



東京中央拍賣控股有限公司
TOKYO CHUO AUCTION HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)(於香港註冊成立之有限公司)
STOCK CODE 股份代號 : 1939.HK



20
24

ANNUAL
REPORT

年度報告



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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Ando Shokei (alias Liao Xianggui) (*Chairman*)
Mrs. Ando Eri (alias Feng Huijin)
Mr. Katsu Bunkai (alias Ge Wenhai)
Mr. Sun Hongyue

Independent Non-executive Directors

Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

COMPANY SECRETARY

Mr. Chak Chi Shing

AUDIT COMMITTEE

Ms. Lam Suk Ling Shirley (*chairlady of the audit committee*)
Mr. Chung Kwok Mo John
Mr. Chun Chi Man

REMUNERATION COMMITTEE

Mr. Chung Kwok Mo John
(*chairman of the remuneration committee*)
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man
Mrs. Ando Eri

NOMINATION COMMITTEE

Mr. Ando Shokei (*chairman of the nomination committee*)
Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

董事

執行董事

安藤湘桂先生(又名廖湘桂)(*主席*)
安藤惠理女士(又名馮慧瑾)
葛文海先生
孫鴻月先生

獨立非執行董事

鍾國武先生
林淑玲女士
秦治民先生

公司秘書

翟志勝先生

審核委員會

林淑玲女士(審核委員會主席)
鍾國武先生
秦治民先生

薪酬委員會

鍾國武先生
(薪酬委員會主席)
林淑玲女士
秦治民先生
安藤惠理女士

提名委員會

安藤湘桂先生(提名委員會主席)
鍾國武先生
林淑玲女士
秦治民先生

CORPORATE GOVERNANCE COMMITTEE

Mr. Chun Chi Man
(*chairman of the corporate governance committee*)
Mr. Ando Shokei
Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley

AUTHORISED REPRESENTATIVES

Mr. Ando Shokei
Mr. Chak Chi Shing

AUDITOR

HLB Hodgson Impey Cheng Limited

PRINCIPAL BANKERS

Hongkong and Shanghai Banking Corporation Limited
Sumitomo Mitsui Banking Corporation

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Admiralty
Hong Kong

REGISTERED OFFICE

Room 2601, 26/F Wing On Centre
No. 111 Connaught Road Central
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN JAPAN

2/F and 3/F, Kyobashi-Square
3-7-5 Kyobashi, Chuo-ku
Tokyo
Japan

CORPORATE WEBSITE

www.chuo-auction.com.hk

STOCK CODE

1939

企業管治委員會

秦治民先生
(*企業管治委員會主席*)
安藤湘桂先生
鍾國武先生
林淑玲女士

授權代表

安藤湘桂先生
翟志勝先生

核數師

國衛會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
三井住友銀行

股份過戶登記總處

卓佳證券登記有限公司
香港
金鐘夏慤道16號
遠東金融中心17樓

註冊辦事處

香港
干諾道中111號
永安中心26樓2601室

總辦事處及日本主要營業地點

日本
東京都
中央區京橋3-7-5
Kyobashi-Square 2樓及3樓

公司網站

www.chuo-auction.com.hk

股份代號

1939

CHAIRMAN'S STATEMENT

主席報告

DEAR SHAREHOLDERS

On behalf of the board (the **"Board"**) of directors (the **"Directors"**) of Tokyo Chuo Auction Holdings Limited (the **"Company"**), together with its subsidiaries, collectively, the **"Group"**), I would like to present the annual report of the Company for the year ended 31 March 2024 (the **"Reporting Period"**).

We are a well-recognised auction house of Chinese and Japanese artworks in Hong Kong and Japan. We specialise in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese teawares. With over ten years of operating experience in the Chinese and Japanese art auction industry, we have grown into a well-recognised and trusted auction brand in Hong Kong and Japan, through our "Tokyo Chuo Auction" brand. By offering appealing auction artworks and quality auction services, we have successfully gained recognition from our customers and established our market position, brand name and competitiveness. We take pride in being an auction house with the ability to explore and introduce the historical and cultural significance as well as the commercial value of each artwork.

致股東

本人謹代表東京中央拍賣控股有限公司(「**本公司**」，連同其附屬公司統稱為「**本集團**」)董事(「**董事**」)會(「**董事會**」)提呈本公司截至2024年3月31日止年度(「**報告期間**」)的年度報告。

我們是一間在香港及日本廣受認可的中日藝術品拍賣行。我們專門拍賣各類藝術品，主要為中國及日本藝術品，包括中國書畫、中國古玩及中日茶具。憑藉在中國及日本藝術品拍賣行業超過十年的營運經驗，我們已透過「東京中央拍賣」的品牌，發展成為在香港及日本廣受認可和信任的拍賣品牌。我們憑藉提供具吸引力的拍賣藝術品及優質的拍賣服務，成功贏得客戶的認可，從而確立我們的市場地位、品牌知名度及競爭力。作為一間能夠探索及推廣每件藝術品歷史文化意義及商業價值的拍賣行，我們深感自豪。





Over the past year, the Group took appropriate actions to improve our operations through different ways, including but not limited to, (i) adopting and utilising professional as well as history-focused and culture-oriented marketing techniques along with quality services to maximise the transaction prices of our auctioned artworks; (ii) further strengthening our market position and market share in the Chinese and Japanese art auction market in Hong Kong and Japan, and enhancing our brand recognition and awareness; (iii) diversifying our business scope by venturing into the field of contemporary artwork and fine & rare whisky and moutai; (iv) recruiting high calibre managers and experts and attracting, motivating and retaining quality employees to strengthen both the management and operating teams with a view to support sustainable growth; and (v) targeting to expand business footprint to other potential markets with an aim to establish and enhance brand image and brand influence in other major Asian cities and the global market.

過去一年，本集團通過不同的方法採取合適的行動以改善我們的營運，包括但不限於(i)在提供優質服務的同時，採取及運用專業且聚焦歷史及文化導向的營銷技術，達到拍賣藝術品的最高交易價；(ii)進一步加強我們於香港及日本的中國及日本藝術拍賣市場的市場地位及市場佔有率，並加強品牌形象及知名度；(iii)通過投資於當代藝術作品及珍稀佳釀的領域以令我們的業務範圍多元化；(iv)招聘高質素的管理人才及專家，並吸引、激勵及保留優質僱員以同時加強管理及營運團隊，以支持可持續發展；及(v)以擴展業務足印至其他具潛質的市場為目標，旨在於其他主要亞洲城市及全球市場建立及加強品牌形象及品牌影響力。

PROSPECTS

In view of the global economy and the financial markets in Hong Kong, Japan and the People's Republic of China (the "PRC") are being uncertain, the Board considered that such significant impact on the global economy and financial markets had adversely affected the market of Chinese and Japanese artworks, specific for unpredictability in the market demand, value and conditions for artworks and development of art auction market in general. We are aspiring to diversify our business scope into the field of contemporary artworks and jewelry. The Group also seized the opportunity to accelerate the formation of its online system and online auction platform, so as to keep up with the current developing trend, integrate platforms and upgrade its technology to bring new experience of multi-scenario auction for all collectors. The development of online trading and information platform and diversifying our business scope by venturing into the field of contemporary artwork and jewelry allow the Group to expand its current business and provide more flexibility to cope with the economic uncertainty in the near future.

前景

鑒於全球經濟以及香港、日本及中華人民共和國（「中國」）的金融市場仍然不明朗，董事會認為，全球經濟及金融市場遭受的嚴重影響對中日藝術品市場造成不利影響，具體指不可測的市場需求、藝術品的價值及狀況，以及藝術品拍賣市場的整體發展。我們有志將我們的業務範圍擴大到當代藝術品及珠寶領域。本集團亦借此機會加速其線上系統及線上拍賣平台的搭建，緊跟時代發展趨勢，整合平台並提升其技術，為廣大藏家帶來全新的多場景拍賣體驗。發展線上交易及資訊平台，以及透過涉足當代藝術品及珠寶領域，使我們的業務範圍變得多元化，可讓本集團擴展目前的業務，並能更靈活地應對近期的經濟不確定性。





Moreover, in order to promptly extend our coverage in other key regions in terms of Asian artworks, we started planning for a joint consignments tour with our industry peers based in Taiwan during the Reporting Period. In the future, the Group will aim at keeping stable growth and development, and continuously uphold its principle of sourcing excellent artworks for art enthusiasts in the artwork auction market. The Group will constantly enrich the categories of auction lots to fulfill the diversified preferences of the collectors. At the same time, the management will also keep an eye on the opportunities to cooperation with other auction companies with a view to developing our business more rapidly.

APPRECIATION

Lastly, on behalf of the Board and the management, I would like to express my sincere gratitude to all the staff for their unremitting efforts during the year and to all the shareholders of the Company (“**Shareholders**”), investors, clients and business partners for their continuous support for the Group.

Tokyo Chuo Auction Holdings Limited

Ando Shokei

Chairman

25 June 2024

此外，就亞洲藝術品而言，為了能迅速覆蓋其他重點地區，我們於報告期間已開始部署與台灣同業進行聯合徵集活動。未來，本集團將力求穩定增長及發展，在藝術品拍賣市場上繼續秉承「為藝術愛好者搜羅優秀藝術品」的宗旨。本集團將不斷豐富拍品種類，在滿足藏家的多樣化口味同時，管理層也會時刻留意與其他拍賣公司的合作商機，務求更迅速發展我們的業務。

致謝

最後，本人謹代表董事會及管理層對本集團全體員工於本年孜孜不倦的努力深表謝意，亦就本公司所有股東（「**股東**」）、投資者、客戶及業務夥伴對本集團的持續支持表示致謝。

東京中央拍賣控股有限公司

安藤湘桂

主席

2024年6月25日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

In view of the global economy and the financial markets in Hong Kong and the People's Republic of China ("PRC") are being uncertain. The Board considered that such unpredictable impact on the global economy and financial markets had adversely affected our business of Chinese and Japanese artworks, specifically on the unpredictability in the market demand, the value and conditions for artworks and development of art auction market in general. We aspire to diversify our business scope into the field of contemporary artworks and jewelry and further expanding business in Taiwan markets, as (1) we believe there would be a large potential demand for jewelry or contemporary artworks by our existing customers, (2) there is an increasing market demand on jewelry and contemporary artworks in the industry and (3) is targeting to further expand business in Taiwan markets with an aim to establish and enhance brand image and influence in other major Asian cities and the global markets.

During the Reporting Period, the Group obtained successful results in each auction session, with an aggregate of 4,934 pieces of auction lots launched in the 7 auctions in Hong Kong and Japan. A total of 3,612 pieces were successfully sold, representing a success rate of 73.2% and achieved an aggregate hammer price of approximately HK\$83.2 million and JPY2,489.5 million in Hong Kong and Japan, respectively. The Group is actively developing other new auction segments, specially jewelry and contemporary artworks to increase the number and sources of customers and pursue new business opportunities.

業務回顧

鑒於全球經濟以及香港及中華人民共和國(「中國」)的金融市場仍然不明朗，董事會認為，全球經濟及金融市場遭受的不可測影響對我們的中日藝術品業務造成影響，尤指不可測的市場需求、藝術品的價值及狀況，以及藝術品拍賣市場的整體發展。我們有志將我們的業務範圍擴大到當代藝術品及珠寶領域以及進一步拓展台灣市場的業務，原因是(1)我們相信現有客戶對珠寶或當代藝術品的潛在需求龐大，(2)業內對珠寶及當代藝術品的市場需求日增，以及(3)以進一步擴展業務至台灣市場為目標，旨在於其他主要亞洲城市及全球市場建立及加強品牌形象及品牌影響力。

於報告期間，本集團各拍賣專場均取得豐碩收益，香港及日本7個拍賣會共推出4,934件拍品。合共3,612件已成功售出，成功率為73.2%，香港及日本的總落槌價分別約為83.2百萬港元及2,489.5百萬日圓。本集團積極發展尤其是珠寶及當代藝術品的其他新拍賣業務以增加客戶數目及來源，同時物色新商機。

PROSPECTS AND FUTURE PLAN

The Group has been growing since its establishment and during the Reporting Period. Through its successful Listing in 2018, the Group has been expanding itself as a pioneering corporate with emphasis on artworks auction, expanding from Japan to the entire Asia. At present, it has established footholds in major cities in Asia with its business expanding from Tokyo to Hong Kong and Taiwan. Moreover, in order to promptly increase its coverage in other key regions in terms of the Asian artworks and become one of the international well-known auction houses with Chinese and Japanese art auction business in the future, the Group has actively explored potential customers and consolidated its competitive strengths in order to broaden its network in the collection community and facilitate the growth of its auction business. In addition, the Group's marketing and brand promotion activities are integral parts of its effort to gain acclaim and build its reputation among the high net worth individuals in the Asia-Pacific region, which successfully strengthened the brand image of the Group and raised its brand awareness. Further raising the Group's brand awareness is the key to the success of its future development.

In the future, the Group aims at maintaining stable growth and development, and continuously uphold its principle of sourcing excellent artworks with good provenance to explore and collect more valuable artworks for art enthusiasts in the artwork auction market. The Group will allocate more resources to develop its online auction platform, jewelry and contemporary artworks segments to diversify its auction channel and jewelry, which allow the Group to expand its current business and provide more flexibility to cope with the economic uncertainty in the near future. At the same time, it shall keep looking for apposite business partners for collaboration in auction events. Meanwhile, the management will also cooperate with other auction companies and consider making strategic investments in artworks related business, which would help the Group achieve synergies.

前景及未來計劃

本集團自成立以來及於報告期間不斷發展壯大。本集團於2018年成功上市，發展成為專注藝術品拍賣的先鋒企業，並由日本擴大至整個亞洲。目前，本集團已立足亞洲主要城市，業務由東京拓展至香港及台灣。此外，就亞洲藝術品而言，為了迅速將業務延伸至其他主要地區並於日後成為經營中日藝術品拍賣業務的國際知名拍賣行，本集團積極開拓潛在客戶，鞏固競爭優勢，增加收藏界廣泛脈絡，推動拍賣業務增長。此外，本集團的市場營銷和品牌推廣活動將是本集團於亞太區高淨值人士中打響名號、建立口碑的重要一環，此舉將會成功鞏固本集團的品牌形象並提升其品牌認可度。進一步提升品牌認可度是本集團未來發展成功與否的關鍵所在。

日後，本集團將力求穩定增長及發展，於藝術品拍賣市場上繼續秉承「來源有據，流傳有序」的宗旨，不斷為藝術品愛好者搜羅更多珍貴的藝術品。本集團將分配更多資源發展線上拍賣平台、珠寶及當代藝術品分部，使其拍賣渠道更多元化，珠寶亦然，此舉可讓本集團擴展目前的業務，並能更靈活地應對近期的經濟不確定性。同時，本集團將繼續尋找合適業務夥伴以就拍賣活動展開合作。此外，管理層亦將與其他拍賣公司合作，並考慮於藝術品相關業務中作出戰略投資，幫助本集團達致協同效應。

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the Group was approximately HK\$57.9 million (2023: approximately HK\$72.8 million), which represents a decrease of approximately HK\$14.9 million or 20.5% as compared to the same period in 2023. Revenue from art auction and related business was approximately HK\$48.7 million (2023: approximately HK\$59.8 million), while revenue from artwork sales was approximately HK\$9.2 million (2023: approximately HK\$12.9 million). Such decrease in revenue from art auction and related business for the Reporting Period was mainly due to the uncertainty in the global economy and the financial markets which has affected the market of Chinese and Japanese artworks, in particular, the unpredictability in the market demand, value and conditions for artworks and development of art auction market in general.

Gross profit

During the Reporting Period, gross profit of the Group decreased by approximately HK\$6.5 million or 12.2% to approximately HK\$46.8 million (2023: approximately HK\$53.3 million) as compared to the same period in 2023, which was in line with the decrease in revenue from art auction and related business. The overall gross profit margin was approximately 80.8% for the Reporting Period (2023: 73.2%). The increase was mainly due to the increase in the profit margin for the revenue from art auction related business and revenue from artwork sales. The gross profit margins were approximately 91.4% (2023: 86.9%) for art auction and related business and approximately 24.9% (2023: 10.3%) for artwork sales respectively.

