

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- Group Turnover fell by 3.4% to HK\$1,457.8 million
- Group Net Loss at HK\$34.6 million
- Group Gearing Ratio at 40.3% (March 2018: 67.4%)
- Group Inventory fell by 16.6% to HK\$559.8 million vs that as at 31 March 2018
- 集團營業額下降3.4%至HK\$1,457.8百萬
- 集團虧損淨額為HK\$34.6百萬
- 集團借貸比率為40.3% (2018年3月：67.4%)
- 集團存貨較2018年3月31日減少16.6%至HK\$559.8百萬

For the year under review, Group turnover decreased by 3.4% to HK\$1,457.8 million (FY2017/18: HK\$1,509.1 million). The Group reported a loss attributable to its equity holders of HK\$34.6 million (FY2017/18: loss of HK\$150.6 million). A gain on Disposal of the Optical Business of HK\$111.8 million was recognized during the year ended 31 March 2019 (On 1 June 2018, the Group completed the disposal of its entire optical retail and wholesale businesses (the "Optical Business") to its controlling shareholder (the "Disposal")).

回顧年度內，集團營業額下降3.4%至HK\$1,457.8百萬 (2017/18財政年度：HK\$1,509.1百萬)。集團權益持有人應佔虧損為HK\$34.6百萬 (2017/18財政年度：虧損HK\$150.6百萬)。截至2019年3月31日止年度確認來自眼鏡業務之出售事項之收益HK\$111.8百萬 (於2018年6月1日，集團完成出售整個眼鏡零售及批發業務 (「眼鏡業務」) 予其控股股東 (「出售事項」))。

After excluding the following items:

於減去以下項目後：

- the gain on Disposal of the Optical Business of HK\$111.8 million (FY2017/18: nil);
- an exchange loss of HK\$16.1 million (FY2017/18: exchange gain of HK\$12.0 million);
- non-cash deferred tax expenses of HK\$12.8 million (FY2017/18: HK\$18.6 million); and
- an impairment of intangible assets of HK\$30.3 million in FY2017/18 and a gain on re-measurement of deferred consideration payable of HK\$10 million related to the Group's Swiss movement assembly facilities in FY2017/18,
- 來自眼鏡業務之出售事項之收益HK\$111.8百萬 (2017/18財政年度：無)；
- 匯兌虧損HK\$16.1百萬 (2017/18財政年度：匯兌收益HK\$12.0百萬)；
- 非現金遞延稅項開支HK\$12.8百萬 (2017/18財政年度：HK\$18.6百萬)；及
- 於2017/18財政年度無形資產減值HK\$30.3百萬及於2017/18財政年度重計與集團瑞士機芯裝配設施有關的遞延應付代價收入HK\$10百萬，

the Group would have reported a loss of HK\$117.5 million (FY2017/18: HK\$123.7 million).

集團錄得虧損HK\$117.5百萬 (2017/18財政年度：HK\$123.7百萬)。

The Optical Business was classified as discontinued operations in accordance with the Hong Kong Financial Reporting Standard 5. A loss of HK\$1.7 million (FY2017/18: HK\$4.5 million) was recorded by the discontinued operations during the year under review.

根據香港財務報告準則第5號，眼鏡業務已歸類為已終止營運業務。回顧年度內，終止營運業務錄得虧損HK\$1.7百萬 (2017/18財政年度：HK\$4.5百萬)。

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Group gross profit margin was maintained at 50.7% comparable to 50.9% in the previous financial year. With cautious consumer sentiment since mid-2018, the Group strengthened measures to further reduce costs, enhance inventory management and liquidity. Due to these measures:–

