment	匯兌調整	(626)
		<hr/>
Carrying amount at 31 December 2018	於2018年12月31日的賬面值	11,309
Current portion included in prepayments, other receivables and other assets	計入預付款項、其他應收款及其他資產之流動部分	(269)
		<hr/>
Non-current portion	非流動部分	<u>11,040</u>

(b) 使用權資產

年內本集團使用權資產的賬面值及變動如下：

		Prepaid land lease payments 預付土地 租賃款項 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As 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
Write-off	撇銷	-	(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)
		<hr/>	<hr/>	<hr/>
As at 31 December 2019	於2019年12月31日	<u>10,851</u>	<u>1,260,042</u>	<u>1,270,893</u>

16. Leases (continued)

The Group as a lessee (continued)

(c) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		HK\$'000 千港元
Carrying amount at 1 January 2019	於2019年1月1日的賬面值	1,058,109
New leases	新租賃	956,487
Write-off	撇銷	(54,571)
Accretion of interest recognised during the year	年內已確認利息增幅	46,310
Payments	付款	(701,818)
Exchange realignment	匯兌調整	(4,616)
		<u>1,299,901</u>
Carrying amount at 31 December 2019	於2019年12月31日的賬面值	<u>1,299,901</u>
Analysed into:	分析為：	
Current portion	流動部分	572,891
Non-current portion	非流動部分	727,010

The maturity analysis of lease liabilities is disclosed in note 42(a) to the consolidated financial statements.

租賃負債的到期日分析於綜合財務報告附註42(a)披露。

(d) The amounts recognised in profit or loss in relation to leases are as follows:

		2019 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	46,310
Depreciation of right-of-use assets	使用權資產之折舊	685,359
Expense relating to 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)	30,070
Expense relating to 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)	679
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)*	24,429
		<u>786,847</u>
Total amount recognised in profit or loss	於損益賬確認的款項總額	<u>786,847</u>

* 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.

* 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。

16. Leases (continued)**The Group as a lessee (continued)**

- (e) The total cash outflows for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 37(c) and 38(c), respectively, to the consolidated financial statements.

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\$12,044,000 (2018: HK\$11,790,000), details of which are included in note 5 to the consolidated financial statements.

At 31 December 2019, 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)**本集團作為承租人(續)**

- (e) 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37(c)及38(c)披露。

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、樓頂及停車位。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12,044,000港元(2018年：11,790,000港元)，詳情載於綜合財務報告附註5。

於2019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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
10,361	8,822
4,076	3,965
–	743
14,437	13,530

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

2019	2018
HK\$'000	HK\$'000
千港元	千港元
271	271
524	524
(253)	(253)
271	271

Upon the adoption of HKAS 38, trading rights are considered to have indefinite lives because they are expected to contribute to the net cash flows of the Group indefinitely, which 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期帶來現金流量淨額，故被視為擁有無限期而不作攤銷。

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(b)) 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\$80 million (2018: approximately HK\$91 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. Investment in an Associate

In prior years, the Group held a 36.63% interest in Foo Sang Enterprises Company Limited ("Foo Sang"), a Company incorporated in Hong Kong whose principal activity is property investment in Hong Kong. During the year ended 31 December 2018, the Group disposed of its entire interest in Foo Sang to an independent third party for consideration of HK\$59,312,000. This transaction had resulted in the recognition of a gain in the consolidated statement of profit or loss for the year ended 31 December 2018, calculated as follows:

Proceeds of disposal	出售所得款項	59,312
Less: carrying amount of the investment	減：投資之賬面值	(32,698)
Gain recognised	已確認收益	<u>26,614</u>
Total consideration received in cash	已收現金總代價	<u>59,312</u>

Foo Sang was indirectly held by the Company and had been accounted for using the equity method in these consolidated financial statements up to the date of disposal. During the year ended 31 December 2018, the Group's share of Foo Sang's profit and total comprehensive income amounted to HK\$245,000 and HK\$245,000, respectively.

18. 其他資產

2019 HK\$'000 千港元	2018 HK\$'000 千港元
1,500	1,500
2,935	3,035
201,905	192,973
<u>10,747</u>	<u>10,313</u>
<u>217,087</u>	<u>207,821</u>

* 此乃本集團之辦公室、零售店舖及廠房租約(附註16(b))之相關租賃按金，大部分租約為期超過一年，其中合共約80百萬港元(2018年：約91百萬港元)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. 於聯營公司之投資

於過往期間，本集團持有富生置業有限公司(「富生」，其一家於香港註冊成立之公司，主要業務為在香港進行物業投資)之36.63%權益。截至2018年12月31日止年度內，本集團向獨立第三方出售其於富生之全部權益，代價為59,312,000港元。該項交易收益於截至2018年12月31日止年度的綜合損益賬中確認，計算如下：

59,312	2018 HK\$'000 千港元
(32,698)	
<u>26,614</u>	
<u>59,312</u>	

富生由本公司間接持有，截至出售日期，已於綜合財務報告中使用權益法入賬。截至2018年12月31日止年度，本集團於富生的應佔溢利及全面收益總額分別為245,000港元及245,000港元。

20. Financial Assets designated at Fair Value through Other Comprehensive Income

Listed equity investments, at fair value Hong Kong Exchanges and Clearing Limited*	上市股份投資，按公平價值 香港交易及結算所有限公司*
Unlisted equity investments, at fair value Sure Success Holdings Limited Golden Twin (Un Long) Catering Company Limited Hong Kong Precious Metals Exchange Limited	非上市股份投資，按公平價值 Sure Success Holdings Limited 金甦(元朗)飲食業有限公司 香港貴金屬交易所有限公司

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 2019, the Group's listed equity investments with a carrying value of HK\$784,300,000 (2018: HK\$634,480,000) were pledged to secure general banking facilities granted to the Group (note 31).

During the year ended 31 December 2019, the Group received dividends in the amounts of HK\$24,185,000 (2018: HK\$23,116,000), HK\$611,000 (2018: HK\$682,000), HK\$413,000 (2018: HK\$413,000) and HK\$46,000 (2018: HK\$6,000) from Hong Kong Exchanges and Clearing Limited, 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 Hong Kong Exchanges and Clearing Limited ("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 2019, the Group held 3,561,800 (2018: 3,561,800) shares of HKEC, five (2018: five) exchange trading rights in the Stock Exchange and one (2018: one) exchange trading right in the Futures Exchange.