Other gains or losses — net

Other gains of approximately HK\$7,000 mainly represented the fair value gains on financial assets at FVTPL which partially offset by the exchange loss for the Reporting Period (2023: loss of approximately HK\$1.7 million mainly represented the fair value loss on financial asset at FVTPL).

財務回顧

收益

於報告期間，本集團收益約為57.9百萬港元（2023年：約72.8百萬港元），較2023年同期減少約14.9百萬港元或20.5%。來自藝術品拍賣及相關業務的收益約為48.7百萬港元（2023年：約59.8百萬港元），來自藝術品銷售的收益約為9.2百萬港元（2023年：約12.9百萬港元）。於報告期間，藝術品拍賣及相關業務的收益減少，主要是由於全球經濟及金融市場的不確定性對中日藝術品市場造成影響，尤指不可測的市場需求、藝術品的價值及狀況，以及藝術品拍賣市場的整體發展。

毛利

於報告期間，與2023年同期相比，本集團的毛利減少約6.5百萬港元或12.2%至約46.8百萬港元（2023年：約53.3百萬港元），與藝術品拍賣及相關業務的收益減少一致。於報告期間，整體毛利率約為80.8%（2023年：73.2%）。有關增加乃主要由於藝術品拍賣及相關業務的收益利潤率及藝術品銷售收益增加所致。藝術品拍賣及相關業務以及藝術品銷售的毛利率分別為約91.4%（2023年：86.9%）及約24.9%（2023年：10.3%）。

其他收益或虧損淨額

其他收益約為7,000港元，主要指按公平值計入損益之金融資產公平值收益，當中因於報告期間的匯兌虧損而部分抵銷（2023年：虧損約1.7百萬港元，主要指按公平值計入損益之金融資產公平值虧損）。

Other income

Other income of approximately HK\$1.4 million mainly represented government grant received, compensation received, bidding deposits forfeited and penalties recognised during the Reporting Period (2023: approximately HK\$1.5 million).

Selling and distribution expenses

Selling and distribution expenses consisted primarily of employee benefit expenses paid to the Group's sales and marketing staff, advertising and promotion expenses, consultancy fee paid, transportation costs, travelling expenses, entertainment and business hospitality expenses. During the Reporting Period, approximately HK\$23.8 million (2023: approximately HK\$24.9 million) of selling and distribution expenses were incurred, representing an decrease of approximately HK\$1.1 million as compared to the same period in 2023, which was mainly due to the decrease in transportation costs, advertising and promotion expenses for the Reporting Period.

Administrative expense

Administrative expenses mainly represented employee benefit expenses, travelling expenses, rental expenses and depreciation. During the Reporting Period, administrative expenses increased by approximately 26.8% to approximately HK\$43.5 million (2023: approximately HK\$34.3 million). Such increase in administrative expenses was mainly due to the increase in depreciation and recognition of equity-settled share based payment for the Reporting Period.

Finance costs — Net

The Group recorded finance costs of approximately HK\$819,000 (2023: finance costs amounted to approximately HK\$861,000) for the Reporting Period. Finance income mainly represented interest income from bank deposit and interest income from certain consignor advance, and finance costs mainly represented interest expenses on bank and other borrowings and interest expenses on lease liabilities.

其他收入

其他收入約為1.4百萬港元，主要指於報告期間的已收取政府補助、已收取補償、已沒收競投保證金及已確認罰款(2023年：約1.5百萬港元)。

銷售及分銷開支

銷售及分銷開支主要包括已付本集團銷售及營銷員工的僱員福利開支、廣告及宣傳開支、已付顧問費、運輸成本、差旅開支、娛樂及商務接待開支。於報告期間產生銷售及分銷開支約23.8百萬港元(2023年：約24.9百萬港元)，較2023年同期減少約1.1百萬港元，乃主要由於報告期間的運輸成本、廣告及宣傳開支減少所致。

行政開支

行政開支主要指僱員福利開支、差旅開支、租金開支及折舊。於報告期間，行政開支增加約26.8%至約43.5百萬港元(2023年：約34.3百萬港元)。行政開支增加乃主要由於報告期間的折舊以及確認以權益結算的股份基礎付款增加所致。

財務成本淨額

本集團於報告期間錄得財務成本約819,000港元(2023年：財務成本約861,000港元)。財務收入主要指銀行存款的利息收入及若干委託人預付款項利息收入，而財務成本則主要指銀行及其他借款利息開支及租賃負債利息開支。

Income tax (expense)/credit

Profits tax has been provided for by the Group's companies in both Hong Kong and Japan at the applicable rate on the estimated assessable profits. Income tax credit for the Reporting Period included the current tax charged of approximately HK\$342,000, under-provision in prior years of HK\$216,000 and deferred tax credit of approximately HK\$21,000 (2023: the current tax charged of approximately HK\$28,000 and deferred tax credit of approximately HK\$225,000).

Loss attributable to owners of the Company

During the Reporting Period, the Company recorded a loss attributable to owners of the Company of approximately HK\$26.9 million (2023: approximately HK\$8.3 million), which was mainly due to the decrease in revenue from art auction and related business, increase in impairment loss on financial assets and recognition of equity-settled share based payment for the Reporting Period.

Consignors advance

For the consignor advances as at 31 March 2024 and 31 March 2023, the total principal amount was approximately HK\$70.9 million (31 March 2023: HK\$53.2 million) and the total outstanding principal was approximately HK\$63.0 million (31 March 2023: HK\$51.7 million), two of the consignor advance were granted with interest rate of 1% to 12% per annum and the rest of the advances was granted at nil interest rate (31 March 2023: only one of the consignor advance was granted with interest rate of 1% per annum and the rest of the advances was granted at nil interest rate). During the year ended 31 March 2024, the consignor advances were granted to 26 consignors and all of them were either corporate or individual art collectors. The consignor advance was only granted to the consignors after the collateral (which is the consigned artwork) has been obtained by the Group and the consigned artwork should be proposed to sell in subsequent auctions, which mutually agreed by consignors and the Group (normally within one year). To the best of the knowledge, information and belief of the Directors, all the consignors and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

所得稅(開支)/抵免

本集團的香港及日本公司已就估計應課稅溢利按適用稅率計提利得稅撥備。報告期間的所得稅抵免包括即期稅項支出約342,000港元(過往年度撥備不足216,000港元)及遞延稅項抵免約21,000港元(2023年:即期稅項支出約28,000港元及遞延稅項抵免約225,000港元)。

本公司擁有人應佔虧損

於報告期間,本公司錄得本公司擁有人應佔虧損約26.9百萬港元(2023年:約8.3百萬港元),乃主要由於報告期間藝術品拍賣及相關業務的收益減少、金融資產減值虧損增加,以及確認以權益結算的股份基礎付款所致。

委託人預付款項

就於2024年3月31日及2023年3月31日的委託人預付款項而言,本金總額約為70.9百萬港元(2023年3月31日:53.2百萬港元)及未償還本金總額約為63.0百萬港元(2023年3月31日:51.7百萬港元),授出兩項委託人預付款項,年利率為1%至12%,而餘下預付款項則按零利率授出(2023年3月31日:僅授出一項委託人預付款項,年利率為1%,而餘下預付款項則按零利率授出)。截至2024年3月31日止年度,委託人預付款項授予26名委託人,彼等均為企業或個人藝術品收藏家。委託人預付款項僅於本集團取得抵押品(即委託藝術品)後授予委託人,而委託藝術品應提呈於其後拍賣出售,其乃經委託人與本集團相互協定(一般於一年內進行)。就董事所深知、盡悉及確信,所有委託人及彼等之最終實益擁有人均為獨立於本公司及本公司關連人士之第三方。

As at 31 March 2024, the outstanding amount of consignor advances due from the largest consignor and five largest consignors accounted for approximately 12.8% and 46.1% of the total outstanding amount of consignor advances of the Group respectively (31 March 2023: the largest consignor and five largest consignors accounted for approximately 20.0% and 67.6% respectively).

In order to attract appealing artworks from artwork providers with long-term relationship and good credit history, during the year ended 31 March 2024 and 2023, the Company has provided certain consignors with consignor advances carrying interest accruing on such consignor advances at nil or low interest rates. Under the consignment arrangement, the relevant consignor advances with interests payable (if any) shall be deducted from sales proceeds of the consigned artwork after receiving the full payment of the purchase price from the auction, or in case if the Company failed to sell the consigned artwork at the auction, the consigned artwork shall be returned to the consignor after obtaining full repayment of the consignor advances with accrued interest (if any) from the relevant artwork provider. The business of the Group heavily relies on the artworks provided by these artwork providers and therefore the provision of such advance is for the benefit of the Group's business and not merely for the purpose of earning interest income.

When determining the grant of consignor advances, the Group would initially assess the background of the artwork and the consignors by the taking into factors including (i) obtaining the personal information of the consignor and conduct available public search on the background of the consignor when necessary; (ii) the proposed value of the artwork and collateral offered by the consignor; (iii) the length of business relationship between the Group and the consignor; and (iv) the creditability of the consignor based on the credit history of the consignor.

於2024年3月31日，應收最大委託人及五大委託人的未償還委託人預付款項分別佔本集團未償還委託人預付款項總額約12.8%及46.1% (2023年3月31日：最大委託人及五大委託人分別佔約20.0%及67.6%)。

截至2024年及2023年3月31日止年度，為吸引具有長期關係及良好信貸記錄的藝術品供應商的具吸引力的藝術品，本公司已向若干委託人提供委託人預付款項，按零利率或較低利率就有關委託人預付款項計算應計利息。根據委託安排，相關委託人預付款項及應付利息(如有)須於收到拍賣購買價的全數付款後自委託藝術品的銷售所得款項中扣除，或倘本公司未能於拍賣中出售委託藝術品，則委託藝術品須於相關藝術品供應商悉數償還委託人預付款項及應計利息(如有)後退還予委託人。本集團的業務高度依賴該等藝術品供應商提供的藝術品，因此提供有關預付款項乃為本集團的業務利益，而非僅為賺取利息收入。

於釐定授出委託人預付款項時，本集團將初步評估藝術品及委託人的背景，當中考慮的因素包括(i)取得委託人的個人資料及於必要時就委託人的背景進行公開調查；(ii)委託人所提供藝術品及抵押品的建議價值；(iii)本集團與委託人的業務關係年期；及(iv)委託人基於委託人信貸記錄的信用度。

When determining any impairments made in respect of the consignor advances, the management assessed the expected losses individually by estimation based on general economic conditions of the consignor advance provided and the value of relevant consigned artwork and conditions at the reporting date. Since the fair value amounts of the consigned artwork were higher than the carrying amounts of consigner advance during the years, therefore, no impairment were recorded.

FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated resources, banking facilities and net proceeds from the listing (the “Listing”) of the Company’s shares on the Main Board of The Stock Exchange. As at 31 March 2024, the Group had current assets of the approximately HK\$368.1 million (as at 31 March 2023: approximately HK\$444.8 million) while the Group’s cash and cash equivalents amounted to approximately HK\$48.7 million (as at 31 March 2023: approximately HK\$67.3 million).

As at 31 March 2024, the Group has interest-bearing bank borrowings of approximately HK\$41.6 million (as at 31 March 2023: approximately HK\$49.3 million) and of which approximately HK\$14.6 million (as at 31 March 2023: approximately HK\$18.6 million) was repayable within one year.

As at 31 March 2024 and 2023, the Group did not have other borrowings.

As at 31 March 2024, the Group’s gearing ratio was calculated on the basis of the amount of interest-bearing borrowings less cash and cash equivalents divided by shareholders’ equity, and the Group was in net cash position (as at 31 March 2023: net cash position).

在釐定就委託人預付款項作出的任何減值時，管理層藉基於獲提供的委託人預付款項的整體經濟狀況及於報告日期的相關委託藝術品價值及狀況進行估計而個別評估預期損失。由於委託藝術品於該等年度內的公平值金額高於委託預付款項的賬面值，故並無錄得任何減值。

財務狀況及流動資金

本集團一般以內部產生的資源、銀行融資及本公司股份於聯交所主板上市（「上市」）的所得款項淨額為其營運提供資金。於2024年3月31日，本集團有流動資產約368.1百萬港元（於2023年3月31日：約444.8百萬港元），而本集團的現金及現金等價物約為48.7百萬港元（於2023年3月31日：約67.3百萬港元）。

於2024年3月31日，本集團有計息銀行借款約41.6百萬港元（於2023年3月31日：約49.3百萬港元），其中約14.6百萬港元（於2023年3月31日：約18.6百萬港元）須於一年內償還。

於2024年及2023年3月31日，本集團並無其他借款。

於2024年3月31日，本集團的資產負債比率乃按計息借款金額減現金及現金等價物除以股東權益計算。本集團處於淨現金狀況（於2023年3月31日：淨現金狀況）。

CAPITAL COMMITMENTS

As at 31 March 2024, the Group had no any material capital commitment (as at 31 March 2023: Nil). As at the date of this report, the Group had no plan for material investment or capital assets.

CONTINGENT LIABILITIES AND GUARANTEES

As at 31 March 2024, the Group did not provide any guarantees for any third party and had no significant contingent liabilities (as at 31 March 2023: Nil).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group did not hold any material investments, nor did the Group made any material acquisition and disposal of subsidiaries or associated companies of the Company during the Reporting Period.

TREASURY POLICY

The Group adopted a prudent strategy towards the treasury and funding policies, and attached high importance to the risk control and transactions directly related to the Group's principal business. Funds, primarily denominated in Japanese Yen and Hong Kong Dollar, are normally placed with banks in short or medium term deposits for working capital of the Group.

資本承擔

於2024年3月31日，本集團並無任何重大資本承擔（於2023年3月31日：無）。於本報告日期，本集團並無有關重大投資或資本資產的計劃。

或然負債及擔保

於2024年3月31日，本集團並無為任何第三方提供任何擔保，且亦無重大或然負債（於2023年3月31日：無）。

重大投資、附屬公司及聯營公司重大收購及出售事項

本集團於報告期間並無持有任何重大投資，亦無作出任何本公司附屬公司或聯營公司重大收購及出售事項。

庫務政策

本集團就庫務及撥款政策採取審慎策略，而且非常重視風險控制及與本集團主要業務直接有關的交易。資金（主要以日圓及港元計值）一般以中短期定期存款的形式存放於銀行，以用作本集團營運資金。

CAPITAL STRUCTURE AND FOREIGN CURRENCY EXPOSURE

During the Reporting Period, the Group's operation was mainly financed by funds generated from its operation, borrowings and net proceeds from the Listing. As at 31 March 2024, the borrowings of the Group and the cash and cash equivalents held by the Group were mainly denominated in Hong Kong Dollar and Japanese Yen. All of the Group's borrowings were floating rate borrowings and were pledged by bank deposits of approximately HK\$4.0 million to secure such bank facilities during the Reporting Period. The Group's revenue is mainly denominated in Hong Kong Dollar and Japanese Yen, while its costs and expenses are also mainly denominated in Hong Kong Dollar and Japanese Yen. As the majority of the Group's assets, liabilities, revenues and payments during the Reporting Period were denominated in either Hong Kong Dollar or Japanese Yen, and in view of the prevailing macro-economic environment, the Group may be exposed to the foreign exchange rate risk. Currently, the Group does not have a foreign currency hedging policy. The Group will closely monitor the volatility of foreign exchange rate and apply the appropriate hedging strategy as and when appropriate.

CHARGE ON ASSETS

As at 31 March 2024, bank deposits amounting to HK\$4.0 million (2023: HK\$4.0 million) was pledged to a bank to secure general banking facilities granted to the Group.

Other than the aforesaid pledged bank deposits, there was no other charge on assets of the Group as at 31 March 2024 (2023: Nil).