- selling expenses (excluding expenses related to investment in brand building) fell 6.6% mainly due to reduced rental expenses and other store overheads;
- Group general and administrative expenses fell further by 6.3% (net of shared service income) in FY2018/19 following a decrease of 5.7% in FY 2017/18;
- Group inventory decreased by HK\$111.1 million (16.6%) to HK\$559.8 million (March 2018: HK\$670.9 million) and inventory turnover days were shortened to 284 days (March 2018: 331 days) with tightened stock procurement. The faster stock turnover also contributed to a write back income of stock provision of HK\$2.6 million against a provision charge of HK\$18.9 million in FY2017/18;
- Group liquidity was enhanced by reductions in inventory and capital expenditures. In FY2018/19, capital expenditures were reduced by HK\$28.3 million to HK\$30.1 million (FY2017/18: HK\$58.4 million). Group net cash generated from operating activities increased to HK\$69.6 million (FY2017/18: HK\$45.1 million).

As proceeds from the Disposal were utilised to settle part of the Group's bank borrowings, the Group reported an improved gearing ratio of 40.3% compared to 45.6% as at end of September 2018 (March 2018: 67.4%) as net debts decreased by 42.3% (or HK\$291.3 million) to HK\$396.8 million.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2019 (2018: Nil per ordinary share).

集團毛利率維持於50.7%，而上個財政年度為50.9%。自2018年年中以來，消費氣氛持續審慎，因此集團已採取措施以進一步降低成本、加強存貨管理及資金流動性。基於該等措施：

- (1) 銷售支出(撇除與投資於建立品牌相關的開支)下降6.6%，主要由於租金支出及其他店舖費用減少；
- (2) 集團一般及行政支出繼於2017/18財政年度下降5.7%後，於2018/19財政年度進一步下降6.3% (扣除共享服務收入)；
- (3) 由於收緊存貨採購，集團存貨減少HK\$111.1百萬(16.6%)至HK\$559.8百萬(2018年3月：HK\$670.9百萬)而存貨周轉日數縮減至284日(2018年3月：331日)。較快的存貨周轉率亦導致存貨撥備撥回收入HK\$2.6百萬，而2017/18財政年度的撥備開支為HK\$18.9百萬；
- (4) 集團流動資金因存貨及資本開支減少而有所增強。於2018/19財政年度，資本開支下降HK\$28.3百萬至HK\$30.1百萬(2017/18財政年度：HK\$58.4百萬)。集團營運活動所得的現金淨額上升至HK\$69.6百萬(2017/18財政年度：HK\$45.1百萬)。

由於出售事項所得款項已用作償還集團的部份銀行借款，集團錄得借貸比率40.3%，較2018年9月底的45.6%(2018年3月：67.4%)有所改善，乃因淨債務減少42.3%(或HK\$291.3百萬)至HK\$396.8百萬。

末期股息

董事會不建議宣派截至2019年3月31日止年度的末期股息(2018年：每股普通股零)。

CITY CHAIN GROUP

The City Chain Group operates around 220 stores in Hong Kong, Macau, Mainland China (the “Greater China”), Singapore, Thailand and Malaysia together with on-line stores for “City Chain” and “Solvil et Titus”.

In 1H FY2018/19, same store sales growth was recorded. The initiatives adopted to refresh the “CITY CHAIN” image and house brand portfolio together with store consolidation and cost reductions, contributed to the City Chain Group returning an improved financial performance in 1H FY2018/19.

However, as the trade dispute between China and the United States intensified, and with a weakened Renminbi since July 2018, tourist and domestic spending in regions where we operate slowed down and the positive sentiment seen in Q1 FY2018/19 did not carry through for the remaining year. Turnover over the festive peak seasons such as Christmas and Chinese New Year for several regions was not up to expectation despite continued deployment of marketing campaigns.

For FY2018/19, the City Chain Group posted a y-o-y fall in turnover of 5.0% to HK\$1,166.5 million (FY2017/18: HK\$1,227.8 million) while the number of operating shops contracted by 13%. A loss before interest and tax (LBIT) of HK\$98.0 million (FY2017/18: HK\$48.7 million) was recorded. Excluding inventory provision, impairment of non-performing stores, provision for onerous contracts, exchange difference and expenditure on brand investment, operating costs decreased by 8.3%, with rental expenses, alone, reduced by 15.4%.