20. 指定為按公平價值計入其他全面收益的財務資產

2019 HK\$'000 千港元	2018 HK\$'000 千港元
901,135	807,104
20,110	20,110
13,993	16,849
361	328
34,464	37,287
935,599	844,391

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，仍本集團認為該等投資屬策略性質。

於2019年12月31日，本集團以上市股份投資賬面值784,300,000港元(2018年：634,480,000港元)作抵押，為本集團所獲一般銀行信貸作擔保(附註31)。

截至2019年12月31日止年度，本集團收到股息24,185,000港元(2018年：23,116,000港元)，611,000港元(2018年：682,000港元)，413,000港元(2018年：413,000港元)及46,000港元(2018年：6,000港元)分別來自香港交易及結算所有限公司、Sure Success Holdings Limited、金甦(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，根據交易所及結算所(合併)條例之股份合併計劃，本集團取得香港交易及結算所有限公司(「港交所」)6,223,500股股份、六個聯交所交易權及1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2019年12月31日，本集團持有港交所3,561,800股(2018年：3,561,800股)股份、五個(2018年：五個)聯交所交易權及一個(2018年：一個)期交所交易權。

21. Inventories

Goods held for sale	持作銷售之貨品
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22. Accounts Receivable

Trade and credit card receivables	應收貿易及信用卡賬款
Impairment	減值

Accounts receivable	應收賬款
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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:

As 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
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21. 存貨

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元

	8,932,514	7,451,326
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22. 應收賬款

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元

	942,312	1,009,157
	(26,508)	(8,116)

	915,804	1,001,041
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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：

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元

	719,355	798,652
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	107,788	73,704
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	30,415	70,764
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	58,246	57,921
--	---------------	--------

	915,804	1,001,041
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應收賬款之減值虧損撥備變動如下：

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元

	8,116	-
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	18,790	8,459
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	(398)	(343)
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	26,508	8,116
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22. 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 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

As at 31 December 2018

	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	0.29%	0.31%	0.33%	12.75%	0.80%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	795,186	109,823	63,176	40,972	1,009,157
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	2,345	335	211	5,225	8,116

22. 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

於2018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	0.29%	0.31%	0.33%	12.75%	0.80%
Gross carrying amount (HK\$'000) 賬面總值(千港元)	795,186	109,823	63,176	40,972	1,009,157
Expected credit losses (HK\$'000) 預期信貸虧損(千港元)	2,345	335	211	5,225	8,116

23. 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
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

[#] 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 2019, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK\$710,484,000 (2018: HK\$1,359,514,000).

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:

At 1 January	於1月1日
Impairment losses (note 6)	減值虧損(附註6)
At 31 December	於12月31日

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.

23. 證券及期貨經紀產生之應收賬款

2019	2018
HK\$'000	HK\$'000
千港元	千港元
54,769	41,665
36,371	20,806
939,758	955,870
1,030,898	1,018,341
(445,668)	-
585,230	1,018,341

[#] 孖展客戶貸款以相關抵押證券作抵押，須於要求時償還，並按商業利率計息。董事認為，由於證券孖展融資業務之性質，與賬齡分析無關，故無披露賬齡分析。於2019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710,484,000港元(2018年：1,359,514,000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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
-	-
445,668	-
445,668	-

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。

23. Receivables arising from Securities and Futures Broking (continued)

Analysis of the gross carrying amount by the Group's internal credit rating and year end classification:

As at 31 December 2019

		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
		<u>319,697</u>	<u>–</u>	<u>711,201</u>	<u>1,030,898</u>

As at 31 December 2018

		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	610,817	–	–	610,817
Good	良好	–	407,524	–	407,524
Fair	一般	–	–	–	–
		<u>610,817</u>	<u>407,524</u>	<u>–</u>	<u>1,018,341</u>

24. Prepayments, Other Receivables and Other Assets

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Prepayments	預付款項	376,713	275,866
Deposits	按金	51,621	45,201
Right-of-return assets	退貨權資產	420	363
Other receivables	其他應收賬款	5,107	5,947
		<u>433,861</u>	<u>327,377</u>

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 2019 and 2018, the loss allowance was assessed to be minimal.

23. 證券及期貨經紀產生之應收賬款(續)

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
內部信貸評級				
出色	319,697	–	–	319,697
良好	–	–	–	–
一般	–	–	711,201	711,201
	<u>319,697</u>	<u>–</u>	<u>711,201</u>	<u>1,030,898</u>

於2018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
內部信貸評級				
出色	610,817	–	–	610,817
良好	–	407,524	–	407,524
一般	–	–	–	–
	<u>610,817</u>	<u>407,524</u>	<u>–</u>	<u>1,018,341</u>

24. 預付款項、其他應收賬款及其他資產

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
預付款項	376,713	275,866
按金	51,621	45,201
退貨權資產	420	363
其他應收賬款	5,107	5,947
	<u>433,861</u>	<u>327,377</u>

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2019年及2018年12月31日，經評估的虧損撥備極小。

25. 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.

26. 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 RMB54,223,000 (approximately HK\$619,954,000) (2018: RMB708,419,000 (approximately HK\$806,252,000)). 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 2 days 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.

25. 按公平價值計入損益的財務資產

2019	2018
HK\$'000	HK\$'000
千港元	千港元

13,394	13,595
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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。

26. 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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元

900,563	1,123,687
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127,763	178,840
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1,028,326	1,302,527
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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554,223,000元人民幣(約619,954,000港元)(2018年：708,419,000元人民幣(約806,252,000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2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」，並根據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集團之債務。

27. 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.

28. 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\$383,185,000 (2018: HK\$389,684,000) representing those clients' undrawn monies/excess deposits placed with the Group. As at 31 December 2019, the cash client accounts payable included an amount of HK\$484,000 (2018: HK\$866,000) 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.