資本架構及外匯風險

於報告期間，本集團的業務主要由其營運、借款及上市所得款項淨額所產生的資金撥支。於2024年3月31日，本集團的借款及本集團所持現金及現金等價物主要以港元及日圓計值。於報告期間，本集團所有借款均為浮息借款及以銀行存款約4.0百萬港元作抵押，以擔保該等銀行融資。本集團收益主要以港元及日圓計值，而其成本及開支亦主要以港元及日圓計值。由於本集團於報告期間的大部分資產、負債、收益及付款以港元或日圓計值，且考慮到現時宏觀經濟環境，本集團可能面臨匯率風險。目前，本集團並無外幣對沖政策。本集團將密切監控匯率波動及於適當時候使用合適的對沖策略。

資產抵押

於2024年3月31日，銀行存款4.0百萬港元(2023年：4.0百萬港元)已抵押予銀行，以擔保授予本集團的一般銀行融資。

除上述已抵押銀行存款外，於2024年3月31日本集團概無其他資產抵押(2023年：無)。

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2024, the Group had 21, 15, 1 and 1 full-time staff based in Japan, Hong Kong, Taiwan and the PRC respectively. The Group regularly reviews compensation and benefit policies accordingly to industry benchmark as well as the individual performance of employees. Other fringe benefits, mandatory provident fund and share options are provided to retain loyal employees with the aim to form a professional staff and management team that can bring the Group to different levels of success.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with applicable laws and regulations in Japan, Taiwan and the PRC respectively.

SHARE OPTION SCHEME

The Group has adopted a share option scheme on 13 September 2018 (the "2018 Share Option Scheme") as a reward to eligible high-calibre employees and to attract similar high-quality personnel that are valuable to the Group. Details of the 2018 Share Option Scheme are set out in the circular of the Company dated 13 September 2018.

As at 1 April 2023 the total numbers of share options available for grant under the 2018 share option scheme were 50,000,000.

On 24 April 2023, 48,000,000 share options were granted to certain Director, senior managements and employees of the Group (the "Grantees"), as disclosed in the announcement of the Company dated 24 April 2023. The share options granted shall vest in the Grantees in accordance with their respective the timetable. Details of the grant of share options are set out in the announcement of the Company dated 24 April 2023.

僱員及薪酬政策

於2024年3月31日，本集團於日本、香港、台灣及中國分別有21名、15名、1名及1名全職員工。本集團根據行業標準及僱員之個人表現定期檢討報酬及福利政策。本集團亦提供其他附加福利、強制性公積金及購股權以挽留忠誠僱員，旨在形成可令本集團取得不同層面成功之專業僱員及管理團隊。

本集團根據香港法例第485章強制性公積金計劃條例為其所有香港僱員營運一個界定供款退休福利計劃。供款按僱員基本薪金的百分比作出。本集團亦分別根據日本、台灣及中國的適用法律及法規作出公積金、養老保險、醫療保險、失業保險及工傷保險供款。

購股權計劃

本集團已於2018年9月13日採納購股權計劃（「2018年購股權計劃」）以獎勵合資格的有才幹僱員及吸引對本集團寶貴的類似優質人才。有關2018年購股權計劃，詳情載於本公司日期為2018年9月13日的通函。

於2023年4月1日，2018年購股權計劃項下可授予的購股權總數為50,000,000份。

誠如本公司日期為2023年4月24日的公告所披露，於2023年4月24日，48,000,000份購股權已授予本集團若干董事、高級管理層及僱員（「承授人」）。所授予的購股權將根據各自的時間表歸屬於承授人。有關授予購股權的詳情載於本公司日期為2023年4月24日的公告。

Details of the share option movements during the period from 1 April 2023 to 31 March 2024 under the 2018 Share Option Scheme are as follows:

2018年購股權計劃項下的購股權於2023年4月1日至2024年3月31日期間的變動詳情如下：

Holder of Share Options	Date of Grant	Exercise period	Exercise price per Share	Number of share options 購股權數目				
				Outstanding as at 1 April 2023	Grant during the year ended 31 March 2024	Exercised during the year ended 31 March 2024	Lapsed/cancelled during the year ended 31 March 2024	Outstanding as at 31 March 2024
購股權持有人	授出日期	行使期間	每股行使價 (HK\$) (港元)	於2023年4月1日尚未行使	截至2024年3月31日止年度授出	截至2024年3月31日止年度獲行使	截至2024年3月31日止年度失效/註銷	於2024年3月31日尚未行使
Executive Directors 執行董事								
Katsu Bunkai	24 April 2023	24.4.2024 to 23.4.2029	0.80	—	5,000,000	—	—	5,000,000
葛文海	2023年4月24日	2024年4月24日至2029年4月23日						
Employees 僱員								
	24 April 2023	24.4.2024 to 23.4.2029	0.80	—	43,000,000	—	—	43,000,000
	2023年4月24日	2024年4月24日至2029年4月23日						
Total 總計				—	48,000,000	—	—	48,000,000

Note:

The closing price of the Company's share immediately before the date (23 April 2023) on which the share options were granted was HK\$0.76.

On 4 September 2023, at the annual general meeting (the "2023 AGM"), the Company proposed adoption of the share option scheme (the "2023 Share Option Scheme") and termination of the 2018 Share Option Scheme were duly passed by the Shareholders by way of poll. Details of the 2023 Share Option Scheme are set out in the circular of the Company dated 28 July 2023 and the poll result of the 2023 AGM are set out in the announcement of the Company dated 4 September 2023.

附註：

本公司股份於緊接授出購股權日期(2023年4月23日)前的收市價為0.76港元。

於2023年9月4日，在股東週年大會(「2023年股東週年大會」)上，本公司建議採納購股權計劃(「2023年購股權計劃」)及終止2018年購股權計劃已獲股東按投票表決方式正式通過。2023年購股權詳情載於本公司日期為2023年7月28日的通函以及本公司日期為2023年9月4日的公告所載的2023年股東週年大會投票表決結果。

The total number of shares that may be issued in respect of options granted under all schemes of the Company during the year ended 31 March 2024 divided by the weighted average numbers of shares in issued for the year ended 31 March 2024 was approximately 9.6%.

As at the date of this report, the total number of shares available for issue under the 2023 Share Option Scheme was 50,000,000, representing approximately 10% of the issued shares of the Company as at such date.

Summary of matters relating to the share option scheme reviewed by the Remuneration Committee:

Grant of share options under the 2023 share option scheme

Having considered that the past performance and contributions to the Group of the Grantees, the Remuneration Committee and the Board consider that the grant of such share options with vesting period:

- (i) all of the Grantees are middle to senior level management of the Group, which directly involved in the strategy making and daily operations of the Group;
- (ii) grant of the Share Options to those key employees not only can provide incentive or reward to staff so as to encourage them to make continuing effort and contribution to the Group;
- (iii) encourages those junior staff and/or new employees to contribute more to the Group as there is a chance to share results of the development of the Company no matter which departments they are working for.

就截至2024年3月31日止年度本公司所有計劃項下已授出購股權而言可予發行的股份總數除以截至2024年3月31日止年度已發行股份加權平均數約為9.6%。

於本報告日期，2023年購股權計劃項下可予發行股份總數為50,000,000股，相當於本公司於該日期已發行股份約10%。

薪酬委員會審閱的有關購股權計劃的事宜摘要：

2023年購股權計劃項下授出的購股權

經考慮承授人過往表現及對本集團的貢獻，薪酬委員會及董事會認為授予該等具歸屬期的購股權：

- (i) 所有承授人均為本集團的中高層管理人員，直接參與本集團的策略制定及日常營運；
- (ii) 向該等主要員工授予購股權，不單可為員工提供激勵或獎勵，並鼓勵彼等繼續為本集團作出努力貢獻；
- (iii) 鼓勵該等初級員工及／或新員工為本集團作出更多貢獻，因為不論彼等任職的部門，均有機會分享本公司發展的成果。

Performance target

There is no performance target attached to the options.

Having considered that (i) each of the Grantees is a middle to senior level management who has been working for the Group for over four years and have contributed directly to the overall business performance, sustainable development and/or good corporate governance of the Group, and (ii) the options are subject to the terms of the 2023 Share Option Scheme, which already covers situations where the share options will lapse in the event that the Grantees cease to be employees of the Group, the remuneration committee of the Company and the Board believe that without additional performance target, the grant of the Share Options aligns the interests of the Grantees with that of the Company and the shareholders of the Company, provides incentive to the Grantees to devote to the future continuous competitiveness, results of operation and growth of the Company, and reinforce their commitment to long term services of the Company, which is in line with the purpose of the 2023 Share Option Scheme.

Clawback mechanism

If any Grantee ceases to be a Director or an employee of the Group for any reason other than death, ill-health or retirement in accordance with his/her contract of employment, any Share Options granted (to the extent not already exercised) shall lapse on the date of cessation or termination of employment.

In respect of the share options granted during the year ended 31 March 2023 and 2024, the remuneration committee considers that the 2018 Share Option Scheme and 2023 Share Option Scheme are intended to reward eligible participants who have contributed to the business development of the Group and to encourage eligible participants to work towards enhancing the value of the Company for the benefit of the Company and its shareholders as a whole. In addition, the Remuneration Committee also consider that: (a) the Grantees are eligible participants under the Scheme who would contribute directly to the overall business performance and sustainable development of the Group; (b) the granting of share options to the Grantees is a recognition for their past contributions to the Group; and (c) the share options are subject to the terms of the share option scheme which provides for circumstances under which the share options may lapse. Saved as disclosed above, the Company did not make any grant of share options to the directors and/or senior managers of the Group as set forth in Rules 17.03F, 17.06B(7) and 17.06B(8) of the Listing Rules during the year ended 31 March 2023 and 2024.

績效目標

該等購股權並無附帶績效目標。

經考慮(i)各承授人均為中高層管理人員，彼等於本集團工作超過4年，並直接為本集團的整體業務表現、可持續發展及／或良好企業管治作出貢獻，及(ii)該等購股權須遵守2023年購股權計劃的條款，計劃已涵蓋在承授人不再為本集團僱員的情況下購股權將失效的情況，本公司薪酬委員會及董事會相信，在並無額外績效目標的情況下，授予購股權使承授人的利益與本公司及本公司股東的利益保持一致，激勵承授人致力於本公司未來的持續競爭力、經營業績及增長，並加強其對本公司長期服務的承諾，乃與2023年購股權計劃的目的之一致。

回撥機制

倘任何承授人因身故、疾病、殘疾或按照其僱傭合約退休以外的任何原因不再為董事或本集團僱員，則任何已授出購股權(以尚未行使者為限)須於停止或終止僱傭日期失效。

就截至2023年及2024年3月31日止年度授予的購股權而言，薪酬委員會認為，2018年購股權計劃及2023年購股權計劃旨在獎勵對本集團業務發展有貢獻的合資格參與者，並鼓勵合資格參與者致力提升本公司的價值，以造福本公司及其整體股東。此外，薪酬委員會亦考慮到：(a)承授人為計劃的合資格參與者，將直接為本集團的整體業務表現及可持續發展作出貢獻；(b)向承授人授予購股權為肯定彼等過去對本集團的貢獻；及(c)購股權須遵守購股權計劃的條款，計劃規定購股權可能失效的情況。除上文所披露者外，截至2023年及2024年3月31日止年度，本公司並無根據上市規則第17.03F、17.06B(7)及17.06B(8)條向本集團董事及／或高級管理人員授予任何購股權。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層的履歷詳情

BOARD OF DIRECTORS

Executive Directors

Mr. Ando Shokei (安藤湘桂) (alias Liao Zianguai (廖湘桂)), aged 56

Executive Director and chairman of the Board

Mr. Ando is an executive Director and chairman of the Board, and is responsible for overall strategic development, and leading the business development of the Group. He was appointed as a Director on 11 July 2013 and re-designated as executive Director on 25 May 2018. Mr. Ando is the founder of the Group. He has over 10 years of experience in operation and management in the business of artwork trading and over 20 years of experience in operation and management of auction. He joined the Group in November 2010 as a director of Tokyo Chuo Auction Co., Ltd.* (株式會社東京中央オークション) (“TCA Japan”), a directly non-wholly owned subsidiary of the Company in Japan. Mr. Ando is also a director of Bai Sheng Co., Ltd.* (株式會社百勝) (“Bai Sheng”) since September 2002, where he acquired knowledge in artworks through artwork trading businesses, gained his experience in daily company operations management, businesses development promotion and development strategies planning, and started developing his business relationships with artwork artists, masters, experts, merchants and collectors. Prior to working at Bai Sheng, Mr. Ando worked at Orient Co., Ltd.* (株式會社オリエント), a trading company in arts and crafts and home furniture import and export, from 1995 to 2001 as general manager. He obtained a bachelor’s degree in economics from Dokkyo University in March 1994. Mr. Ando is also a director of certain subsidiaries of the Group. Mr. Ando is the spouse of Mrs. Ando Eri. Mr. Ando has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed “Report of the Directors — Directors’ and chief executive’s interests and short positions in shares and underlying shares and debentures of the Company or any of its associated corporations” of this annual report.

董事會

執行董事

安藤湘桂先生(又名廖湘桂)，56歲

執行董事兼董事會主席

安藤先生為執行董事兼董事會主席，負責本集團的整體策略發展及領導業務發展。其於2013年7月11日獲委任為董事，並於2018年5月25日調任為執行董事。安藤先生是本集團的創辦人。其擁有超過10年的藝術品交易業務營運及管理經驗，並擁有超過20年的拍賣業務營運和管理經驗。其於2010年11月加入本集團，擔任本公司日本直接非全資附屬公司株式會社東京中央オークション(「TCA日本」)的董事。安藤先生自2002年9月起亦為株式會社百勝(「百勝」)的董事，並透過其藝術品貿易業務獲取藝術品的知識，累積了日常公司營運管理、業務發展推廣及發展策略規劃的經驗，以及開始與藝術品藝術家、大師、專家、商人和收藏家發展業務關係。安藤先生於百勝任職前，於1995年至2001年期間在株式會社オリエント擔任總經理，該公司為專營藝術品及工藝品和傢俱進出口的貿易公司。其於1994年3月畢業於獨協大學，取得經濟學士學位。安藤先生亦是本集團若干附屬公司的董事。安藤先生為安藤惠理女士之配偶。安藤先生擁有於本年報「董事會報告 — 董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」一節披露於證券及期貨條例第XV部項下的該等數目的股份的權益。

Mrs. Ando Eri (安藤惠理) (alias Feng Huijin (馮慧瑾)), aged 46

Executive Director and vice chairlady of the Board

Mrs. Ando is an executive Director and vice chairlady of the Board, and is responsible for client management, promotion of branding and marketing of the Group. She was appointed as an executive Director on 25 May 2018. She has over 10 years of experience in operation and management of auction. Mrs. Ando joined the Group in January 2011 as a managing director, and she was involved in establishing and managing client relationships. She was promoted to director of the board of TCA Japan in December 2011, and since then she has been principally responsible for conducting marketing events, overseeing and reviewing the auction catalogs and media publications, as well as the overall management of auctions held by the Group. Prior to joining the Group, Mrs. Ando worked at a catering company in the PRC, from 2000 to 2005 as general manager, responsible for overall management and operations of such company. She completed a course in foreign secretary at the Adult Higher Education, School of Continuing Education, Shanghai Jiao Tong University* (上海交通大學夜大學) in July 2000. Mrs. Ando is also a director of TCA Japan. Mrs. Ando is the spouse of Mr. Ando Shokei. Mrs. Ando has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Report of the Directors — Directors' and chief executive's interests and short positions in shares and underlying shares and debentures of the Company or any of its associated corporations" of this annual report.