Greater China

Turnover for City Chain operations in Greater China fell by 6.5% to HK\$826.3 million (FY2017/18: HK\$884.1 million) with a reduction in number of shops by 19% and a wider LBIT of HK\$98.9 million (FY2017/18: LBIT HK\$53.0 million).

Despite the challenging operating environments in the 2H FY18/19, y-o-y same store sales in Hong Kong and Macau remained stable. Operating costs (excluding inventory provision, impairment of non-performing stores, provision for onerous contracts, exchange difference and expenditure on brand investment) fell by 9.8%.

「時間廊」集團

「時間廊」集團於香港、澳門、中國內地（「大中華」）、新加坡、泰國及馬來西亞營運約220間店舖，並經營「時間廊」及「鐵達時」的專營電商平台。

於2018/19財政年度上半年，同店銷售錄得增長。「時間廊」的形象革新及集團自家品牌重置產品組合，加上店舖網絡重整及降低成本措施，「時間廊」集團於2018/19財政年度上半年的財務表現有所改善。

然而，隨著中國與美國之間的貿易糾紛加劇，以及自2018年7月以來人民幣轉弱，集團營運地區的旅客及本地消費放緩，2018/19財政年度第一季的回暖勢頭未能於財政年度餘下期間內持續。雖然市場推廣活動未有間斷，惟於聖誕節及中國農曆新年等節日購物旺季的營業額並未達到預期水平。

截至2018/19財政年度，「時間廊」集團營業額同比下降5.0%至HK\$1,166.5百萬（2017/18財政年度：HK\$1,227.8百萬），而經營店舖數目減少13%。集團錄得除利息及稅項前虧損HK\$98.0百萬（2017/18財政年度：HK\$48.7百萬）。撇除存貨撥備、表現欠佳的店舖減值、有法律義務合約的撥備、匯兌差額及品牌投資的支出後營運成本下降8.3%，當中租賃支出下降15.4%。

大中華

大中華「時間廊」業務因店舖數目減少19%令營業額下跌6.5%至HK\$826.3百萬（2017/18財政年度：HK\$884.1百萬），除利息及稅項前虧損增加至HK\$98.9百萬（2017/18財政年度：除利息及稅項前虧損為HK\$53.0百萬）。

儘管18/19財政年度下半年的經營環境充滿挑戰，香港及澳門同店銷售維持穩定。營運成本（撇除存貨撥備、表現欠佳的店舖減值、有法律義務合約的撥備、匯兌差額及品牌投資的開支）下跌9.8%。

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LBIT in Mainland China narrowed by 26.8% due to consolidation of non-performing shops and a simultaneous improvement in the productivity of operating shops. During the year, a moderate increase of 7.2% (in local currency) in sales per shop from FY2017/18 was attained despite a weak Renminbi, volatility in the stock market and a marked slowdown in retail consumption in Mainland China. In order to improve bottom-line results, closure of non-performing shops in Northern and Southwestern China were completed by May 2019 and shop consolidation is in progress in Eastern China.

The turnover of our watch e-commerce business remained stable and operating loss was reduced by 19.1% in local currency terms compared to FY2017/18 as cost structures were streamlined to uplift financial performance.

Southeast Asia

Despite a generally weaker market environment, our City Chain operations in Southeast Asia reported an increase in sales per shop of 8.9% from FY 2017/18 and turnover remained relatively stable at HK\$340.2 million (FY2017/18: HK\$343.7 million) despite a 5.4% reduction in number of shops. However, impacted by currency depreciation against the stronger Hong Kong dollar, an EBIT of HK\$0.8 million (FY2017/18: EBIT of HK\$4.2 million) was reported. Excluding exchange loss, our operations in Southeast Asia reported an EBIT of HK\$3.4 million (FY2017/18: EBIT of HK\$4.6 million). Operating costs (excluding inventory provision, impairment of non-performing stores, provision for onerous contracts, exchange difference and expenditure on brand investment) fell y-o-y by 3.5%.