27. 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：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
115,651	146,002
431	14
74	1
116,156	146,017

應付賬款為免息。

28. 證券及期貨經紀產生之應付賬款

2019 HK\$'000 千港元	2018 HK\$'000 千港元
441,745	412,621
61,526	44,389
503,271	457,010

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 383,185,000 港元 (2018 年：389,684,000 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 2019 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 484,000 港元 (2018 年：866,000 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。

29. Other Payables and Accruals

		29. 其他應付賬款及應計項目		
		31 December	1 January	31 December
		12月31日	1月1日	12月31日
		2019	2019	2018
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Accruals	應計項目	65,152	75,918	75,918
Contract liabilities	合約負債	(a) 88,610	53,730	53,730
Refund liabilities	退款負債	633	496	496
Other payables	其他應付賬款	(b), (c) 341,427	311,932	321,886
Customer gold deposits	客戶存金	(d) 47,098	39,845	39,845
		542,920	481,921	491,875

Notes:

(a) Details of contract liabilities are as follows:

	來自客戶之短期預收款項	2019	2018
	銷售貨品	HK\$'000	HK\$'000
	客戶忠誠度計劃	千港元	千港元
Short-term advances received from customers			
Sale of goods		74,504	38,175
Customer loyalty programme		14,106	15,555
		88,610	53,730

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 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) As a result of the initial application of HKFRS 16, accrued lease payments of HK\$9,954,000 previously included in "Other payables" were adjusted to the right-of-use assets recognised at 1 January 2019 (refer to note 2.2 to the consolidated financial statements for further details).

(d) 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 2019, gold deposits from customers also included approximately 2,800 (2018: 2,800) taels of gold from certain management personnel of the Group.

附註:

(a) 合約負債詳情如下:

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元
Short-term advances received from customers		
Sale of goods	74,504	38,175
Customer loyalty programme	14,106	15,555
		88,610
		53,730

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。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) 由於首次應用香港財務報告準則第16號，先前計入「其他應付賬款」的應計租賃款項9,954,000港元已調整為使用權資產，已於2019年1月1日確認(詳情見綜合財務報告附註2.2)。

(d) 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2019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2,800兩(2018年：2,800兩)。

30. Derivative Financial Instruments

Assets

Foreign currency forward contracts
Cross currency swaps

資產

遠期外幣合約
交叉貨幣掉期

Liabilities

Bullion contracts

負債

貴金屬合約

The bullion contracts, foreign currency forward 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 2019, the aggregate contractual amount of the bullion contracts was HK\$464,039,000 (2018: HK\$465,719,000).

In addition, the Group has entered into foreign currency forward contracts and cross currency swaps to manage its foreign currency risk. The foreign currency forward contracts and cross currency swaps were measured at fair value through profit or loss. Changes in the fair value thereof amounting to HK\$5,410,000 (2018: HK\$6,400,000) were charged (2018: credited) 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.

30. 衍生金融工具

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	-	105
	<u>145</u>	<u>5,450</u>
	<u>145</u>	<u>5,555</u>
	<u>9,158</u>	<u>12,405</u>

貴金屬合約、遠期外幣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2019年12月31日，貴金屬合約之合約數額總值為464,039,000港元(2018年：465,719,000港元)。

此外，本集團訂立遠期外幣合約及交叉貨幣掉期管理其外匯風險。該遠期外幣合約及交叉貨幣掉期按公平價值計入損益計量。年內於綜合損益賬已扣除(2018年：已撥回)其公平價值變動的金額為5,410,000港元(2018年：6,400,000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。

31. Interest-bearing Bank Borrowings/Interest-bearing Bank Borrowings arising from Securities and Futures Broking

31. 計息銀行貸款／證券及期貨經紀產生之計息銀行貸款

		2019			2018		
		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	1.6 – 3.7	2020	56,040	1.6 – 4.3	2019	132,256
– secured	– 有抵押	3.9 – 5.0	2020	280,000	2.3	2019	100,000
				336,040			232,256
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	3.3 – 4.2	2020	440,554	2.8 – 3.8	2019	475,732
				776,594			707,988
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	3.3 – 4.2	2021	276,896	3.3 – 3.8	2020	209,865
More than two years but less than five years	兩年以上但少於五年						
– unsecured	– 無抵押	3.3 – 4.1	2022	163,434	3.7 – 3.8	2021	47,869
				440,330			257,734
				1,216,924			965,722

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。

31. Interest-bearing Bank Borrowings/Interest-bearing Bank Borrowings arising from Securities and Futures Broking (continued)

As at 31 December 2019, the Group's banking facilities amounted to HK\$3,306,440,000 (2018: HK\$2,784,036,000), of which HK\$1,216,924,000 (2018: HK\$965,722,000) had been utilised at the end of the reporting period. Certain of the banking facilities amounting to HK\$570,000,000 (2018: HK\$470,000,000) are secured by certain assets of the Group as disclosed in note 20 to the consolidated financial statements.

All of the banking facilities, including bank borrowings and bullion loans (note 32), 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 42(a). As at 31 December 2019 and 2018, 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

31. 計息銀行貸款／證券及期貨經紀產生之計息銀行貸款(續)

於2019年12月31日，本集團之銀行信貸額為3,306,440,000港元(2018年：2,784,036,000港元)，於報告期末已動用其中1,216,924,000港元(2018年：965,722,000港元)。若干銀行信貸額570,000,000港元(2018年：470,000,000港元)以本集團於綜合財務報告附註20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32))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42(a)。於2019年及2018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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元
1,190,884	933,466
26,040	32,256
1,216,924	965,722

32. 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 31 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

32. 貴金屬借貸

2019	2018
HK\$'000	HK\$'000
千港元	千港元
1,473,773	970,140
3,468,008	3,305,879
0.9% – 4.9%	1.0% – 4.9%
1 – 5 months	1 – 6 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31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之財務負債，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：

	2019	2018
	HK\$'000	HK\$'000
	千港元	千港元
Renminbi	709,416	463,108
United States dollar	764,357	507,032
	1,473,773	970,140

33. 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 2018	於2018年1月1日	37,010	176,189	1,313	214,512
Deferred tax charged/(credited) to the consolidated statement of profit or loss during the year	年內於綜合損益賬扣除/(計入)之遞延稅項	(756)	36,756	(394)	35,606*
At 31 December 2018 and 1 January 2019	於2018年12月31日及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	年內於綜合損益賬扣除/(計入)之遞延稅項	(1,340)	33,656	(919)	31,397*
Gross deferred tax liabilities recognised in the consolidated statement of financial position at 31 December 2019	於2019年12月31日於綜合財務狀況表確認之遞延稅項負債總額	34,914	246,601	-	281,515