安藤惠理女士(又名馮慧瑾), 46歲

執行董事兼董事會副主席

安藤女士為執行董事兼董事會副主席，負責本集團的客戶管理、品牌推廣及營銷。其於2018年5月25日獲委任為執行董事。其擁有超過10年的拍賣業務營運和管理經驗。安藤女士於2011年1月加入本集團擔任董事總經理，負責建立及管理客戶關係。彼於2011年12月升任TCA日本的董事會董事，其後一直主要負責進行營銷活動、監督及審閱拍品圖錄和媒體刊物，以及總體管理本集團舉辦的拍賣會。安藤女士加盟本集團前，於2000年至2005年期間在中國一家餐飲公司擔任總經理，負責該公司的整體管理及營運。其於2000年7月於上海交通大學夜大學完成涉外秘書課程。安藤女士亦擔任TCA日本的董事。安藤女士為安藤湘桂先生之配偶。安藤女士擁有於本年報「董事會報告 — 董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」一節披露於證券及期貨條例第XV部項下的該等數目的股份的權益。

Mr. Katsu Bunkai (葛文海) (alias Ge Wenhai), aged 54

Executive Director and chief operating officer of the Group

Mr. Katsu is an executive Director and chief operating officer of the Group, and is responsible for the overall operational management of the Group. He was appointed as an executive Director on 25 May 2018. Mr. Katsu has over 20 years of experience in operation in the business of artwork trading and over 10 years of experience in operation and management of auction. Mr. Katsu joined the Group and was appointed as a director and vice-president of TCA Japan since February 2012, and since then he has been principally responsible for the planning and supervising auctions of the Group, including managing auction logistics and different working parties such as decoration companies, security and staff of different departments of the Group during auctions. He is also involved in overall strategic development and management of the Group. Prior to joining the Group, Mr. Katsu was also the sales manager of Bai Sheng, responsible for artworks purchase and sales and operations management, from April 2010 to October 2015. He obtained a master's degree in business administration from Kanto Gakuin University in March 2008.

Mr. Sun Hongyue (孫鴻月), aged 59

Executive Director

Mr. Sun is an executive Director, and is responsible for overall business development of the Group. He was appointed as an executive Director on 25 May 2018. Mr. Sun has over 30 years of experience in artwork trading and over 20 years of experience in auction. Mr. Sun joined the Group in December 2015. He has been the general manager of the calligraphy and painting department of TCA Japan since December 2015, during which he was involved in authenticating artworks for auction, visiting consignors and approaching potential consignors for auction of artworks, and providing consultation to potential bidders and buyers of artwork.

葛文海先生，54歲

執行董事兼集團營運總監

葛先生為執行董事兼集團營運總監，負責本集團整體的營運管理。其於2018年5月25日獲委任為執行董事。葛先生擁有超過20年的藝術品交易業務營運經驗，並擁有超過10年的拍賣業務營運和管理經驗。葛先生自2012年2月起加入本集團並獲委任為TCA日本的董事及副總裁，其後主要負責規劃及監督本集團的拍賣會，包括在拍賣會期間管理拍賣會物流及不同工作方（如裝修公司、保安及本集團不同部門員工）。彼亦負責本集團的整體策略發展及管理。葛先生加盟本集團前，亦曾於2010年4月至2015年10月擔任百勝的銷售經理，負責藝術品買賣及營運管理。其於2008年3月畢業於關東學院大學，取得工商管理碩士學位。

孫鴻月先生，59歲

執行董事

孫先生為執行董事，負責本集團的整體業務發展。其於2018年5月25日獲委任為執行董事。孫先生擁有超過30年的藝術品交易經驗及超過20年的拍賣經驗。孫先生於2015年12月加入本集團，自2015年12月起擔任TCA日本的書畫部門總經理，期間負責鑑定拍賣會的藝術品、就藝術品拍賣拜訪委託人和接洽潛在委託人，以及向藝術品的潛在競投人和買家提供諮詢服務。

Prior to joining the Group, Mr. Sun worked at Beijing Hanhai Auction Co., Ltd.* (北京翰海拍賣有限公司), an auction company, from 1994 to 2015 and gained experience in calligraphy and painting, auction and artwork trading. Prior to such, Mr. Sun worked at Beijing Antique Company* (北京市文物公司) from 1984 to 1994 and was mainly responsible for sourcing and sale of artworks. He was an apprentice of Mr. Qin Gong (秦公), a renowned Chinese stone rubbing calligraphy expert, and trained his skills of authentication and valuation of paintings and calligraphies at Qing Yun Tang (慶雲堂), a reputable store in Beijing engaging in the sales of Chinese calligraphies from 1984 to 1994. In 1986, Mr. Sun completed a course in cultural relics authentication and valuation organized by the State Administration of Cultural Heritage of PRC (中國國家文物局) in Xi'an, Shaanxi province, the PRC. During 1989 to 1991, he completed a three-year program in museology at a sub-school of Peking University.

Independent non-executive Directors

Mr. Chung Kwok Mo John (鍾國武), aged 55

Independent non-executive Director

Mr. Chung is an independent non-executive Director. He was appointed as an independent non-executive Director on 13 September 2018. Mr. Chung has over 20 years of experience in auditing, corporate finance and financial management. Mr. Chung was an auditor in Arthur Andersen (an international accounting firm) from 1992 to 1999. From 2000, Mr. Chung has held several senior management positions including chief financial officer, executive director and independent non-executive director in a number of listed companies in Hong Kong. Currently, Mr. Chung is also an independent non-executive director of four other companies listed on the Main Board of the Stock Exchange, namely B & S International Holdings Ltd. (stock code: 1705); BYD Electronic (International) Company Limited (stock code: 0285); YTO International Express and Supply Chain Technology Limited Holdings Limited (stock code: 6123); and Zhengye International Holdings Company Limited (stock code: 3363).

孫先生加盟本集團前，在1994年至2015年任職於拍賣公司北京翰海拍賣有限公司，累積了書畫、拍賣和藝術品貿易的經驗。在此之前，孫先生於1984年至1994年間任職北京市文物公司，主要負責藝術品徵集及銷售。彼為著名中國石墨書法專家秦公先生的徒弟，於1984年至1994年間在慶雲堂（從事中國書法銷售的北京名店）接受書畫鑑定及估值技巧培訓。1986年，孫先生在中國陝西省西安修畢中國國家文物局舉辦的文化古蹟鑑定及估值課程。於1989年至1991年，彼在北京大學一所附屬學院完成為期三年的博物館學課程。

獨立非執行董事

鍾國武先生，55歲

獨立非執行董事

鍾先生為獨立非執行董事。彼於2018年9月13日獲委任為獨立非執行董事。鍾先生擁有超過20年的審計、企業融資及財務管理經驗。鍾先生於1992年至1999年間擔任安達信公司（一間國際會計師事務所）的審計師。自2000年起，鍾先生在香港多間上市公司擔任多個高級管理職位，包括首席財務官、執行董事及獨立非執行董事。現時，鍾先生亦為於聯交所主板上市的其他四間公司（即賓仕國際控股有限公司（股份代號：1705）、比亞迪電子（國際）有限公司（股份代號：0285）、圓通國際快遞供應鏈科技有限公司（股份代號：6123）及正業國際控股有限公司（股份代號：3363））的獨立非執行董事。

Mr. Chung obtained a bachelor's degree in economics from Macquarie University in April 1992. He was admitted as a certified practicing accountant of the Australian Society of Certified Practising Accountants (currently known as CPA Australia) in November 1995 and an associate of the Hong Kong Society of Accountants (currently known as the Hong Kong Institute of Certified Public Accountants) in February 1996. He is currently a non-practicing member of Hong Kong Institute of Certified Public Accountants.

Ms. Lam Suk Ling Shirley (林淑玲), aged 57

Independent non-executive Director

Ms. Lam is an independent non-executive Director. She was appointed as an independent non-executive Director on 13 September 2018. Ms. Lam has over 20 years of experience in auditing, accounting and financial management. Ms. Lam has been appointed as the chief financial officer of Chinlink International Holdings Limited ("**Chinlink**"), a company listed on the Main Board of the Stock Exchange (stock code: 0997), since January 2012. She was the executive director and company secretary of Chinlink from February 2012 and January 2012 respectively, to April 2019; and the executive director of Jackin International Holdings Limited (currently known as AMCO United Holding Limited), a company listed on the Main Board of the Stock Exchange (stock code: 630) from February 2010 to December 2011. Ms. Lam held several management position in private companies, including vice president of finance and accounting manager, between June 1999 to February 2006 and between July 2006 to March 2007. She also held position in various international audit firms between May 1993 and April 1999.

Ms. Lam obtained a bachelor's degree in science from Murdoch University in February 1993 and a master's degree in business administration from the University of Adelaide in April 2006. She was admitted as a certified practising accountant of the Australian Society of Certified Practising Accountants (currently known as CPA Australia) in November 1995 and an associate of the Hong Kong Society of Accountants (currently known as the Hong Kong Institute of Certified Public Accountants) in September 1996. She is currently a non-practicing member of Hong Kong Institute of Certified Public Accountants.

鍾先生於1992年4月在麥覺理大學取得經濟學學士學位。其於1995年11月獲澳洲會計師公會認可為執業會計師及於1996年2月成為香港會計師公會的會員。其現時為香港會計師公會的非執業會員。

林淑玲女士，57歲

獨立非執行董事

林女士為獨立非執行董事。其於2018年9月13日獲委任為獨立非執行董事。林女士擁有超過20年的審核、會計及財務管理經驗。林女士於2012年1月起獲委任為普匯中金國際控股有限公司（「**普匯中金**」）（一家於聯交所主板上市的公司，股份代號：0997）的首席財務官。彼分別由2012年2月及2012年1月起直至2019年4月為普匯中金的執行董事及公司秘書；及由2010年2月至2011年12月期間為輝影國際集團有限公司（現稱雋泰控股有限公司，一家於聯交所主板上市的公司，股份代號：630）的執行董事。林女士曾在私人公司擔任多個管理職位，包括於1999年6月至2006年2月及於2006年7月至2007年3月間擔任副財務總裁及會計經理。彼亦曾於1993年5月至1999年4月於不同的國際核數師行任職。

林女士於1993年2月在梅鐸大學取得理學士學位及於2006年4月在阿德萊德大學取得工商管理學碩士學位。其在1995年11月獲澳洲會計師公會認可為執業會計師，並在1996年9月成為香港會計師公會的會員。其現時是香港會計師公會的非執業會員。

Mr. Chun Chi Man (秦治民), aged 64

Independent non-executive Director

Mr. Chun is an independent non-executive Director. He was appointed as an independent non-executive Director on 13 September 2018. Mr. Chun has over 20 years of experience in property industry in PRC and Hong Kong. Mr. Chun has been the independent non-executive director of CN Logistics International Holdings Limited, a company listed on the Main Board of Stock Exchange (stock code: 2130) since September 2020. Mr. Chun has been the General Manager (Leasing) of Century Link from March 2015 to December 2016, the General Manager — commercial of The Hub at Hong Qiao from January 2014 to November 2014, the General Manager of L Development & Management (Shanghai) Co., Ltd. from September 2010 to December 2013, the Deputy General Manager of Lai Fung Holdings Limited, a company listed on the Main Board of Stock Exchange (stock code: 1125) from September 2007 to July 2010. Mr. Chun held various managerial positions at Hutchison Whampoa Properties Limited from July 1995 to July 2005. Mr. Chun obtained a bachelor's degree of Science from University of Salford at July 1987. He is a member of Shanghai Chongming District Committee (Consultative Conference).

Senior management

Mr. Chen Jian (陳建), aged 50

Artwork management manager of the Group

Mr. Chen is the artwork management manager of the Group. He joined the Group in June 2012. Prior to joining the Group, Mr. Chen worked at the marketing department in a state-owned company in the PRC, responsible for conducting market research and formulating marketing strategies. Mr. Chen completed a course in applied science from Qingdao Institute of Chemical Industry* (青島化工學院) (now known as Qingdao University of Science & Technology* (青島科技大學)) in July 1996 and a bachelor's degree in international economy from Higashi Nippon International University in March 2005. He further obtained a master's degree in international business from Kanto Gakuin University in March 2008.

秦治民先生，64歲

獨立非執行董事

秦先生乃獨立非執行董事，於2018年9月13日獲委任為獨立非執行董事。秦先生在中國和香港地產行業有逾20年經驗。自2020年9月起，秦先生為嘉泓物流國際控股有限公司（一家於聯交所主板上市的公司，股份代號：2130）之獨立非執行董事。秦先生於2015年3月至2016年12月擔任東環的租務總經理；2014年1月至2014年11月擔任虹橋天地的商務總經理；2010年9月至2013年12月擔任L Development & Management (Shanghai) Co., Ltd.的總經理；2007年9月至2010年7月擔任麗豐控股有限公司（一家於聯交所主板上市的公司，股份代號：1125）的副總經理。秦先生於1995年7月至2005年7月擔任和記黃埔地產有限公司的多個經理職位。秦先生於1987年7月取得索爾福德大學的理學學士學位。彼為上海市崇明區委員會（協商會議）委員。

高級管理層

陳建先生，50歲

本集團藝術品管理部經理

陳先生乃本集團藝術品管理部經理。彼於2012年6月加入本集團。陳先生加盟本集團前，曾任職於一家中國國有企業的營銷部門，負責進行市場研究和制定營銷策略。陳先生於1996年7月完成青島化工學院（現稱為青島科技大學）應用科學課程，於2005年3月取得東日本國際大學的國際經濟學學士學位。彼於2008年3月進一步取得關東學院大學的國際商業學碩士學位。

Mr. Koizumi Jumpei (小泉潤平), aged 34

Tea wares and Chinese ceramics artwork manager of the Group

Mr. Koizumi is the teawares and Chinese ceramics artwork manager of the Group. He joined the Group in April 2013. He has over six years of experience in artworks management. Prior to joining the Group, from April 2011 to March 2013, Mr. Koizumi assisted his family in running Koizumi Ancient Art, Kyoto* (京都古美術小泉), an antique shop with over 20 years of operation in selling antiques including teawares, and acquired knowledge and experience in authentication and valuation of Japanese and non-Japanese teawares through purchasing and selling teawares and exchanging views on authentication and valuation of teawares with teaware experts. Since joining the Group in 2013, through application of the experiences in teawares previously accumulated during his days in Koizumi Ancient Art, Kyoto* (京都古美術小泉) and frequent participation in our auctions, Mr. Koizumi further enriched his experience in valuation of artworks by reviewing the appraisal and auction results of multiple artworks and exchanging views on market price and industry trend of the artworks with other artwork experts. Mr. Koizumi obtained a bachelor's degree in biology-oriented business and technology from Kindai University in March 2011.

小泉潤平先生，34歲

本集團茶具和中國陶瓷藝術品部經理

小泉先生乃本集團茶具和中國陶瓷藝術品部經理。彼於2013年4月加入本集團。小泉先生有超過六年藝術品管理經驗。小泉先生加盟本集團前，於2011年4月至2013年3月期間協助其家人經營古董店京都古美術小泉(該店在銷售茶具等古董方面營運逾20年)，並透過買賣茶具及與茶具專家交流茶具鑑定和估值意見而取得日本與非日本茶具的鑑定和估值知識及經驗。小泉先生自2013年加盟本集團以來，透過運用彼先前於京都古美術小泉期間累積的茶具經驗並頻繁參加我們的拍賣會，藉著研究多項藝術品的估價與拍賣結果及與其他藝術品專家交流對藝術品市價和行業趨勢的看法，進一步豐富其藝術品估值經驗。小泉先生於2011年3月取得近畿大學生物為本業務與技術學士學位。

Mr. Chak Chi Shing (翟志勝), aged 43

Chief financial officer and company secretary of the Company

Mr. Chak is responsible for the corporate finance, investor relations, financial management and company secretarial matters of the Company. He joined the Group in September 2019. Mr. Chak is also a director of CGU Enterprises Limited, a wholly owned subsidiary of the Company. Mr. Chak has been the independent non-executive director of SDM Education Group Holdings Limited (“SDM”), a company listed on GEM of the Stock Exchange (stock code: 8363) since May 2019, the independent non-executive director of China Energy Storage Technology Development Limited (formerly known as Link-Asia International MedTech Group Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1143) from June 2021 to September 2023, the independent non-executive director of Sunyes Manufacturing Zhejiang Holding Co Ltd* (stock code: 002388), a company listed on the Shenzhen Stock Exchange since February 2023 and the independent non-executive director of Founder Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0418) since June 2023, the independent non-executive director of the Net Pacific Financial Holdings Limited (stock code: 5QY.SI), a company listed on Singapore Exchange since November 2023.