Our Malaysia operations posted satisfactory results with EBIT growing 2.3% while the LBIT at our Thai operations narrowed by 30.9% (in local currency terms) due to sales growth of 8.0%, following the refreshing of several key stores and effective merchandising initiatives. However, our Singapore operations posted a LBIT due to a difficult retail operating environment, particularly, in 2H FY2018/19.

中國內地的除利息及稅項前虧損收窄26.8%，主要因為合併表現欠佳的店舖及持續營運店舖的生產力同步得到改善。於年度內，儘管人民幣疲軟、股市波動及中國內地零售消費明顯放緩，每間店舖的銷售額與2017/18財政年度相比錄得溫和增長7.2%（以當地貨幣計算）。為進一步提升業績，於2019年5月已完成關閉於華北及中國西南地區表現欠佳的店舖，華東地區的店舖整合正在進行中。

與2017/18財政年度相比，鐘錶電子商貿業務的營業額維持穩定，且由於精簡成本架構以提升財務表現，營運虧損因而減少19.1%（以當地貨幣計算）。

東南亞

儘管整體市場環境疲軟，東南亞的「時間廊」每間店舖營業額較2017/18財政年度上升8.9%，而儘管店舖數目減少5.4%，營業額維持相對穩定於HK\$340.2百萬（2017/18財政年度：HK\$343.7百萬）。然而，受港元轉強引致的貨幣貶值影響，錄得除利息及稅項前溢利為HK\$0.8百萬（2017/18財政年度：除利息及稅項前溢利為HK\$4.2百萬）。撇除匯兌虧損，東南亞業務錄得除利息及稅項前溢利HK\$3.4百萬（2017/18財政年度：除利息及稅項前溢利為HK\$4.6百萬）。營運成本（撇除存貨撥備、表現欠佳的店舖減值、有法律義務合約的撥備、匯兌差額及品牌投資的支出）較去年下降3.5%。

馬來西亞業務錄得令人滿意的業績，除利息及稅項前溢利增長2.3%。而泰國方面，由於若干主要店舖的形象翻新及採取具成效的產品配置措施促使銷售上升8.0%，除利息及稅項前虧損收窄30.9%（以當地貨幣計算）。然而，新加坡業務於2018/19財政年度下半年因零售經營環境困難而錄得除利息及稅項前虧損。

SUPPLY CHAIN MANAGEMENT AND WHOLESALE TRADING

This business division is made up of Stelux Group's supply chain unit for house brands, such as Solvil et Titus and CYMA, its wholesale trading unit for the sole distribution of "SEIKO" watches and clocks and "GRAND SEIKO" watches in Hong Kong, Singapore and Malaysia; and our Swiss business units.

Turnover for this division grew moderately by 3.5% to HK\$291.2 million (FY2017/18: HK\$281.3 million) and together with improved operational efficiencies contributed to a profit of HK\$40.1 million (FY2017/18: loss of HK\$4.6 million, including one-off items being impairment for intangible assets of our Swiss movement facility of HK\$30.3 million and gain on re-measurement of deferred consideration payable of HK\$10 million). The various marketing campaigns for "SEIKO" and "GRAND SEIKO" continued during the year and were well received; and together with committed service support provided to retailers stimulated consumer demand and sell-through.

DISCONTINUED OPERATIONS – OPTICAL RETAIL AND WHOLESALE

The turnover for the discontinued operations recorded during the two month period before the completion of the Disposal was HK\$219.0 million and a loss of HK\$1.7 million was sustained.

GROUP OUTLOOK

With the uncertainties surrounding the completion of a trade deal between China and the United States impacting most of the regions where we operate, retail sentiment is likely to remain subdued for the remaining FY2019/20. Therefore, operational and fiscal initiatives currently in place to reduce costs, improve operational efficiencies and to strengthen liquidity will continue in FY2019/20. Refreshment of stores will continue in FY2019/20 and capital expenditures will be prudently managed.