33. 遞延稅項

年內遞延稅項負債及資產變動如下：

33. Deferred Tax (continued)

Deferred tax assets

遞延稅項資產

		Lease liabilities	Decelerated tax depreciation	Losses available for offset against future taxable profits	Impairment of accounts receivable	Others	Total
		租賃負債 HK\$'000 千港元	減速稅項折舊 HK\$'000 千港元	可抵銷未來應課稅溢利之虧損 HK\$'000 千港元	應收賬項減值 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2018	於2018年1月1日	-	10,768	-	-	11,445	22,213
Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year	年內於綜合損益賬計入/(扣除)之遞延稅項	-	(2,696)	-	1,787	6,606	5,697*
Exchange realignment	匯兌調整	-	(49)	-	-	(797)	(846)
At 31 December 2018	於2018年12月31日	-	8,023	-	1,787	17,254	27,064
Effect of adoption of HKFRS 16	採納香港財務報告準則第16號之影響	7,821	-	-	-	-	7,821
At 1 January 2019 (restated)	於2019年1月1日(重列)	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	年內於綜合損益賬計入/(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)
Gross deferred tax assets recognised in the consolidated statement of financial position at 31 December 2019	於2019年12月31日於綜合財務狀況表確認之遞延稅項資產總額	7,616	8,606	73,642	1,822	20,335	112,021

* Net deferred tax credited HK\$46,152,000 (2018: charged HK\$29,909,000) to the consolidated statement of profit or loss during the year (note 11).

* 年內於綜合損益賬入帳46,152,000港元(2018年:扣除29,909,000港元)之遞延稅項淨額(附註11)。

The Group has tax losses arising in Hong Kong of HK\$445,907,000 (2018: HK\$7,201,000), Mainland China of HK\$25,401,000 (2018: HK\$19,473,000) and Taiwan and Macau of HK\$26,300,000 (2018: HK\$39,841,000). 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 Taiwan, Macau and Mainland China will expire in ten years, three years and five years, respectively, for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses of HK\$42,696,000 (2018: HK\$66,515,000) 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445,907,000港元(2018年:7,201,000港元)、於中國大陸產生之稅項虧損為25,401,000港元(2018年:19,473,000港元)及於臺灣及澳門產生之稅項虧損為26,300,000港元(2018年:39,841,000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，而於臺灣、澳門及中國大陸產生之稅項虧損將分別於十年、三年及五年內屆滿，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42,696,000港元(2018年:66,515,000港元)的此等虧損確認遞延稅項資產。

33. 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.

34. Share Capital

Authorised:
1,000,000,000 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

Issued and fully paid:
677,434,000 (2018: 677,434,000)
ordinary shares of HK\$0.25 each

已發行及繳足：
677,434,000 股(2018年：677,434,000
股)每股面值0.25 港元之普通股

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

At 1 January 2018
Share options exercised (Note)

於2018年1月1日
已行使購股權(附註)

At 31 December 2018, 1 January 2019 and
31 December 2019

於2018年12月31日、2019年1月1日
及2019年12月31日

Note:

During the year ended 31 December 2018, the subscription rights attaching to 514,000 share options were exercised at the subscription price of HK\$14.89 per share (note 35), resulting in the issue of 514,000 shares for a total cash consideration, before expenses, of HK\$7,654,000. Amounts of HK\$129,000 and HK\$8,854,000 were transferred from the share option reserve to share capital and share premium upon the exercise of the share options, respectively.

33. 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。

34. 股本

2019 HK\$'000 千港元	2018 HK\$'000 千港元
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250,000	250,000
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169,359	169,359
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本公司股本之變動概要如下：

Number of shares in issue 已發行 股份數目	Share capital 股本 HK\$'000 千港元
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676,920,000	169,230
514,000	129

677,434,000	169,359
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附註：

截至2018年12月31日止年度，514,000份購股權所附之認購權以每股14.89港元之認購價獲行使(附註35)，導致發行514,000股股份，總現金代價(未扣除有關開支)為7,654,000港元。於行使購股權時，129,000港元及8,854,000港元已自購股權儲備分別轉撥至股本及股份溢價。

35. Share Option Scheme

The Company operates a share option scheme (the "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 Scheme, the Board of Directors of the Company 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 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 Scheme must not in aggregate exceed 10% of the shares in issue on the date of approval of the Scheme.

The maximum number of shares issued and to be issued upon exercise of options granted under the 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 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.

35. 購股權計劃

本公司設有一項購股權計劃(「該計劃」)，為了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。

根據該計劃之規定，本公司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。該計劃於2010年12月7日獲本公司股東批准及採納，除非該計劃被另行取消或修訂，否則將自該日期起計10年內有效。

行使根據該計劃授出之全部購股權而可予發行之股份總數，合共不得超過於該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)，根據該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%。

購股權可根據該計劃條款之規定，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。

35. Share Option Scheme (continued)

During the year, the movements in the share options to subscribe for the Company's shares under the Scheme were as follows:

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	Granted during the year	Exercised during the year	Cancelled/lapsed during the year	Balance as at 31/12/2019		
合資格人士	授出日期	每股行使價 HK\$ 港元	於2019年 1月1日結餘	年內授出	年內行使	年內註銷/ 失效	31日結餘	行使期	
Continuous contract employees [#]	持續合約 僱員 [#]	22/7/2016 14.89	2,842,000	-	-	(194,000)	2,648,000	31/12/2017 – 30/12/2020	
		22/7/2016 14.89	3,338,000	-	-	(195,000)	3,143,000	31/12/2018 – 30/12/2020	
Total	合計		<u>6,180,000</u>	<u>-</u>	<u>-</u>	<u>(389,000)</u>	<u>5,791,000</u>		

2018

Eligible person	Date of grant	Exercise price per share	Number of share options 購股權數目					Balance as at 31/12/2018 於2018年12月31日結餘	Exercisable period
			Balance as at 1/1/2018	Granted during the year	Exercised during the year	Cancelled/lapsed during the year	Balance as at 31/12/2018		
合資格人士	授出日期	每股行使價 HK\$ 港元	於2018年 1月1日結餘	年內授出	年內行使	年內註銷/ 失效	31日結餘	行使期	
Continuous contract employees [#]	持續合約 僱員 [#]	22/7/2016 14.89	3,403,000	-	(514,000)*	(47,000)	2,842,000	31/12/2017 – 30/12/2020	
		22/7/2016 14.89	3,460,000	-	-	(122,000)	3,338,000	31/12/2018 – 30/12/2020	
Total	合計		<u>6,863,000</u>	<u>-</u>	<u>(514,000)</u>	<u>(169,000)</u>	<u>6,180,000</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 and 31 December 2018. During the year ended 31 December 2018, Ms. CHOW exercised 52,000 share options, with a weighted average closing price of the shares of the Company immediately before the date on which the share options were exercised being HK\$18.52.

* During the year ended 31 December 2018, the weighted average closing price of the shares of the Company immediately before the date on which the share options were exercised was HK\$18.57.