Prior to joining the Company, he was the executive director of China Shenghai Food Holdings Company Limited (currently known as Gaodi Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1676), from December 2018 to September 2019; the company secretary of Bolina Holding Co., Ltd., a company listed on the Main Board of the Stock Exchange prior to its delisting on 10 March 2021 (stock code: 1190), from March 2017 to August 2018, and the chief financial officer and company secretary of SDM from February 2016 to July 2016.

He obtained a bachelor’s degree of commerce in Accounting and Finance from Curtin University of Technology in March 2006. He is a certified public accountant of Hong Kong Institute of Certified Public Accountants and Certified Public Accountant Australia. Mr. Chak has over 15 years of experience in auditing, accounting, corporate finance and financial management and over three years of experience in company secretarial matter and corporate governance in listed companies.

翟志勝先生，43歲

本公司財務總監及公司秘書

翟先生負責本公司的企業融資、投資者關係、財務管理及公司秘書事宜。彼自2019年9月加入本集團。翟先生亦為本公司的全資附屬公司CGU Enterprises Limited的董事。翟先生自2019年5月起為SDM教育集團控股有限公司（「SDM」，一家於聯交所GEM上市的公司，股份代號：8363）的獨立非執行董事、於2021年6月至2023年9月為中國儲能科技發展公司（前稱環亞國際醫療科技集團有限公司，一家於聯交所主板上市的公司，股份代號：1143）的獨立非執行董事、自2023年2月起為新亞製程（浙江）股份有限公司（一家於深圳證券交易所上市的公司，股份代號：002388）的獨立非執行董事及自2023年6月起為方正控股有限公司（一家於聯交所主板上市的公司，股份代號：0418）的獨立非執行董事、自2023年11月起為Net Pacific Financial Holdings Limited（一家於新加坡交易所上市的公司，股份代號：5QY.SI）的獨立非執行董事。

在加入本公司之前，彼於2018年12月至2019年9月在中國升海食品控股有限公司（現稱為高地股份有限公司，一家於聯交所主板上市的公司，股份代號：1676）出任執行董事；於2017年3月至2018年8月在航標控股有限公司（一家於2021年3月10日除牌前於聯交所主板上市的公司，股份代號：1190）出任公司秘書；及於2016年2月至2016年7月為SDM的財務總監及公司秘書。

彼於2006年3月自科廷科技大學(Curtin University of Technology)取得會計和金融(商務)專業學士學位。彼為香港會計師公會及澳洲會計師公會的執業會計師。翟先生於審計、會計、企業融資及財務管理方面擁有逾15年經驗及於上市公司的公司秘書事宜及企業管治方面擁有逾3年經驗。

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining good corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (as applicable to the Group during the Reporting Period) (the "**CG Code**") contained in Appendix 14 to the Listing Rules. The Company has complied with all code provisions of the CG Code during the Reporting Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by its Directors. Having made specific enquiry, all Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the Reporting Period.

The Company has also extended the coverage of the Model Code adoption to the senior management of the Company who are likely to be in possession of unpublished inside information of the Company (the "**relevant employees**"). No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.

企業管治常規

董事會致力於維持高水平的企業管治。董事會認為，高水平的企業管治準則對於為本集團提供保障股東權益、提升企業價值、制定業務策略及政策以及提高透明度及問責性的框架而言至關重要。

本公司的企業管治常規乃根據上市規則附錄十四所載的企業管治守則(按於報告期間內適用於本集團者)(「**企業管治守則**」)所載列的原則及守則條文編製。本公司已於報告期間遵守企業管治守則所載的所有守則條文。

董事的證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為其董事進行證券交易的行為守則。經作出特定查詢後，全體董事已確認，彼等已於報告期間完全遵守標準守則所規定的準則。

本公司亦將標準守則的採納範圍拓展至可能會掌握本公司未公開的內幕消息的本公司高級管理層(「**有關僱員**」)。於報告期間，據本公司所悉，有關僱員概無違反標準守則。

BOARD OF DIRECTORS

The Board oversees the Group's businesses, strategic decisions and performance and should take decisions objectively in the best interests of the Company. The Board has delegated the day-to-day responsibility to the executive Directors and senior management who perform their duties under the leadership of the chairman of the Board.

The Board currently consists of four executive Directors, namely, Mr. Ando Shokei (chairman of the Board), Mrs. Ando Eri (vice chairlady of the Board), Mr. Katsu Bunkai and Mr. Sun Hongyue; and three independent non-executive Directors, namely, Mr. Chung Kwok Mo John, Ms. Lam Suk Ling Shirley and Mr. Chun Chi Man.

The Board currently comprises the following Directors:

Executive Directors

Mr. Ando Shokei (alias Liao Xianggui) (*Chairman*)
Mrs. Ando Eri (alias Feng Huijin)
Mr. Katsu Bunkai (alias Ge Wenhai)
Mr. Sun Hongyue

Independent Non-executive Directors

Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

The biographical information of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 21 to 28 of this annual report.

Other than the spousal relationship between Mr. Ando Shokei and Mrs. Ando Eri, none of the members of the Board is related to one another.

Chairman

The position of chairman is held by Mr. Ando Shokei, who provides leadership and is responsible for the effective functioning and leadership of the Board.

董事會

董事會監督本集團的業務、策略性決策及表現，並應客觀地作出符合本公司最佳利益的決策。董事會已將日常職責授予執行董事及高級管理層，彼等於董事會主席之領導下履行職責。

董事會現時包括四名執行董事，即安藤湘桂先生(董事會主席)、安藤惠理女士(董事會副主席)、葛文海先生及孫鴻月先生；以及三名獨立非執行董事，即鍾國武先生、林淑玲女士及秦治民先生。

董事會現時由以下董事組成：

執行董事

安藤湘桂先生(又名廖湘桂)(主席)
安藤惠理女士(又名馮慧瑾)
葛文海先生
孫鴻月先生

獨立非執行董事

鍾國武先生
林淑玲女士
秦治民先生

董事履歷資料載於本年報第21至28頁的「董事及高級管理層的履歷詳情」一節。

除安藤湘桂先生及安藤惠理女士為配偶關係外，董事會成員彼此之間概無任何關聯。

主席

主席職務由安藤湘桂先生擔任，其發揮領導力，並負責領導及確保董事會有效運作。

Independent Non-executive Directors

During the Reporting Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

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

Term of directors

Each of the Directors entered into a service contract and/or letters of appointment with the Company on 13 September 2018 with an initial term of three years which shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term and may be terminated by either party by giving not less than three month's written notice.

The term of the service contracts and the letters of appointment may be renewed subject to the provisions of the articles of association of the Company (the "Articles") and the applicable Listing Rules. Under the Articles, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office by rotation. The retiring Directors shall be eligible for re-election.

Responsibilities of the directors

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs. The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

獨立非執行董事

於報告期間，董事會一直遵守上市規則有關委任至少三名獨立非執行董事並佔董事會人數三分之一，而其中一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專長的規定。

本公司已收到各獨立非執行董事根據上市規則第3.13條所載獨立性指引就其獨立性發出的年度確認書。本公司認為，全體獨立非執行董事均屬獨立人士。

董事任期

各董事已在2018年9月13日與本公司訂立服務合約及／或委任函，任期初步為期三年，於當時的現有任期屆滿後自動重續及延長一年，並可由任何一方發出不少於三個月的書面通知予以終止。

服務合約及委任函的年期可根據本公司章程細則（「細則」）條文及適用上市規則予以續期。根據細則，於每屆股東週年大會上，當時為數三分之一的董事（如董事人數並非三的倍數，則須為最接近但不少於三分之一的董事人數）須輪值退任。退任董事合資格膺選連任。

董事的職責

董事會應承擔領導及控制本公司的職責，並集體負責指導及監管本公司的事務。董事會直接（及透過其各委員會間接）領導及指導管理層，其工作包括制定策略及監督其執行情況、監控本集團營運及財務表現，以及確保設有完備的內部控制及風險管理系統。

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances for discharging their duties to the Company.

The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

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

Continuous professional development of directors

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

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

全體董事(包括獨立非執行董事)均為董事會帶來多種領域的寶貴業務經驗、知識及專業精神，使其高效及有效地運作。全體董事均可全面並及時獲得本公司所有資料，及可在適當情況下經提出要求後尋求獨立專業意見，以向本公司履行其職責。

獨立非執行董事須負責確保本公司進行高水平的監管報告，並為董事會帶來持平的觀點，以就企業行動及運作作出有效的獨立判斷。

董事會保留其有關本公司政策事項、策略及預算、內部控制及風險管理、重大交易(尤其是可能涉及利益衝突的交易)、財務資料、委任董事及其他重大營運事項的所有重大事項的決策。與執行董事會決策、指導及協調本公司日常營運及管理有關的職責均轉授予管理層處理。

董事的持續專業發展

董事應瞭解監管的最新發展及變動，以有效履行彼等的職責及確保彼等繼續對董事會作出知情及相關貢獻。

每位新獲委任董事均於首次接受委任時獲得正式、全面及專門的入職培訓，以確保該董事對本公司的業務及營運均有適當的理解，並充分知悉彼於上市規則及相關法定規定下的董事責任及義務。

The Directors are encouraged to participate in continuing professional development to develop and refresh knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading materials on relevant topics would be provided to Directors where appropriate. All directors also understand the importance of continuous professional development and they are committed to participating any suitable training to develop and refresh their knowledge and skills.

本公司鼓勵董事參與持續專業發展，以發展及更新彼等的知識及技能。本公司將為董事安排內部簡報，並於適當時候向董事提供相關議題的閱讀材料。全體董事亦了解持續專業發展的重要性，且彼等致力於參加任何適當的培訓，以發展及更新彼等的知識及技能。

During the Reporting Period, each of the Directors has attended training courses or seminars or read materials relevant to his/her professional and/or duties as Director. The individual training record of each Director received for the Reporting Period is summarised below:

於報告期間，各董事均出席培訓課程或研討會或閱讀與其專業及／或董事職責相關的材料。於報告期間，各董事所接受的個人培訓記錄概述如下：

		Course/ Seminar provided and accredited by professional body 經專業機構 提供及認可的 課程／研討會	Reading materials 閱讀材料
Executive Directors			
Mr. Ando Shokei (alias Liao Xianggui)	安藤湘桂先生(又名廖湘桂)	—	√
Mrs. Ando Eri (alias Feng Huijin)	安藤惠理女士(又名馮慧瑾)	—	√
Mr. Katsu Bunkai (alias Ge Wenhai)	葛文海先生	—	√
Mr. Sun Hongyue	孫鴻月先生	—	√
Independent Non-executive Directors			
Mr. Chung Kwok Mo John	鍾國武先生	√	√
Ms. Lam Suk Ling Shirley	林淑玲女士	√	√
Mr. Chun Chi Man	秦治民先生	√	√

Board committees

The Board has established four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors.

During the Reporting Period, the Company held three board meetings and one general meeting. The attendance record of each Director at these meetings is set out in the table below:

董事委員會

董事會已設立四個委員會，即審核委員會、薪酬委員會、提名委員會及企業管治委員會，以監察本公司特定範疇的事務。本公司所有董事委員會均訂有具體書面職權範圍，清楚列載各委員會的權限及職責。審核委員會、薪酬委員會、提名委員會及企業管治委員會的職權範圍刊登於本公司網站及聯交所網站，並應要求可供股東查閱。

定期董事會會議應至少每年舉行四次，涉及多數董事親身或通過電子通信方式積極參與。

於報告期間，本公司曾舉行三次董事會會議及一次股東大會。下表載列各董事於該等會議的出席記錄：

Attended/eligible to attend 參與／合資格參與	
Board meetings 董事會會議	AGM 股東週年大會

Executive Directors

Mr. Ando Shokei (alias Liao Xianggui)
Mrs. Ando Eri (alias Feng Huijin)
Mr. Katsu Bunkai (alias Ge Wenhai)
Mr. Sun Hongyue

執行董事

安藤湘桂先生(又名廖湘桂)
安藤惠理女士(又名馮慧瑾)
葛文海先生
孫鴻月先生

3/3	1/1
3/3	1/1
3/3	1/1
3/3	1/1

Independent Non-executive Directors

Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

獨立非執行董事

鍾國武先生
林淑玲女士
秦治民先生

3/3	1/1
3/3	1/1
3/3	1/1

Audit Committees

The Audit Committee consists of three independent non-executive Directors, namely Ms. Lam Suk Ling Shirley (chairlady), Mr. Chung Kwok Mo John and Mr. Chun Chi Man. Ms. Lam Suk Ling Shirley, chairlady of the Audit Committee, possesses appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.21 of the Listing Rules. The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code.

The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company. The duties of the Audit Committee include, without limitation, (a) making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (b) monitoring the integrity of the financial statements and annual report and accounts, and the interim report, and reviewing significant financial reporting judgments contained therein; (c) reviewing the financial control, risk management and internal control systems; and (d) developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board.

The Audit Committee held three meetings during the Reporting Period to review, among others, the interim and annual financial results and reports. The members of the Audit Committee and the attendance of each member during the Reporting Period are as follows:

審核委員會

審核委員會包括三名獨立非執行董事，即林淑玲女士(主席)、鍾國武先生及秦治民先生。審核委員會主席林淑玲女士擁有上市規則第3.21條所規定的適當專業資格或會計或相關財務管理專業知識。審核委員會的職權範圍不遜於企業管治守則所載的嚴格條款。

審核委員會的職權範圍刊登於聯交所及本公司網站。審核委員會的職責包括(但不限於)：(a)就外聘核數師之委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪金及聘用條款以及處理任何有關核數師辭任或罷免之問題；(b)監察財務報表、年報及賬目以及中期報告的完整性，並檢討當中所載的重大財務報告判斷；(c)檢討財務控制、風險管理及內部控制系統；及(d)制定及檢討本公司的企業管治政策及常規，並向董事會提供推薦建議。

審核委員會於報告期間舉行了三次會議以審閱(其中包括)中期及年度財務業績及報告。審核委員會成員及各成員於報告期間的出席情況如下：

**Attended/
eligible to
attend
參與/合資格
參與**

Independent Non-executive Directors

Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

獨立非執行董事

鍾國武先生 3/3
林淑玲女士 3/3
秦治民先生 3/3

Remuneration Committees

The Remuneration Committee consists of three independent non-executive Directors, namely Mr. Chung Kwok Mo John (chairman), Ms. Lam Suk Ling Shirley and Mr. Chun Chi Man and one executive Director namely Mrs. Ando Eri, a majority of whom are independent non-executive Directors. The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code.

The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company. The primary functions of the Remuneration Committee include (a) making recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management and establishing a formal and transparent procedure for developing remuneration policy; (b) reviewing and approving the management's remuneration proposal with reference to the Board's corporate goals and objectives; and (c) making recommendations to the Board on the overall remuneration packages of individual Directors and senior management.