However, as part of the Group's long term strategy to improve its competitiveness to adapt to changes in the consumer landscape, the Group has prioritized investment in infrastructure and brand development to enhance customer interaction through omni-channels so as to improve synergies between the online and offline businesses of the City Chain Group. In Q2 FY2019/20, enhanced e-commerce platforms for "City Chain" and "Solvil et Titus" and the deployment of CRM solutions are scheduled to be rolled out.

供應鏈管理及批發貿易

此業務分部由寶光集團的自有品牌產品(鐵達時及CYMA)供應鏈單位、「精工」及「GRAND SEIKO」於香港、新加坡及馬來西亞獨家鐘錶分銷之批發業務單位，以及瑞士業務單位組成。

此分部的營業額溫和增長3.5%至HK\$291.2百萬(2017/18財政年度：HK\$281.3百萬)，加上營運效益有所改善，錄得溢利HK\$40.1百萬(2017/18財政年度：虧損HK\$4.6百萬，包括一次性項目(即瑞士機芯設施的無形資產之減值HK\$30.3百萬及重計遞延應付代價收入HK\$10百萬))。於年度內，集團繼續進行多項有關「精工」及「GRAND SEIKO」的市場推廣活動，成效理想；及連同向零售商提供的服務支援，刺激客戶需求及銷售表現。

已終止營運業務－眼鏡零售及批發

於出售事項完成前兩個月期間，已終止營運業務錄得營業額HK\$219.0百萬及虧損HK\$1.7百萬。

集團前景

因中美兩國完成貿易談判尚存之不確定性影響集團經營所在的大部分地區，2019/20財政年度餘下期間的零售氣氛預計維持低迷。因此，於2019/20財政年度集團將持續實施各項營運及財政措施，以削減成本、提高營運效益及增強資金流動性。集團於2019/20財政年度將繼續提升店舖形象及審慎控制資本開支。

然而，由於集團的長遠策略部份為提高其競爭力以應對消費模式轉變，集團將優先投資於全域渠道營銷模式的基礎設施及品牌發展，提升顧客在線上及實體店互動的購物體驗，增強「時間廊」集團線上線下業務協同效應。於2019/20財政年度第二季，集團將加強「時間廊」及「鐵達時」電商平台的內容及體驗，同時推出CRM應用方案。

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BUSINESS MODEL AND STRATEGY

- We are a brand owner, wholesaler and retailer, covering all aspects of the value chain to maximise returns
- We have an extensive retail network and growing online platforms
- We offer multi-brands, both house brands and foreign brands targeting the mid income customer
- We will invest in infrastructure and brand development to enhance synergies between online and offline businesses

FINANCE

The Group's capital management, currency and interest rate movement are constantly monitored and reviewed by the management of the Group to address and manage relevant financial risks relating to the Group's operations. The Group maintains prudent treasury management policies to address liquidity to finance both short-term and long-term working capital needs for business operations. Funds are generated from business operating activities and banking facilities in the form of term loans and short-term trading facilities. Forecast and actual cash flow analyses are continuously monitored. Maturity of assets and liabilities and requirement of financial resources for business operations are prudently managed.

The gearing ratio was 40.3% (31 March 2018: 67.4%) with shareholders' funds standing at HK\$985.0 million (31 March 2018: HK\$1,020.6 million) and net debts of HK\$396.8 million (31 March 2018: HK\$688.1 million). The net debts are based on the bank borrowings of HK\$688.3 million (31 March 2018: HK\$934.4 million) less bank balance and cash of HK\$291.5 million (of the Group as at 31 March 2018: HK\$246.3 million) of which HK\$56.6 million were pledged (nil at 31 March 2018). The bank borrowings comprised of HK\$113.4 million repayable within one year and HK\$574.9 million with scheduled repayment after one year but repayable on demand and were classified as current liabilities. The cash position of the discontinuing operations as at 31 March 2018 was HK\$143.1 million. At completion, cash held by the discontinued operations in excess of around HK\$60.0 million (adjusted by foreign exchange rate at completion) was transferred to the continuing operations.