35. 購股權計劃(續)

年內，該計劃下認購本公司股份之購股權變動如下：

[#] 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日及2018年12月31日持有53,000份購股權。截至2018年12月31日止年度，周女士行使52,000份購股權，而本公司股份於緊接行使該等購股權日期前的加權平均收市價為18.52港元。

* 截至2018年12月31日止年度，本公司股份於緊接行使該等購股權日期前的加權平均收市價為18.57港元。

35. Share Option Scheme (continued)

Notes:

- (1) The Group recognised a share option expense of HK\$3,086,000 (note 6) during the year ended 31 December 2018.
- (2) At the end of the reporting period, the Company had 5,791,000 (2018: 6,180,000) share options outstanding under the 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 (2018: 6,180,000) additional ordinary shares of the Company and additional share capital of HK\$1,448,000 (2018: HK\$1,545,000) and share premium of HK\$84,780,000 (2018: HK\$90,475,000) (before share issue expenses).

The total number of shares available for issue under the Scheme is 5,713,000, representing approximately 0.8% of the Company's shares in issue as at the date of approval of these consolidated financial statements.

36. 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 66 and 67 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.

35. 購股權計劃(續)

附註：

- (1) 截至2018年12月31日止年度，本集團確認之購股權開支為3,086,000港元(附註6)。
- (2) 於報告期末，本公司在該計劃下擁有5,791,000份(2018年：6,180,000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(2018年：6,180,000股)額外普通股，並新增股本1,448,000港元(2018年：1,545,000港元)及股份溢價為84,780,000港元(2018年：90,475,000港元)(未扣除股份發行開支)。

於本綜合財務報告獲批准當日，本公司於該計劃項下可供發行之股份總數為5,713,000股，佔本公司已發行股份約0.8%。

36. 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66及67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。

37. Notes to the Consolidated Statement of Cash Flows

(a) Reconciliation of operating profit to cash generated from operations

Profit before tax	除稅前溢利			
Adjustments for:	調整：			
Finance costs	財務費用	7	89,162	36,991
Share of profit of an associate	應佔聯營公司溢利	19	-	(245)
Interest income	利息收入	6	(69,528)	(94,662)
Dividend income from listed investments	上市投資之股息收入	6	(24,710)	(23,597)
Dividend income from unlisted investments	非上市投資之股息收入	6	(1,070)	(1,101)
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	4,394	2,390
Net loss on disposal of derivative financial instruments	出售衍生金融工具淨虧損	6	123,232	5,757
Net loss/(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淨虧損/(收益)	6	224,208	(11,811)
Net fair value gain on investment properties	投資物業之公平價值淨收益	6	(2,088)	(10,647)
Net fair value loss/(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虧損/(收益)	6	(70)	29,353
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	201	3,478
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	6	2,321	3,010
Gain on disposal of an associate	出售聯營公司之收益	19	-	(26,614)
Depreciation of property, plant and equipment	物業、機器及設備之折舊	6	235,750	212,524
Depreciation of right-of-use assets/amortisation of prepaid land lease payments	使用權資產之折舊/攤銷預付土地租賃款項	16	685,359	281
Impairment of accounts receivable	應收賬款減值	22	18,790	8,459
Impairment of receivables arising from securities and futures broking	證券及期貨經紀產生之應收款項減值	23	445,668	-
Equity-settled share option expense	權益結算之購股權開支	35	-	3,086
Write-down of inventories to net realisable value	撇銷存貨至可變現淨值	6	11,790	706
			2,626,700	1,460,009
Increase in inventories	存貨之增加		(1,551,725)	(123,711)
Decrease/(increase) in accounts receivable	應收賬款之減少/(增加)		54,964	(122,870)
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		(12,557)	(33,435)
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		(130,093)	(34,513)
Decrease/(increase) in cash held on behalf of clients	代客戶持有現金之減少/(增加)		(1,278)	73,140
Increase/(decrease) in accounts payable	應付賬款之增加/(減少)		(35,486)	9,575
Increase/(decrease) 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/(減少)		46,261	(117,038)
Changes in derivative financial instruments	衍生金融工具之變動		(123,232)	(5,757)
Increase/(decrease) in other payables and accruals	其他應付賬款及應計項目之增加/(減少)		37,863	(14,314)
Cash generated from operations	經營所得現金		911,417	1,091,086

37. 綜合現金流量表附註

(a) 經營溢利與經營所得現金之對賬

Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	883,291	1,322,651
7	89,162	36,991
19	-	(245)
6	(69,528)	(94,662)
6	(24,710)	(23,597)
6	(1,070)	(1,101)
6	4,394	2,390
6	123,232	5,757
6	224,208	(11,811)
6	(2,088)	(10,647)
6	(70)	29,353
6	201	3,478
6	2,321	3,010
19	-	(26,614)
6	235,750	212,524
16	685,359	281
22	18,790	8,459
23	445,668	-
35	-	3,086
6	11,790	706
	2,626,700	1,460,009
	(1,551,725)	(123,711)
	54,964	(122,870)
	(12,557)	(33,435)
	(130,093)	(34,513)
	(1,278)	73,140
	(35,486)	9,575
	46,261	(117,038)
	(123,232)	(5,757)
	37,863	(14,314)
	911,417	1,091,086

37. Notes to the Consolidated Statement of Cash Flows (continued)

(b) Changes in liabilities arising from financing activities:

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銀行貸款	Lease liabilities 租賃負債	Bullion loans 貴金屬借貸
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2018	於2018年12月31日	765,722	200,000	-	970,140
Effect of adoption of HKFRS 16	採納香港財務報告準則第16號的影響	-	-	1,058,109	-
At 1 January 2019 (restated)	於2019年1月1日(重列)	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)	-
Write-off	撤銷	-	-	(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>

37. 綜合現金流量表附註(續)

(b) 融資活動產生之負債變動：

37. Notes to the Consolidated Statement of Cash Flows (continued)

(b) Changes in liabilities arising from financing activities:
(continued)

2018

		Interest-bearing bank borrowings	Interest-bearing bank borrowings arising from securities and futures broking	Bullion loans
		計息銀行貸款 HK\$'000 千港元	計息銀行貸款 HK\$'000 千港元	貴金屬借貸 HK\$'000 千港元
At 1 January 2018	於2018年1月1日	942,203	60,000	1,069,873
Changes from financing cash flow	融資現金流量變動	(175,561)	140,000	(91,664)
Foreign exchange movement	外匯變動	(920)	-	(25,611)
Net 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淨收益	-	-	(11,811)
Net fair value 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的公平價值淨虧損	-	-	29,353
At 31 December 2018	於2018年12月31日	<u>765,722</u>	<u>200,000</u>	<u>970,140</u>

(c) Total cash outflows for leases

The total cash outflows for leases included in the consolidated statement of cash flows is as follows:

		2019 HK\$'000 千港元
Within operating activities	經營活動內	101,488
Within financing activities	融資活動內	655,508
		<u>756,996</u>

(d) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$964,298,000 and HK\$956,487,000, respectively, in respect of lease arrangements for buildings (2018: Nil).