The Remuneration Committee held two meeting to review and recommend the remuneration packages of the executive Directors and senior management during the Reporting Period. The members of the Remuneration Committee and the attendance of each member during the Reporting Period are as follows:

薪酬委員會

薪酬委員會包括三名獨立非執行董事，即鍾國武先生(主席)、林淑玲女士及秦治民先生；及一名執行董事，即安藤惠理女士，其中大多數均為獨立非執行董事。薪酬委員會的職權範圍不遜於企業管治守則所載的嚴格條款。

薪酬委員會的職權範圍刊登於聯交所及本公司網站。薪酬委員會的主要職能包括：(a)就本公司之全體董事及高級管理層之薪酬政策及架構向董事會提出建議，及就制訂薪酬政策設立正規而透明之程序；(b)因應董事會所制訂的企業方針及目標，檢討及批准管理層之薪酬建議；及(c)向董事會建議個別董事及高級管理層的總體薪酬待遇。

薪酬委員會於報告期間舉行了兩次會議，以審閱並就執行董事及高級管理層的薪酬待遇作出建議。薪酬委員會成員及各成員於報告期間的出席情況如下：

**Attended/
eligible to
attend
參與/合資格
參與**

Executive Director

Mrs. Ando Eri

執行董事

安藤惠理女士

2/2

Independent Non-executive Directors

Mr. Chung Kwok Mo John

Ms. Lam Suk Ling Shirley

Mr. Chun Chi Man

獨立非執行董事

鍾國武先生

林淑玲女士

秦治民先生

2/2

2/2

2/2

Nomination Committee

The Nomination Committee consists of one executive Director, namely Mr. Ando Shokei (chairman), and three independent non-executive Directors, namely Mr. Chung Kwok Mo John, Ms. Lam Suk Ling Shirley and Mr. Chun Chi Man.

The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company. The principal duties of the Nomination Committee include, without limitation, (a) reviewing the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the corporate strategy; (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; (c) assessing the independence of the independent non-executive Directors; and (d) making recommendations to the Board on the appointment or reappointment of the Directors and succession planning for the Directors, in particular the chairman.

Board diversity policy

The Company has adopted a board diversity policy (“**Board Diversity Policy**”) which sets out the approach to achieve diversity of the Board. The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company’s competitive advantage.

提名委員會

提名委員會包括一名執行董事，即安藤湘桂先生(主席)；及三名獨立非執行董事，即鍾國武先生、林淑玲女士及秦治民先生。

提名委員會的職權範圍刊登於聯交所及本公司網站。提名委員會的主要職責包括(但不限於)：(a)至少須每年檢討董事會架構、人數及成員多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期方面)，並就任何擬定變更向董事會提出建議以便配合企業策略；(b)物色具備合適資格可擔任董事會成員的人士及甄選或向董事會建議甄選其提名之董事人選；(c)評估獨立非執行董事的獨立性；及(d)就董事的委任或重新委任以及董事(尤其是主席)繼任計劃向董事會提出建議。

董事會多元化政策

本公司已採納董事會多元化政策(「**董事會多元化政策**」)，當中載有達致董事會多元化的方法。本公司認同及接納多元化董事會的好處，並將提升董事會層面多元化程度視為維持本公司競爭優勢的重要要素。

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

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

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

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. At present, the Nomination Committee considered that the Board is sufficiently diverse and the Board has not set any measurable objectives.

於評估董事會組成時，提名委員會將考慮本公司董事會多元化政策所載的多個方面以及董事會多元化相關因素。提名委員會將討論及議定達致董事會多元化的可計量目標（倘必要）並向董事會推薦以供採納。在物色及甄選合適的董事候選人時，提名委員會將在向董事會提供推薦建議前考慮候選人的品格、資歷、經驗、獨立性及就配合公司策略及達致董事會成員多元化而言屬必要的其他相關準則（倘適用）。

根據董事會多元化政策，提名委員會將每年檢討董事會的架構、人數及組成，並於適當時就董事會的變動作出建議，補足本公司的企業策略，確保董事會維持平衡的多元化組合。就檢討及評估董事會的組成而言，提名委員會致力達成所有職級的多元性，並將會考慮多個層面，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及地區及行業經驗。

本公司旨在保持本公司業務增長相關的多元化層面的合適平衡，並致力確保所有職級（由董事會起由上而下）的招聘及挑選慣例的架構合適，因此可考慮廣泛及多樣的人選。

董事會將考慮設立可計量目標，以執行董事會多元化政策，且不時評估有關目標，以確保其合適性，以及確定達成該等目標的進程。現時，提名委員會認為董事會的多元性充足，而董事會並未設立任何可計量目標。

The Nomination Committee met once during the Reporting Period to review the structure, size and composition of the Board and the independence of the independent non-executive Directors and to consider the qualifications of the retiring Directors standing for re-election at the annual general meeting and to consider and recommend to the Board on the appointment of Directors.

於報告期間，提名委員會舉行了一次會議，以檢討董事會的架構、人數及組成，以及獨立非執行董事的獨立性，並審閱於股東週年大會上退任重選的董事的資歷及考慮並向董事會推薦董事的委任。

**Attended/
eligible to
attend
參與/合資格
參與**

Executive Director

Mr. Ando Shohei

執行董事

安藤湘桂先生

1/1

Independent Non-executive Directors

Mr. Chung Kwok Mo John

Ms. Lam Suk Ling Shirley

Mr. Chun Chi Man

獨立非執行董事

鍾國武先生

林淑玲女士

秦治民先生

1/1

1/1

1/1

Director nomination policy

The Company has adopted a director nomination policy (the “**Director Nomination Policy**”) on 31 December 2018 which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

董事提名政策

本公司已於2018年12月31日採納董事提名政策（「**董事提名政策**」），當中載有挑選的準則及程序，以及有關董事的提名及委任的董事會繼任計劃的考慮因素，旨在確保董事會的技能、經驗及多元觀點達致對本公司而言屬適當的平衡，確保董事會的延續性及董事會層級的領導層合適。

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

董事提名政策載有評估董事會建議人選的合適性及潛在貢獻的因素，包括但不限於以下各項：

- character and integrity;
- qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company’s business and corporate strategy;
- 品格及誠信；
- 資歷，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；

- diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
 - requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the Listing Rules; and
 - commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.
- 在所有層面的多樣性，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、族群、專業經驗、技能、知識及服務年期；
 - 根據上市規則，董事會獨立非執行董事的規定，以及建議的獨立非執行董事的獨立性；及
 - 有關履行董事會及／或本公司董事會委員會成員職務的可行時間及相關意願的承諾。

The Director Nomination Policy also sets out the procedures and process for the selection and appointment of new Directors and re-election of Directors at general meetings. During the Reporting Period, the Nomination Committee adhered to the following nomination procedures and the process set out in the Director Nomination Policy to select and recommend candidates for directorship:

董事提名政策亦載有挑選及委任新董事及於股東大會重選董事的程序及過程。於報告期間，提名委員會遵守以下提名程序及董事提名政策所載程序，以甄選及推薦董事候選人：

(a) Appointment of new director

- Upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, the Nomination Committee 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 Nomination Committee should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

(a) 委任新董事

- 提名委員會應在收到委任新董事的建議及候選人的履歷資料(或相關詳情)後，依據上述準則評估該名候選人，以決定該名候選人是否合資格擔任董事。
- 如過程涉及一名或多名合意的候選人，提名委員會應根據本公司的需要及每名候選人的資歷審查(如適用)排列彼等的優先次序。

- iii. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- iv. For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to Shareholders in respect of the proposed election of Director at the general meeting.

(b) Re-election of Director at General Meeting

- i. The Nomination Committee should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.
- ii. The Nomination Committee should also review and determine whether the retiring Director continues to meet the criteria as set out above.
- iii. The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of Director at the general meeting. The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

- iii. 提名委員會隨後應就委任合適人選擔任董事一事向董事會提出建議(如適用)。
- iv. 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，提名委員會應依據上述準則評估該名候選人，以決定該名候選人是否合資格擔任董事。

提名委員會及／或董事會應就擬於股東大會上選舉的董事向股東提出建議(如適用)。

(b) 於股東大會上重選董事

- i. 提名委員會應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。
- ii. 提名委員會亦應檢討及釐定退任董事是否仍然符合上述準則。
- iii. 提名委員會及／或董事會隨後應就擬於股東大會上重選的董事向股東提出建議。提名委員會將於適當時候檢討董事提名政策以確保其有效。

Corporate Governance Committee

The Corporate Governance Committee consists of three independent non-executive Directors, namely Mr. Chun Chi Man (chairman), Mr. Chung Kwok Mo John and Ms. Lam Suk Ling Shirley, and one executive Director, namely Mr. Ando Shokei.

The terms of reference of the Corporate Governance Committee are of no less exacting terms than those set out in the CG Code. The terms of reference of the Corporate Governance Committee are available on the websites of the Stock Exchange and the Company. The principal duties of the Corporate Governance Committee include, without limitation, (a) to develop and review the Group's policies and practices on corporate governance and to make recommendations to the Board; (b) to review and approve the annual corporate governance report and related disclosures in the annual and interim reports of the Group and ensuring compliance with relevant requirements under the Listing Rules or the rules of any other stock exchange in respect of which the securities of the Company are listed or quoted, or other laws, regulations, rules and codes as may be applicable to the Group; (c) to develop and formalise the functions reserved to the Board and those to be delegated by the Board to the management of the Group, and to review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group; and (d) to make sure that appropriate monitoring systems are in place to ensure compliance against the relevant internal controls systems, processes and policies, and in particular to monitor the implementation of the Group's plans to maintain high compliance with its own risk management standards.

企業管治委員會

企業管治委員會包括三名獨立非執行董事，即秦治民先生(主席)、鍾國武先生及林淑玲女士；及一名執行董事，即安藤湘桂先生。

企業管治委員會的職權範圍不遜於企業管治守則所載的嚴格條款。企業管治委員會的職權範圍刊登於聯交所及本公司網站。企業管治委員會的主要職責包括(但不限於)：(a)制定及檢討本集團的企業管治政策及常規，並向董事會提出建議；(b)審查和批准年度企業管治報告和本集團的年報及中期報告中相關披露及確保遵守上市規則或任何其他本公司之證券於其上市或報價的證券交易所的規則或適用於本集團的其他法律、法規、規則和守則；(c)制定及規範那些保留予董事會的職能及該等由董事會轉授予本集團管理層的職能，並定期檢討有關安排以確保其仍然符合本集團的需要；及(d)確保本集團有適當的監測系統以確保遵循有關內部控制系統、過程和政策，特別是監察本集團嚴格實施對維持自身風險管理標準的計劃。

The Corporate Governance Committee met once during the Reporting Period to introduce and propose relevant principles concerning corporate governance and to review and determine the corporate governance policy.

於報告期間，企業管治委員會舉行了一次會議，以推出及提呈有關企業管治的相關原則及檢討及釐定企業管治政策。

**Attended/
eligible to
attend
參與/合資格
參與**

Executive Director

Mr. Ando Shokei

執行董事

安藤湘桂先生

1/1

Independent Non-executive Directors

Mr. Chung Kwok Mo John

Ms. Lam Suk Ling Shirley

Mr. Chun Chi Man

獨立非執行董事

鍾國武先生

林淑玲女士

秦治民先生

1/1

1/1

1/1

CORPORATE GOVERNANCE FUNCTIONS

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

During the Reporting Period, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

企業管治職能

董事會負責執行企業管治守則守則條文D.3.1所載的職能。

於報告期間，董事會已檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司有關遵守法律及監管規定的政策及常規、遵守標準守則的情況以及本公司遵守企業管治守則及本企業管治報告中的披露情況。

RISK MANAGEMENT

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains an appropriate and effective risk management system.

During the Reporting Period, the Group has reviewed the risk management system. The Board considers that the risk management system is effective and adequate for the Group as a whole.

The Board further considers that (i) there was no issue relating to the material controls, including financial, operational and compliance controls and risk management functions, of the Group; and (ii) that there were adequate staff with appropriate qualifications and experience, resources and budget of its accounting and financial reporting function, and adequate training programmes have been provided for the Reporting Period.

The Board is also responsible for the internal control system of the Group and for reviewing its effectiveness. Procedures have been designed to, among other things, ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication and ensure compliance of applicable laws, rules and regulations.

The risk management and internal control systems are reviewed and assessed on an on-going basis by the Audit Committee and the Board, and will be further reviewed and assessed at least once each year by the Board.

風險管理

董事會負責評估並釐定其在實現本公司策略目標時願意承擔的風險的性質及程度，並確保本公司建立及維持適當及有效的風險管理制度。

於報告期間，本集團已審閱風險管理制度。董事會認為，風險管理制度對本集團整體而言屬有效及充足。

董事會亦認為，於報告期間，(i)概無任何有關本集團的重大監控問題，包括財務、營運以及合規控制及風險管理職能方面；及(ii)已有足夠具備適當資歷與經驗的人員以及資源及預算處理其會計及財務申報工作，並已提供足夠培訓課程。

董事會亦負責本集團的內部監控系統，檢討監控的成效。本公司已設計程序，以(其中包括)確保保存適當的會計記錄，以便提供可靠的財務資料，以供內部使用或刊印發行，亦確保符合適用法律、規則及規例。

風險管理及內部監控系統由審核委員會及董事會持續審查及評估，並將由董事會每年最少作一次深入審查及評估。

Based on the risk evaluation, the Group will manage the risk as follows:

- Risk elimination — management may identify and implement certain changes or controls that in effect eliminate the risk entirely.
- Risk mitigation — management may implement risk mitigation plan designed to reduce the likelihood, velocity or severity of the risk to an acceptable level.
- Risk monitoring — accidents and other situations involving material loss or near-loss will be investigated and properly documented as part of the effort to manage risks.
- Risk retention — management may decide that the risk rating is low enough that the risk is at acceptable level and no action is required. The risk will continue to be monitored as part of the risk management program to ensure the level of risk does not increase to an unacceptable level.

The Company has in place an internal control system which enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The key components of the internal control system are shown as follow:

- Control environment — a set of standards, processes and structures are established to provide the basis for carrying out internal control across the Group.
- Risk assessment — a dynamic and iterative process is conducted for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- Control activities — action established by policies and procedures to help ensure management mitigates risks in the achievement of objectives of the Group are carried out.

根據風險評估，本集團將按以下方式管理風險：

- 風險消除 — 管理層可識別及實施若干變動或監控，完全排除風險。
- 減低風險水平 — 管理層可實施風險緩解計劃，旨在使風險之可能性、速度或嚴重性降低至可接受水平。
- 風險監控 — 作為管理風險工作之一部分，將對涉及重大損失或接近損失的事故及其他情況進行調查並妥為存檔。
- 維持風險水平 — 管理層可確定基於風險評級屬於低而風險屬可接受水平，毋須採取任何措施。作為風險管理計劃之一部分，將繼續監察風險以確保風險不會上升至不可接受水平。

本公司已實施內部監控系統，該系統使本集團能實現有效及高效營運、可靠財務報告及符合適用法律法規的目標。內部監控系統之主要構成如下：

- 監控環境 — 訂立一套為進行本集團內部監控提供基礎的準則、程序及架構。
- 風險評估 — 一個動態重複流程，以識別及分析達成本集團目標的風險，形成釐定如何管理風險的依據。
- 監控活動 — 根據政策及程序確立行動，以助確保管理層執行降低達成本集團目標之風險的舉措。

- Information and communication — internal and external communication is made to provide the Group with the information needed to carry out day-to-day controls.
- Monitoring — ongoing and separate evaluations are conducted to ascertain whether each component of internal control is present and functioning.
- 資訊及溝通 — 作出內部及外部溝通，以向本集團提供進行日常監控所需資料。
- 監察 — 持續及個別評估以查明內部監控的各元素是否存在並運作正常。

In addition, the Company regulates the handling and dissemination of inside information to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. The Company has taken various procedures and measures to prevent a breach of disclosure requirement, including arousing the awareness to the Directors and employees to preserve confidentiality of inside information and disseminating information to specified persons on a need-to-know basis.

Internal audit

The Company has not established an internal audit department and the Directors are of the view that given the size, nature and complexity of the business of the Group, it would be more cost effective to appoint an independent internal control review advisor (“**Internal Control Advisor**”), which is independent of the Group’s daily operation and consists of professional staff with relevant expertise, to perform the review on risk management and internal control systems of the Group in order to meet its needs.

The Board itself and through the Audit Committee and the Internal Control Advisor has conducted an annual review on the effectiveness of risk management and internal control systems of the Group during the Reporting Period, which cover all material controls including financial, operational and compliance controls.