業務模式及策略

- 集團為品牌擁有人、批發商及零售商，涵蓋價值鏈的所有環節，以獲取最大回報
- 集團擁有廣泛的零售網絡及日益擴展的線上平台
- 集團提供多個品牌，包括自有品牌及外國品牌，目標顧客為中產客戶
- 集團將投資於基礎設施及品牌發展以增強線上與線下業務的協同效益

財務

本集團管理層密切監察及審核集團的資本管理、貨幣及利率變動，以監控本集團營運相關的財務風險。本集團實行嚴謹的財務管理策略，以掌控用於業務營運的短期及長期資金需求的流動性。有關資金來自業務營運以及有期貸款及短期貿易融資等銀行融資。本集團亦持續監察預測及實際現金流分析，審慎管理資產及負債的到期日以及業務營運的財務資金需要。

本集團的借貸比率為40.3% (2018年3月31日：67.4%)，股東資金為HK\$985.0百萬 (2018年3月31日：HK\$1,020.6百萬)，本集團的淨債務為HK\$396.8百萬 (2018年3月31日：HK\$688.1百萬)。淨債務乃根據銀行貸款HK\$688.3百萬 (2018年3月31日：HK\$934.4百萬) 減去銀行結餘及現金HK\$291.5百萬 (2018年3月31日：HK\$246.3百萬)，其中HK\$56.6百萬為抵押銀行存款 (2018年3月31日：零) 計算。銀行貸款包括HK\$113.4百萬需於一年內償還，及HK\$574.9百萬為預定還款期於一年以後 (惟須應要求償還，因此列為流動負債)。終止營運業務於2018年3月31日的現金狀況為HK\$143.1百萬。於完成日期，經調整匯兌差額後，終止營運業務保留現金約HK\$60.0百萬，超出此金額的現金已轉移至持續營運業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Following the Completion of the Disposal of the discontinuing operations, the Group received gross proceeds of HK\$400 million, of which a special distribution of HK\$198.8 million was paid to its shareholders and the remaining balance has been utilized together with improved operating cash inflow to settle part of bank borrowings to reduce the net debts by 42.3% to HK\$396.8 million.

The Group's major borrowings are in Hong Kong dollars and mostly based on a floating rate at HIBOR or bank prime lending rates. As major revenues of the Group are in Hong Kong dollars and Macanese Pataca, the natural hedge mechanism was applied.

As at 31 March 2019, the Group's total equity funds amounted to HK\$992.1 million. The Group's net cash inflow from its operating activities increased by 54.3% to HK\$69.6 million and coupled with its existing cash and unutilized banking facilities will fund its future needs. The unutilized banking facilities at 31 March 2019 were HK\$221.3 million.

As at 31 March 2019, the current assets and current liabilities were approximately HK\$1,033.8 million (31 March 2018: HK\$1,883.7 million) and HK\$958.6 million (31 March 2018: HK\$1,600.6 million), respectively. The current ratio was approximately 1.08 (1.18 as at 31 March 2018).

The Group does not use any financial instruments for hedging purposes.

The Group does not engage in speculative derivative trading.

As at 31 March 2019, the Group does not have any significant contingent liabilities except disclosed in Note 33 to the Consolidated Financial Statements.

The Group does not have plans for material investments or change of capital assets.

At at 31 March 2019, certain property, plant and equipment, investment properties and bank deposit amounting to HK\$712.3 million (31 March 2018: HK\$452.7 million) were pledged to secure banking facilities granted to the Group. Capital expenditures were under control and reduced to HK\$30.1 million (FY2017/18: HK\$58.4 million).