37. 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	Interest-bearing bank borrowings arising from securities and futures broking	Bullion loans
	計息銀行貸款 HK\$'000 千港元	計息銀行貸款 HK\$'000 千港元	貴金屬借貸 HK\$'000 千港元
At 1 January 2018	942,203	60,000	1,069,873
Changes from financing cash flow	(175,561)	140,000	(91,664)
Foreign exchange movement	(920)	-	(25,611)
Net gain on bullion loans designated as at fair value through profit or loss	-	-	(11,811)
Net fair value loss on bullion loans designated as at fair value through profit or loss	-	-	29,353
At 31 December 2018	<u>765,722</u>	<u>200,000</u>	<u>970,140</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:

	2019 HK\$'000 千港元
Within operating activities	101,488
Within financing activities	655,508
	<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964,298,000港元及956,487,000港元(2018年：零)。

38. 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	已訂約，但未撥備 物業、機器及設備
Capital contributions payable to a joint venture (note)	應付注資一家合營企業 (附註)

Note:

In 2016, the Group entered into an agreement with independent third parties to form a joint venture. Subsequent to the end of the reporting period, in March 2020, the Group did not proceed with the joint venture agreement.

(b) Operating lease commitments as at 31 December 2018

The Group leased certain of its office properties and retail stores under operating lease arrangements. Leases for these properties and stores were negotiated for terms ranging from one to ten years.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)
After five years	五年後

- (c) The Group has various lease contracts that have not yet commenced as at 31 December 2019. The future lease payments for these non-cancellable lease contracts are HK\$24,537,000 due within one year, HK\$100,631,000 due in the second to fifth years, inclusive and HK\$3,563,000 due after five years.

38. 承擔

- (a) 本集團於報告期末的資本承擔如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
19,242	68,728
453,033	460,931
472,275	529,659

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。報告期完結後，於2020年3月本集團沒有繼續此合資協議。

(b) 於2018年12月31日的經營租約承擔

本集團以經營租約安排承租若干辦公室物業及零售店舖。此等物業及店舖租期經磋商訂定為期一至十年。

於2018年12月31日，本集團根據不可撤銷經營租約之未來最低租賃款項總額之到期情況如下：

	2018 HK\$'000 千港元
Within one year	629,272
In the second to fifth years, inclusive	601,631
After five years	9,642
	1,240,545

- (c) 於2019年12月31日，本集團有尚未開始的各種租賃合約。該等不可撤銷的租賃合約的未來租賃款項為一年內到期的24,537,000港元，第二至第五年到期的100,631,000港元(包括首尾兩年)及五年後到期的3,563,000港元。

39. 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	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Depreciation of right-of-use assets (2018: rental expenses for the lease) of a retail shop 租賃零售店舖之使用權資產之折舊 (2018年：租金開支)	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	3,769	3,780
Lease payments for short-term leases (2018: rental expenses for the lease) 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(2018年：租金開支)	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	840
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	448	2,026
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	371

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.

(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	1,090	1,022
Salaries and allowances	薪金及津貼	36,497	34,644
Discretionary bonuses paid and payable	已付及應付酌情花紅	2,989	10,572
Equity-settled share option expense	權益結算之購股權開支	-	690
Pension scheme contributions	退休金計劃供款	1,133	1,187

Further details of Directors' emoluments are included in note 8 to the consolidated financial statements.

39. 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：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
3,769	3,780
900	840
448	2,026
115	371

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。

(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：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
1,090	1,022
36,497	34,644
2,989	10,572
-	690
1,133	1,187
41,709	48,115

董事酬金進一步詳情載於綜合財務報告附註8。

40. 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:

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
		13,539	3,236,225	935,599	4,185,363

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	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
		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	
Accounts payable	應付賬款	-	-	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
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
Derivative financial instruments	衍生金融工具	-	9,158	-
Interest-bearing bank borrowings	計息銀行貸款	-	-	1,216,924
Bullion loans	貴金屬借貸	1,473,773	-	-
Lease liabilities	租賃負債	-	-	1,299,901
		1,473,773	9,158	3,526,608

40. 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：

40. Financial Instruments by Category (continued)

2018

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	-	197,508	-	197,508
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	-	-	844,391	844,391
Accounts receivable	應收賬款	-	1,001,041	-	1,001,041
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款	-	1,018,341	-	1,018,341
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	-	51,148	-	51,148
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	13,595	-	-	13,595
Derivative financial instruments	衍生金融工具	5,555	-	-	5,555
Cash held on behalf of clients	代客戶持有現金	-	442,519	-	442,519
Cash and cash equivalents	現金及等同現金	-	1,302,527	-	1,302,527
		<u>19,150</u>	<u>4,013,084</u>	<u>844,391</u>	<u>4,876,625</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	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
		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	
Accounts payable	應付賬款	-	-	146,017
Payables arising from securities and futures broking	證券及期貨經紀產生之應付賬款	-	-	457,010
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	-	-	287,788
Derivative financial instruments	衍生金融工具	-	12,405	-
Interest-bearing bank borrowings	計息銀行貸款	-	-	965,722
Bullion loans	貴金屬借貸	970,140	-	-
		<u>970,140</u>	<u>12,405</u>	<u>1,856,537</u>
				<u>2,839,082</u>

41. 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 2019 were assessed to be insignificant.

The fair values of listed equity investments are based on quoted market prices. The fair value 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 2019, 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.