此外，本公司對內幕消息的處理及發佈進行規範，以確保內幕消息在獲妥為批准披露前一直保密，並確保有效及一致地發佈有關消息。本公司已採取多項程序及措施防止違反披露規定，包括提高董事及僱員對內幕消息的持續保密意識及在需要知情的基礎上向指定人員發佈信息。

內部審核

本公司尚未成立內部審核部門，董事認為，基於本集團業務之規模、性質及複雜程度，委任獨立內部監控審閱顧問（「**內部監控顧問**」，其獨立於本集團之日常營運及包括具有相關專業知識之專業員工）檢討本集團之風險管理及內部監控系統可更具成本效益，以滿足其需求。

董事會已於報告期間內親自及透過審核委員會及內部監控顧問對本集團的風險管理及內部監控系統的有效性進行年度審閱，其涵蓋包括財務、營運及合規監控在內的所有重要監控方面。

The Internal Control Advisor has conducted interviews with relevant staff members, reviewed relevant documentation of risk management and internal control systems of the Group, evaluated findings of any deficiencies in the systems and provided recommendations for improvement. The scope and findings of review on the systems have been reported to and reviewed by the Audit Committee, who has further reported to the Board for its review at Board meeting.

During the Reporting Period, the Group has appointed an Internal Control Advisor to review the internal control system. Improvements in internal control and risk management measures as recommended were adopted. Based on the findings from Internal Control Advisor, the Board considers that the internal control system is effective and adequate for the Group as a whole.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the Reporting Period.

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

The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditors' Report on pages 112 to 122.

內部監控顧問已與相關員工進行面談，並審閱本集團的風險管理及內部監控系統相關文件、評估於該等系統中發現的任何不足並提供改善意見。對該等系統審閱的範圍及發現已呈報審核委員會並經其審閱，而審核委員會已於董事會會議上就其審閱結果向董事會另行呈報。

於報告期間，本集團已委任內部監控顧問以檢討內部監控系統。本集團已採納對內部監控及風險管理措施的改進建議。根據內部監控顧問的調查結果，董事會認為內部監控系統對本集團整體而言有效且足夠。

董事對合併財務報表的責任

董事深明彼等編製本公司於報告期間合併財務報表的責任。

據董事所知，並無有關可能會令本公司持續經營能力備受質疑的事件或狀況的任何重大不確定因素。

本公司獨立核數師有關其對合併財務報表的申報責任的聲明載於第112至122頁獨立核數師報告內。

DEED OF NON-COMPETITION OF THE CONTROLLING SHAREHOLDER

Reference is made to the non-competition undertakings given by Mr. Ando Shokei in favour of the Company disclosed in the prospectus of the Company dated 27 September 2018 (“Prospectus”). Mr. Ando has confirmed to the Company that he has complied with the non-competition undertakings during the Reporting Period. The independent non-executive Directors have conducted such review for the Reporting Period, and also reviewed the relevant undertakings and are satisfied that such undertakings have been complied with.

AUDITOR REMUNERATION

Service category	服務種類	Fees paid/ payable 已付/應付費用 HK\$ 港元
Audit fee	審計費用	1,400,000

COMPANY SECRETARY

Mr. Chak Chi Shing, the chief financial officer of the Company, has been appointed as the Company Secretary of the Company since 13 September 2019.

According to Rule 3.29 of the Listing Rules, Mr. Chak Chi Shing, the company secretary of the Company, has taken no less than 15 hours of relevant professional training during the Reporting Period.

SHAREHOLDERS' RIGHTS

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

控股股東的不競爭契據

謹此提述日期為2018年9月27日之本公司招股章程(「招股章程」)所披露安藤湘桂先生為本公司利益而提供的不競爭承諾。安藤先生已向本公司確認，彼於報告期間遵守不競爭承諾。獨立非執行董事已於報告期間進行有關審閱，並已審閱相關承諾及信納有關承諾獲遵守。

核數師酬金

公司秘書

自2019年9月13日起，本公司財務總監翟志勝先生已獲委任為本公司的公司秘書。

於報告期間，本公司的公司秘書翟志勝先生已遵照上市規則第3.29條，參加不少於15個小時的相關專業培訓。

股東權利

為保障股東權益及權利，各項實質上獨立的事宜(包括選舉各個別董事)應在股東大會上以獨立決議案的形式提呈。於股東大會上提呈的所有決議案均將根據上市規則以投票表決方式進行表決，而投票結果將於各次股東大會舉行後在本公司及聯交所的網站上刊登。

Right to call a general meeting

General meetings may be convened by the Directors on requisition of Shareholder(s) representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings or by such Shareholder(s) who made the requisition (as the case may be) pursuant to Sections 566 and 568 respectively of the Companies Ordinance (Chapter 622 of Laws of Hong Kong) (the “**Companies Ordinance**”). Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for convening a general meeting.

Putting forward proposals at general meeting

Pursuant to Section 615 of the Companies Ordinance, shareholders representing at least 2.5% of the total voting rights of all shareholders; or at least 50 shareholders (as the case may be) who have a right to vote at the relevant annual general meeting, may request to circulate a resolution to be moved at an annual general meeting. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for circulating a resolution for annual general meeting. Written request can be sent by post to the Company’s registered office address at Room 2601, 26/F Wing On Centre, 111 Connaught Road Central, Hong Kong or by email at ir@chuo-auction.com.hk.

召開股東大會之權利

股東大會可由董事按佔有權於股東大會投票的所有股東之總表決權至少5%之股東，或分別根據公司條例(香港法例第622章)(「**公司條例**」)第566及568條提出呈請之該等股東(視乎情況而定)呈請予以召開。股東應遵守公司條例所載有關召開股東大會之規定及程序。

於股東大會上提出議案

根據公司條例第615條，佔全體股東總表決權至少2.5%的股東或至少50位有權在相關股東週年大會上投票的股東(視情況而定)可要求傳閱將於股東週年大會上動議的決議案。股東應遵守公司條例所載有關傳閱股東週年大會決議案之規定及程序。書面請求可郵寄至本公司註冊辦事處，地址為香港干諾道中111號永安中心26樓2601室，或電郵至ir@chuo-auction.com.hk。

Putting forward enquires to the Board

Shareholders may send written enquiries or requests to the Company for putting forward any enquiries to the Board. Contact details are as follows:

Address: Room 2601, 26/F Wing On Centre, 111 Connaught Road Central, Hong Kong (for the attention of the Board of Directors)

Email: ir@chuo-auction.com.hk

Shareholders are also welcome to make enquiries via the online enquiry form available on the Company's website at www.chuo-auction.com.hk.

For the avoidance of doubt, Shareholders must lodge their questions together with their detailed contact information (including full name, contact details and identification) for prompt response from the Company if the Company deems appropriate. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Chairman of the Board and the chairman of Board Committee will attend the annual general meeting to answer any question. In addition, the Company will convene special general meeting ("SGM") to approve transaction and/or matter in accordance with the Listing Rules and the corporate governance procedures of the Company. These will provide further opportunities for Shareholders to comment and vote on specific transaction and/or matter. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings.

The interim and annual reports of the Company are dispatched to Shareholders in a timely manner before the time limits laid by statutory and Listing Rules requirements to ensure effective communication with Shareholders.

向董事會作出查詢

就向董事會作出查詢而言，股東可將書面查詢或請求發送至本公司。聯絡資料如下：

地址：香港干諾道中111號永安中心26樓2601室(註明收件人為董事會)

電郵：ir@chuo-auction.com.hk

本公司亦歡迎股東透過網上查詢表格作出查詢，有關表格刊載於本公司網站 www.chuo-auction.com.hk。

為免生疑，股東必須於提交查詢時連同詳細聯絡資料(包括全名、聯絡詳情及身份)，以便本公司在其認為適當情況下迅速回應。股東資料或會按法律規定予以披露。

與股東及投資者的溝通

本公司認為，與股東有效溝通對促進投資者關係及讓投資者瞭解本集團業務表現及策略而言至關重要。董事會主席及董事會委員會主席將出席股東週年大會以回答任何問題。此外，本公司將召開股東特別大會(「股東特別大會」)，以根據上市規則及本公司的企業管治程序批准交易及/或事宜。這些將為股東提供更多機會就特定交易及/或事宜發表評論及投票。本公司致力與股東保持持續對話，尤其是透過股東週年大會及其他股東大會。

本公司中期報告及年報均於法定及上市規則規定之時限前及時寄發予股東，以確保與股東保持有效之溝通。

All the Shareholders are given at least 20 clear business days' notice before the date of the annual general meeting and at least 10 clear business days' notice for all other general meetings.

All the annual and interim reports, circulars, announcements and notices of Shareholders' meetings as required under the Listing Rules will be available on the websites of the Company and the Stock Exchange.

The Company has also complied with the requirements concerning voting by poll under the Listing Rules. Details of the poll voting procedures and the rights of Shareholders to demand a poll are included in circulars to Shareholders dispatched by the Company and explained by the chairman of general meeting at the meeting. All resolutions proposed at general meeting are voted separately.

During the Reporting Period, the Company has not made any changes to its Articles. An up to date version of the Articles is available on the websites of the Company and the Stock Exchange.

Policies relating to Shareholders

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

The Company has adopted a dividend policy on 31 December 2018 (the "Dividend Policy") on payment of dividends. Details are set out in the Report of the Directors.

召開股東週年大會之通告須於大會日期前至少二十個完整營業日向全體股東發出，至於召開所有其他股東大會之通告，則須於大會日期前至少十個完整營業日向全體股東發出。

誠如上市規則所規定，所有年報及中期報告、通函、公告及股東大會通告將可於本公司及聯交所網站查閱。

本公司亦已遵守上市規則有關以投票方式表決之規定。有關投票表決程序以及股東要求投票表決之權利之詳情載於本公司寄發予股東之通函中，並由股東大會主席於大會上解釋。所有於股東大會上提呈之決議案均分開投票。

於報告期間，本公司並未對其細則作出任何變動。最新版本的細則可於本公司及聯交所的網站閱覽。

股東相關政策

本公司已制定股東通訊政策，以確保合適地處理股東的意見及憂慮。本政策會定期檢討以確保其有效。

本公司已於2018年12月31日就派付股息採納股息政策（「股息政策」）。詳情載於董事會報告。

I. ABOUT THIS REPORT

Tokyo Chuo Auction Holdings Limited (referred to as the “**Company**” and its subsidiaries, collectively referred to as the “**Group**”) is a well-recognized auction house of Chinese and Japanese artworks in Hong Kong and Japan. The Group specializes in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese teawares. The Group is committed to building an environmentally-friendly corporation, while maintaining high quality standards in auction. The Group considers social and environmental responsibilities as one of the core values in our business operations and strives for greater sustainability and transparency, as well as fostering a sustainable environment for future generation.

This report summarizes several subjects of the Group’s business practices for the Environmental, Social and Governance report (referred to as the “**ESG Report**” or “**this Report**”) and its relevant implemented policies and strategies in relation to the Group’s operational practices and environmental protection.

The Report covers the period from 1 April 2023 to 31 March 2024 (the “**Reporting Period**”).

Reporting Framework

The Report has been prepared with reference to the ESG Reporting Guide (the “**ESG Reporting Guide**”) set out in Appendix C2 to the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

In preparation of this Report, due diligence has been taken to adhere to the Reporting Principles of “Materiality”, “Quantitative”, “Balance” and “Consistency” as set out in the ESG Reporting Guide, which are detailed as follows.

Materiality: We identified the most material ESG issues pertaining to our businesses through the materiality assessment. The materiality of issues was reviewed and confirmed by the board of directors (the “**Board**”).

I. 關於本報告

東京中央拍賣控股有限公司(簡稱「**本公司**」, 連同其附屬公司統稱「**本集團**」)是香港及日本知名的中國及日本藝術品拍賣行。本集團專門拍賣各類藝術品, 主要為中國及日本藝術品, 包括中國書畫、中國古玩及中日茶具。本集團致力建立一個環保企業, 同時在拍賣方面維持高品質標準。本集團將社會及環境責任視為其業務經營的核心價值之一, 故致力提高可持續性及透明度, 並為下一代構建可持續環境。

本報告概述多個主要範疇, 包括本集團在環境、社會及管治報告(簡稱「**環境、社會及管治報告**」或「**本報告**」)的業務常規以及有關本集團經營常規及環境保護的相關已實施政策及策略。

本報告涵蓋自2023年4月1日起至2024年3月31日止期間(「**報告期**」)。

報告框架

本報告乃參考香港聯合交易所有限公司主板上市規則(「**上市規則**」)附錄C2所載之環境、社會及管治報告指引(「**環境、社會及管治報告指引**」)編製。

在編製本報告時, 本集團展開盡職審查以遵守環境、社會及管治報告指引所載的「重要性」、「量化」、「平衡」及「一致性」匯報原則, 詳情如下。

重要性: 我們通過重要性評估確定與我們業務相關的最重要環境、社會及管治議題。議題的重要性已由董事會(「**董事會**」)審閱並確認。

Quantitative: This Report discloses key performance indicators (“KPI”) in environmental and social aspects in a quantitative way wherever possible and gives comparative data where appropriate. Whenever deemed material, the Report details any standards, methodologies, assumptions and/or calculation tools used, or source of conversion factors used.

Balance: This Report complies with the principle of balance to present the current performance and management of the Group in ESG in an objective manner.

Consistency: Unless otherwise stated, this Report applies the data statistics and calculation methods that are consistent with those in last year ESG report to provide a meaningful comparison with data over previous years.

This ESG Report has undergone the internal review process of the Group and was approved by the Board.

Reporting Scope

The General Disclosure of the environmental and social policies and measures in this Report and the compliance issues cover the entire group, and the disclosure scope of the Environmental KPI section of the Report covers the Group’s headquarter in Japan and its operation sites in Hong Kong. The impacts from its office in the People’s Republic of China (referred to as the “PRC”) and Taiwan are minimal, so this report does not include the details of the environmental issues brought by the operation from the PRC and Taiwan. There were no changes to the reporting scope compared to the previous year.

The Group’s auction management represents the majority of the Group’s environmental and social impacts. Thus, the content of this ESG Report focus mainly on the impacts brought by storing and maintaining the auction lots and other externality induced throughout the marketing process.

量化：本報告盡可能以量化形式披露環境及社會層面的關鍵績效指標（「**關鍵績效指標**」）並於適當情況下提供比較數據。倘若被視之為重大，本報告詳細說明所使用的任何標準、方法、假設及／或計算工具，或所使用的轉換系數的來源。

平衡：本報告遵循平衡原則，客觀呈現本集團的環境、社會及管治表現及管理現狀。

一致性：除另有說明外，本報告採用與上一年度環境、社會及管治報告相一致的數據統計及計算方法，以便與往年數據進行有意義的比較。

本環境、社會及管治報告已經過本集團內部審閱程序，並獲董事會批准。

報告範圍

本報告內有關環境及社會政策及措施的一般披露及合規事宜涵蓋整個集團，而本報告環境關鍵績效指標一節所載之披露範圍涵蓋本集團的日本總部及其於香港的營運地點。源自其於中華人民共和國（簡稱「**中國**」）及台灣的辦公室的影響極微，故本報告並無包括中國及台灣業務所造成的環境事宜詳情。報告範圍相較去年並無變動。

本集團的拍賣管理佔本集團環境及社會影響的絕大部分。因此，本環境、社會及管治報告的內容主要集中於貯存及保養拍賣品及在營銷過程中引致的其他外在因素所帶來的影響。

Comments and Feedback

The progress of the Group depends in part on valuable comments from stakeholders. For any clarifications or advice as regarding this ESG Report, please forward your comments and suggestions to info@chuo-auction.com.hk.