During the year ended 31 March 2019, certain self-owned stores were leased out and therefore reclassified from property, plant and equipment to investment properties. The gain on revaluation upon transfer to investment properties net of tax amounted to HK\$202.0 million was recorded in reserves as at 31 March 2019.

於完成終止營運業務的出售事項後，本集團獲得所得款項總額HK\$400百萬，並已向股東派付特別股息HK\$198.8百萬，而餘額連同已增加的經營現金流入已用作償還部份銀行貸款，使本集團債務淨額減少42.3%至HK\$396.8百萬。

本集團的主要貸款以港幣結算，主要按香港銀行同業拆息率或銀行最優惠利率基準，以浮動息率計算。由於本集團的主要收益以港幣及澳門幣計算，故本集團應用自然對沖機制。

於2019年3月31日，本集團的股權總額為HK\$992.1百萬。本集團營運活動的現金淨流入增加54.3%至HK\$69.6百萬，連同現有的現金及未動用的銀行信貸額，足以應付未來日常業務的資金需要。於2019年3月31日，未動用的銀行信貸額為HK\$221.3百萬。

於2019年3月31日，流動資產及流動負債分別約為HK\$1,033.8百萬(2018年3月31日：HK\$1,883.7百萬)及HK\$958.6百萬(2018年3月31日：HK\$1,600.6百萬)。流動比率約為1.08(2018年3月31日：1.18)。

集團並無使用任何財務工具作對沖用途。

集團並無參與純投機的衍生工具交易。

於2019年3月31日，除綜合財務報表附註33所披露外，集團並無任何重大或然負債。

集團並無任何重大投資或轉變資本資產之計劃。

於2019年3月31日，本集團若干物業、機器及設備、投資物業以及銀行存款總值HK\$712.3百萬(2018年3月31日：HK\$452.7百萬)已抵押予銀行以獲取銀行信貸。資本開支受到控制並已減少至HK\$30.1百萬(2017/18財政年度：HK\$58.4百萬)。

截至2019年3月31日止年度，若干自有店舖已出租，因此從物業、機器及設備重新分類至投資物業。於2019年3月31日，於儲備錄得轉撥至投資物業後重估之除稅後收益HK\$202.0百萬。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The deferred tax asset balance decreased by HK\$12.9 million and this expense was charged to the income statement during the year ended 31 March 2019. The decrease was mainly from a decrease in tax losses recognised as deferred tax asset.

Since 31 March 2019, there have been no important events affecting the Group which have occurred, and, hence there are no details to disclose.

NUMBER AND REMUNERATION OF EMPLOYEES, REMUNERATION POLICIES, BONUS AND TRAINING SCHEMES

The Group's remuneration policies are reviewed on a regular basis and remuneration packages are in line with market practices in the relevant countries where the Group operates. As at 31 March 2019, the Group had 1,550 employees. Excluding the discontinued operations, the Group had 1,656 employees as at 31 March 2018. The Group offers KPI related bonuses to eligible employees based on the performance of the Group and the individual employee. The Group also provides related training programmes to improve the quality, competence and skills of its employees.

Joseph C. C. Wong

Chairman and Chief Executive Officer

Hong Kong, 20 June 2019

遞延稅項資產結餘減少HK\$12.9百萬及此項支出已於截至2019年3月31日止年度之收益表扣除。減少主要來自確認為遞延稅項資產之稅項虧損減少所致。

2019年3月31日後，本集團並無重大事項發生，因此並無詳情需予披露。

僱員數目及酬金、酬金政策、獎金及僱員培訓計劃

集團定期對酬金政策進行檢討，而酬金待遇則符合集團營運所在國家的市場慣例。本集團於2019年3月31日共有1,550位僱員。撇除終止營運業務，本集團於2018年3月31日共有1,656位僱員。集團就業績及個別僱員表現提供按「關鍵績效指標」釐定之獎金予合資格的僱員。集團亦提供相關的培訓計劃改善其僱員質素、能力及技能。

黃創增

主席及行政總裁

香港，2019年6月20日