41. 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2019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記賬及相關公平價值變動已於其他全面收益記賬，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2019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。

41. 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:

41. 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 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
As at 31 December 2018 於2018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

41. 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:

41. 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 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
As at 31 December 2018	於2018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	807,104	–	37,287	844,391
Financial assets at fair value through profit or loss	按公平價值計入損益的 財務資產	13,595	–	–	13,595
Derivative financial instruments	衍生金融工具	–	5,555	–	5,555
		820,699	5,555	37,287	863,541

41. 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:

41. 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：

2019	2018
HK\$'000	HK\$'000
千港元	千港元

37,287 38,534

(2,823) (1,247)

34,464 37,287

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 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
As at 31 December 2018	於2018年12月31日				
Bullion loans	貴金屬借貸	970,140	-	-	970,140
Derivative financial instruments	衍生金融工具	-	12,405	-	12,405
Customer gold deposits	客戶存金	39,845	-	-	39,845
		1,009,985	12,405	-	1,022,390

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。

42. 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 minimise 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 summarised 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 2019 and 2018 would have decreased/increased the Group's profit before tax by HK\$3,996,000 and HK\$3,659,000, 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 2019 and 2018 would have increased/decreased the Group's profit before tax by HK\$1,417,000 and HK\$4,988,000 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.

42. 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2019年及2018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3,996,000港元及3,659,000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2019年及2018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1,417,000港元及4,988,000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。

42. 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
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)
2018				
If the Hong Kong dollar weakens against the RMB	倘港元兌人民幣轉弱	5	3,303	265,468
If the Hong Kong dollar strengthens against the RMB	倘港元兌人民幣加強	(5)	(3,303)	(265,468)

42. 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同幣資產進行部分融資。

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)對人民幣匯率可能合理變動之敏感度。

42. 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 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 jewellery 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.

42. 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。由於珠寶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。

42. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Credit risk (continued)

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.

As at 31 December 2019

		12-month	Lifetime ECL			Total 合計 HK\$'000 千港元
		ECLs 12個月預期 信貸虧損	全期預期信貸虧損			
		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	Simplified approach 簡化方法 HK\$'000 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
		2,054,888	-	711,201	942,312	3,708,401

42. 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

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。

於2019年12月31日

42. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Credit risk (continued)

As at 31 December 2018

		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*	-	-	-	1,009,157	1,009,157	
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款						
- Normal**	- 正常**	610,817	407,524	-	-	1,018,341	
Financial assets included in other assets	包含在其他資產之財務資產	197,508	-	-	-	197,508	
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**	51,148	-	-	-	51,148	
Cash held on behalf of clients	代客戶持有現金						
- Not yet past due	- 尚未逾期	442,519	-	-	-	442,519	
Cash and cash equivalents	現金及等同現金						
- Not yet past due	- 尚未逾期	1,302,527	-	-	-	1,302,527	
		<u>2,604,519</u>	<u>407,524</u>	<u>-</u>	<u>1,009,157</u>	<u>4,021,200</u>	

* For accounts receivable to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22 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".

42. 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)

於2018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*	-	-	-	1,009,157	1,009,157	
Receivables arising from securities and futures broking	證券及期貨經紀產生之應收賬款						
- Normal**	- 正常**	610,817	407,524	-	-	1,018,341	
Financial assets included in other assets	包含在其他資產之財務資產	197,508	-	-	-	197,508	
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**	51,148	-	-	-	51,148	
Cash held on behalf of clients	代客戶持有現金						
- Not yet past due	- 尚未逾期	442,519	-	-	-	442,519	
Cash and cash equivalents	現金及等同現金						
- Not yet past due	- 尚未逾期	1,302,527	-	-	-	1,302,527	
		<u>2,604,519</u>	<u>407,524</u>	<u>-</u>	<u>1,009,157</u>	<u>4,021,200</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22。

** 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」。

42. 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 as at 31 December 2019 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:

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	83,322	32,834	-	-	-	-	-	116,156
Payables arising from securities and futures broking	444,712	58,559	-	-	-	-	-	503,271
Financial liabilities included in other payables and accruals	124,026	266,330	-	-	-	-	-	390,356
Derivative financial instruments	-	8,328	-	-	-	-	830	9,158
Lease liabilities	-	153,397	458,646	467,035	269,074	24,508	-	1,372,660
Term loans subject to repayment on demand clause	336,040	-	-	-	-	-	-	336,040
Other interest-bearing bank borrowings	-	139,486	325,913	288,160	166,193	-	-	919,752
Bullion loans	-	1,217,378	256,395	-	-	-	-	1,473,773
	988,100	1,876,312	1,040,954	755,195	435,267	24,508	830	5,121,166

42. 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2019年12月31日，本集團所有債項均於三年內到期。

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：

42. Financial Risk Management Objectives and Policies (continued)

(a) Financial risk factors (continued)

Liquidity risk (continued)

2018

	No fixed terms of repayment/ repayable on demand 無固定償還期/須按 要求償還	3 months or less 3個月或以下	1 year or less but over 3 months 1年或以下但3個月以上	2 years or less but over 1 year 2年或以下但1年以上	5 years or less but over 2 years 5年或以下但2年以上	Undated 無期限	Total 合計
	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	HK\$'000 千港元	HK\$'000 千港元
Accounts payable 應付賬款	108,618	37,399	-	-	-	-	146,017
Payables arising from securities and futures broking 證券及期貨經紀產生之應付賬款	434,074	22,936	-	-	-	-	457,010
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	86,661	201,127	-	-	-	-	287,788
Derivative financial instruments 衍生金融工具	-	12,309	-	-	-	96	12,405
Term loans subject to repayment on demand clause 按 要求償還條款之定期貸款	232,256	-	-	-	-	-	232,256
Other interest-bearing bank borrowings 其他計息銀行貸款	-	129,579	364,980	215,437	48,368	-	758,364
Bullion loans 貴金屬借貸	-	776,202	193,938	-	-	-	970,140
	<u>861,609</u>	<u>1,179,552</u>	<u>558,918</u>	<u>215,437</u>	<u>48,368</u>	<u>96</u>	<u>2,863,980</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 20) and financial assets at fair value through profit or loss (note 25) as at 31 December 2019. 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2019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20)及按公平價值計入損益的財務資產(附註25)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。

42. 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.

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	-

2018

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	807,104	-	80,710
Financial assets at fair value through profit or loss	按公平價值計入損益的財務資產	13,595	1,360	-

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 2019 and 2018 would have decreased/increased the Group's profit before tax by HK\$194,697,000 and HK\$144,826,000, 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.

42. 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2019年及2018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194,697,000港元及144,826,000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。

42. 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 2019 and 2018, 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 2019 and 2018.

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:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Total borrowings	總借貸	<u>2,690,697</u>	<u>1,935,862</u>
Total equity	總權益	<u>10,632,385</u>	<u>10,418,937</u>
Gearing ratio	資本負債比率	<u>25.3%</u>	<u>18.6%</u>

42. 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2019年及2018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2019年及2018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：

44. Comparative Amounts

As further explained in note 2.2 to the consolidated financial statements, the Group adopted HKFRS 16 on 1 January 2019 using the modified retrospective approach. Under this approach, the comparative amounts in the consolidated financial statements were not restated and continued to be reported under the requirements of the previous standard, HKAS 17, and related interpretations.

45. Event after the Reporting Period

The COVID-19 outbreak in recent months has had a significant impact on the economic activities in Hong Kong and Mainland China. The Group's jewellery retail operations in Hong Kong and Mainland China were also affected with temporary closure of certain retail stores or adjustments to operating hours. Given the dynamic nature of the circumstances, the overall financial effect of the above cannot be reliably estimated for future reporting periods of 2020. Management will continue to closely monitor the development and evaluate the impact on the Group's financial position and performance.

44. 比較金額

如綜合財務報告附註2.2所述，本集團採用經修訂追溯採納法採納香港財務報告準則第16號，並於2019年1月1日應用。根據此方法，綜合財務報告的比較金額並無重列且繼續根據先前準則即香港會計準則第17號及其相關詮釋的要求呈報。

45. 報告期後事項

最近幾個月，2019冠狀病毒的爆發對香港和中國大陸的經濟活動產生了重大影響。本集團在香港和中國大陸的珠寶零售業務也受到若干暫時停業或調整營業時間的影響。鑑於情況的持續變化性質，無法可靠地估計上述情況在2020年未來報告期內的整體財務影響。管理層將繼續密切關注事態發展並評估對集團財務狀況和業績的影響。

46. 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:

NON-CURRENT ASSETS

Interests in subsidiaries

非流動資產

於附屬公司之權益

2019
HK\$'000
千港元2018
HK\$'000
千港元**3,143,162**

3,134,526

CURRENT ASSETS

Prepayments

Cash and cash equivalents

流動資產

預付款項

現金及等同現金

335

324

2,424

1,728

Total current assets

總流動資產

2,759

2,052

CURRENT LIABILITIES

Other payables and accruals

Tax payable

流動負債

其他應付賬款及應計項目

應付稅項

7,514

7,393

357

139

Total current liabilities

總流動負債

7,871

7,532

NET CURRENT LIABILITIES

流動負債淨額

(5,112)

(5,480)

Net assets

資產淨值

3,138,050

3,129,046

EQUITY

Issued capital

Reserves (note)

權益

已發行股本

儲備(附註)

169,359

169,359

2,968,691

2,959,687

Total equity

總權益

3,138,050

3,129,046

Vincent CHOW Wing Shing
Director周永成
董事Winston CHOW Wun Sing
Director周允成
董事

46. 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 2018	於2018年1月1日	1,051,502	13,615	975,582	892,919	2,933,618
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	401,595	401,595
Issue of shares upon exercise of share options	於購股權獲行使時發行股份	8,854	(1,329)	-	-	7,525
Equity-settled share option arrangements	權益結算之購股權安排	-	3,086	-	-	3,086
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	-	(121)	-	121	-
Dividends declared and paid during the year	年內宣派及繳付股息	-	-	-	(386,137)	(386,137)
At 31 December 2018 and 1 January 2019	於2018年12月31日及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	於2019年12月31日	1,060,356	14,268	975,582	918,485	2,968,691

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.

46. 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。

47. 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 珠寶銷售
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 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

47. 附屬公司詳情

附屬公司之資料如下：

47. Particulars of Subsidiaries (continued)

47. 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	Manufacture and retail of jewellery 珠寶製造及零售
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

47. Particulars of Subsidiaries (continued)

47. 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 周生生代理人有限公司	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 (formerly known as Chow Sang Sang Property Holdings N.V.)	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
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

47. 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

^ Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

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

^ 未經安永會計師事務所、安永會計師事務所全球網絡的香港成員公司或另一家成員公司審核

於截至2019年12月31日止年度內成立

48. Approval of the Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 26 March 2020.

48. 綜合財務報告之批准

本綜合財務報告於2020年3月26日獲董事會批准及授權刊發。

PARTICULARS OF PROPERTIES HELD

As at 31 December 2019

所持物業詳情

於2019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
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. 3515s C, D & F	Own use 自用	38,440	Industrial 工業	Medium 中

PARTICULARS OF PROPERTIES HELD

As at 31 December 2019

所持物業詳情

於2019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, 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
# 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 2019

所持物業詳情

於2019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 Guangzhou 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
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

PARTICULARS OF PROPERTIES HELD

As at 31 December 2019

所持物業詳情

於2019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					
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
可售賣面積

INFORMATION FOR SHAREHOLDERS

Financial Calendar

Announcement of 2019 interim results:	28 August 2019
2019 interim dividend payment:	24 September 2019
Announcement of 2019 annual results:	26 March 2020
Closure of register of members for annual general meeting:	8 June to 11 June 2020 (both days inclusive)
Annual general meeting:	11 June 2020
Closure of register of members for final dividend:	17 June to 19 June 2020 (both days inclusive)
2019 final dividend payment:	26 June 2020

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
Telephone: +852 2980-1333
Facsimile: +852 2810-8185
Email: is-enquiries@hk.tricorglobal.com

Investor Relations

Corporate Affairs Department
27/F, 9 Wing Hong Street
Cheung Sha Wan, Kowloon, Hong Kong
Telephone: +852 2991-0366
Facsimile: +852 2730-9683
Email: ir@chowsangsang.com

股東資訊

財務日誌

公布2019年中期業績：	2019年8月28日
派發2019年中期股息：	2019年9月24日
公布2019年全年業績：	2020年3月26日
暫停辦理股份過戶登記手續 (股東週年大會)：	2020年6月8日至 6月11日 (包括首尾兩天)
股東週年大會：	2020年6月11日
暫停辦理股份過戶登記手續 (末期股息)：	2020年6月17日至 6月19日 (包括首尾兩天)
派發2019年末期股息：	2020年6月26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

卓佳登捷時有限公司
香港皇后大道東183號
合和中心54樓
電話：+852 2980-1333
傳真：+852 2810-8185
電郵：is-enquiries@hk.tricorglobal.com

投資者關係

企業事務部
香港九龍長沙灣
永康街九號27樓
電話：+852 2991-0366
傳真：+852 2730-9683
電郵：ir@chowsangsang.com



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