II. STAKEHOLDER ENGAGEMENT

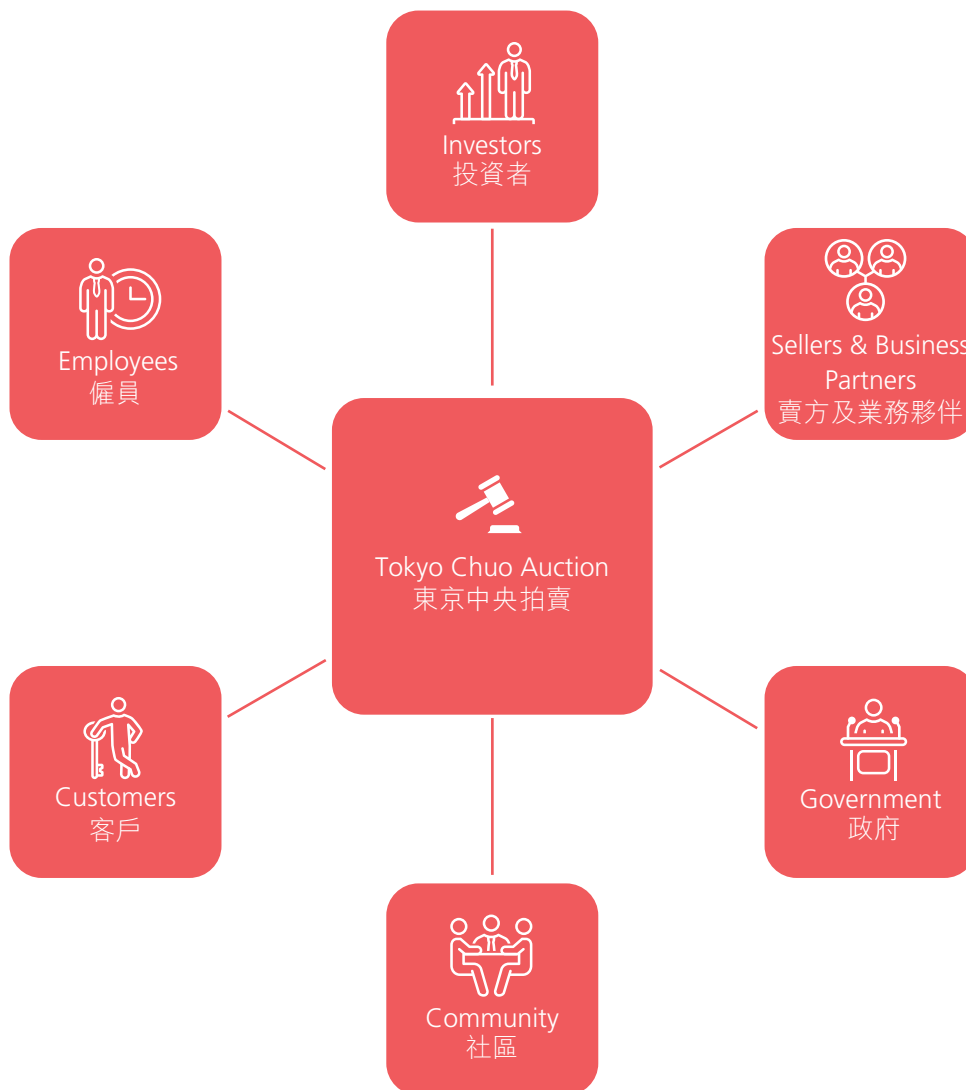
The Group believes that identifying and addressing the views of stakeholders lay a solid foundation to the long-term growth and success of the Group. The Group has a wide network of stakeholders, including investors, employees, sellers and business partners, customers, government and community.

意見及反饋

本集團之發展有賴持份者提供寶貴意見。倘閣下對本環境、社會及管治報告之內容有任何疑問或意見，請將意見及建議電郵至 info@chuo-auction.com.hk。

II. 持份者參與

本集團相信，識別並處理其持份者的看法能夠為本集團的長遠發展及成功奠定堅實基礎。本集團擁有廣闊的持份者網絡，包括投資者、僱員、賣方及業務夥伴、客戶、政府及社區。



The Group develops multiple channels to the stakeholders, which is summarized in the following table, that provide them with the opportunities to express their views on the Group's sustainability performance and future strategies. To reinforce mutual trust and respect, the Group is committed to maintaining effective communication channels, both formally and informally, with stakeholders to enable the Group to better shape its business strategies in order to respond to their needs and expectations, anticipate risks and strengthen key relationships.

本集團已設立下表所概述的多個持份者渠道，以向彼等提供就本集團的可持續發展表現及未來策略發表意見的機會。為加強彼此互信及互相尊重的關係，本集團致力與持份者保持有效的正式及非正式溝通渠道，使本集團能夠更有效制訂業務策略，以回應彼等的需要及期望、預計風險及加強關鍵關係。

Stakeholder Groups 持份者組別	Engagement channels 參與渠道	Topics of interest/concern 關注主題
Investors 投資者	<ul style="list-style-type: none"> • General meetings • Regular corporate publications including financial reports and ESG report • Circulars and announcements • Corporate website • Direct communication • Meetings and responses to phone and written enquiries <ul style="list-style-type: none"> • 股東大會 • 定期公司刊物，包括財務報告及環境、社會及管治報告 • 通函及公告 • 公司網站 • 直接溝通 • 會議及回應電話及書面查詢 	<ul style="list-style-type: none"> • Business strategies and sustainability • Financial performance • Corporate governance <ul style="list-style-type: none"> • 業務策略及可持續性 • 財務表現 • 企業管治
Customers 客戶	<ul style="list-style-type: none"> • Business meetings • Corporate website • Direct communication • Emails <ul style="list-style-type: none"> • 業務會議 • 公司網站 • 直接溝通 • 電郵 	<ul style="list-style-type: none"> • Service quality and reliability • Client information security • Business ethics <ul style="list-style-type: none"> • 服務質量及可靠性 • 客戶資料安全性 • 商業道德

Stakeholder Groups 持份者組別	Engagement channels 參與渠道	Topics of interest/concern 關注主題
Employees 僱員	<ul style="list-style-type: none"> • Performance appraisals • On-the-job coaching • Training sessions • Internal memorandum • Human resources manual • Exit interview • 表現評核 • 在職指導 • 培訓課程 • 內部備忘錄 • 人力資源手冊 • 離職面談 	<ul style="list-style-type: none"> • Training and development • Employee remuneration and welfare • Occupational health and safety • Equal opportunities • Rights and benefits • Working hours • 培訓及發展 • 僱員薪酬及福利 • 職業健康及安全 • 平等機會 • 權利及福利 • 工作時數
Suppliers and business partners 供應商及業務夥伴	<ul style="list-style-type: none"> • Business meetings • Tendering for procurement of products or services • Direct communication • 商務會議 • 就採購產品或服務投標 • 直接溝通 	<ul style="list-style-type: none"> • Fair competition • Business ethics • Payment schedule • 公平競爭 • 商業道德 • 付款時間表
Government and regulatory authorities 政府及監管機關	<ul style="list-style-type: none"> • Statutory filings and notification • Regulatory or voluntary disclosures • 法定存檔及通知 • 監管或自願披露 	<ul style="list-style-type: none"> • Compliance with law and regulations • Treatment of inside information • 遵守法律及法規 • 處理內幕消息
Community 社區	<ul style="list-style-type: none"> • Community activities • Corporate donations • 社區活動 • 公司捐贈 	<ul style="list-style-type: none"> • Fair employment opportunities • Environmental protection • 公平僱傭機會 • 環境保護

III. MATERIALITY ASSESSMENT

Sustainable development encompasses a holistic spectrum of environmental and social aspects. In order to harness the related risks and opportunities, it is crucial for the Group to determine the most material aspects. The Group adopts the three-step process of identification, prioritisation and validation to ensure sustainability topics are being managed and reported in accordance with their materiality.

(1) Identification

The Group identified all fundamental sustainability topics in accordance with the ESG Reporting Guide. In the context of the latest sustainability landscape, the Group has determined the following 19 topics that are deemed to have impact on the environment and society through our operations.

III. 重要性評估

可持續發展涵蓋環境和社會層面的全面範圍。為妥善利用相關風險及機遇，本集團必須確定最重要的層面。本集團採用識別、編排優次及核證的三步過程，以確保根據其重要性對可持續發展主題進行管理及報告。

(1) 識別

根據環境、社會及管治報告指引，本集團識別所有基本的可持續發展主題。基於最新的可持續發展形勢，本集團確定以下十九項被視為透過旗下營運對環境和社會產生影響的主題。

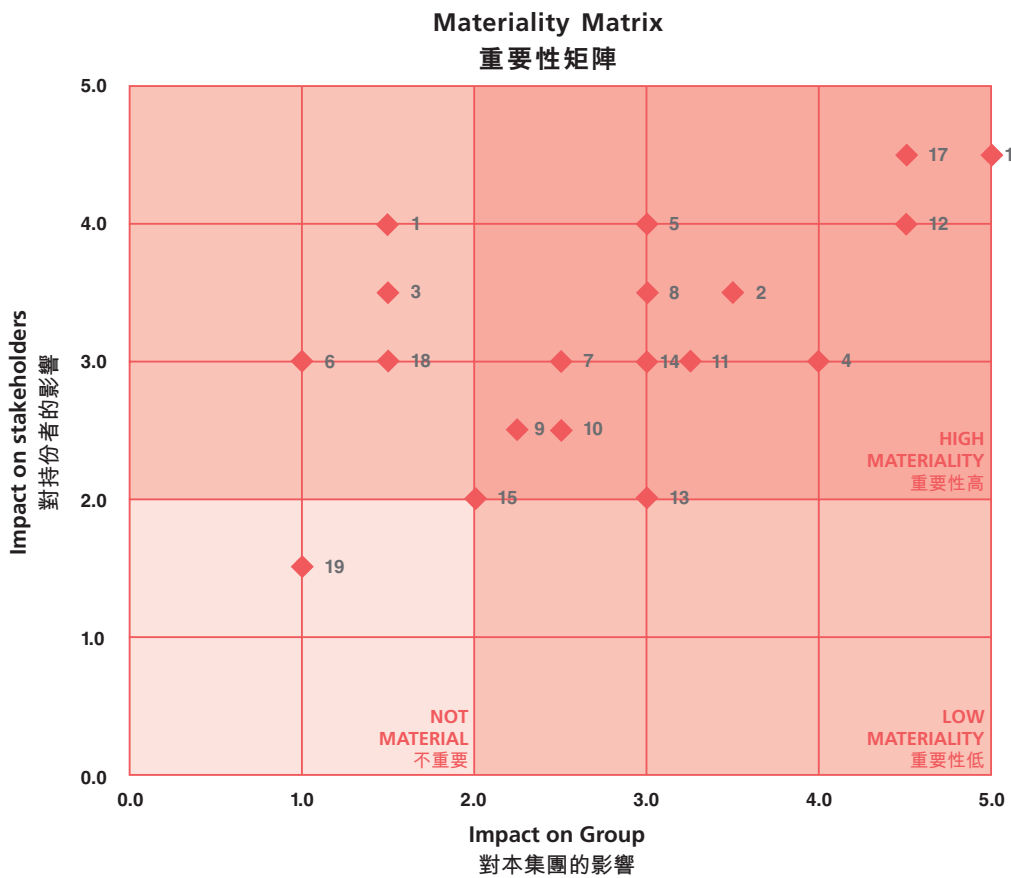
ESG Aspects 環境、社會及管治層面		Material ESG issues for the Group 對本集團屬重大的環境、社會及管治事宜
A. Environmental 環境	<i>A1 Emissions 排放物</i>	1. Air emissions 廢氣排放
	<i>A2 Use of Resources 資源使用</i>	2. Greenhouse gas emissions 溫室氣體排放
	<i>A3 The Environment and Natural Resources 環境及天然資源</i>	3. Waste management 廢棄物管理
	<i>A4 Climate Change 氣候變化</i>	4. Energy consumption 能源消耗
B. Social 社會	<i>B1 Employment 僱傭</i>	5. Water consumption 水資源消耗
	<i>B2 Health and Safety 健康及安全</i>	6. Paper consumption 紙張消耗
	<i>B3 Development and Training 發展及培訓</i>	7. Environmental risk management 環境風險管理
	<i>B4 Labour Standards 勞工準則</i>	8. Climate change strategy 氣候變化策略
	<i>B5 Supply Chain Management 供應鏈管理</i>	9. Human resources practices 人力資源常規
	<i>B6 Product Responsibility 產品責任</i>	10. Employment and remuneration policies 僱傭及薪酬政策
	<i>B7 Anti-corruption 反貪污</i>	11. Equal opportunity 平等機會
	<i>B8 Community Investment 社區投資</i>	12. Workplace health and safety 工作場所健康及安全
		13. Employee development 僱員發展
		14. Anti-child and forced labour practices 防止童工及強制勞工
		15. Supplier practices 供應商常規
		16. Service quality and customer satisfaction 服務質量及客戶滿意度
		17. Protection of customers' privacy 保障客戶私隱
		18. Anti-corruption and anti-money laundering 反貪污及反洗錢
		19. Community investment 社區投資

(2) Prioritization

To determine the materiality of the selected ESG topics, the senior management, possess as a high-level view of all the topics and have access to stakeholders' feedback, was asked to score the significance of each ESG topic to stakeholder groups and the Group in each of their perspective. The following materiality matrix resulted, where the topmost-right quadrant determines the topics of high materiality.

(2) 編排優次

為釐定所選環境、社會及管治主題的重要性，高級管理層對所有主題的看法能做到俯瞰全局，兼能掌握持份者的反饋，並已從持份者組別及本集團的不同角度對每個環境、社會及管治主題的重要性評分。由此得出的以下重要性矩陣，最右上象限釐定高度重要性的主題。



Highly material topics (by ranking)
高度重要的主題(按排名劃分)

Ranking 排名	No. 編號	Topics 主題
Highest 最高	16	Service quality and customer satisfaction 服務質量及客戶滿意度
	17	Protection of customers' privacy 保障客戶私隱
	12	Workplace health and safety 工作場所健康及安全
	2, 4, 5	Greenhouse gas emissions; Energy consumption; Water consumption 溫室氣體排放；能源消耗；水資源消耗
	8	Climate change strategy 氣候變化策略
	11	Equal opportunity 平等機會
	14	Anti-child and forced labour practices 防止童工及強制勞工
	7	Environmental risk management 環境風險管理
	10, 13	Employment and remuneration policies; Employee development 僱傭及薪酬政策；僱員發展
	9	Human resources practices 人力資源常規
Lowest 最低	15	Supplier practices 供應商常規

(3) Validation

The Board has reviewed and validated the materiality process and hence the Report discloses the Group's performance on all high and low materiality topics. To address matters most material to the Group's stakeholders, topics of high materiality are discussed in more depth throughout the Report.

(3) 核證

董事會已審閱並核證重要性程序，因此，本報告披露本集團在所有高重要性及低重要性的主題之表現。為回應對本集團持份者最重要的主題，本報告對具有高重要性的主題進行更詳細的討論。

IV. APPROACH TO SUSTAINABILITY DEVELOPMENT

As a responsible company, the Group continues to step up for sustainability measures as a corporate responsibility as well as meeting the customers' standards. To make the Group's investors and stakeholders properly informed for assessment, the Group has set out below its efforts to minimize the negative influence to the environment, promote the well-being of the Group's employees and contribute to the community during the Reporting Period.

Board Statement

The Board has the overall responsibility for the Group's ESG strategy and reporting, which include determination and evaluation of ESG related risks, overseeing and ensuring the suitable and effective ESG risk management and internal control systems. The Board is also responsible for ensuring the smooth operation of strategic plan and vision, as well as operational guidelines for ESG matters. The Board has formed an ESG taskforce (the "Taskforce") to assist and advise the Board on the development and implementation of ESG strategies, policies and practices of the Group, and review of ESG performance and targets. The Taskforce reports to the Board on a regular basis. It has the responsibility for collecting data from different functional departments and business operations and analysing (including but not limited to comparing with historical data) and verifying ESG data after collected, ensuring compliance with ESG-related laws and regulations, and preparing ESG reports. It also has the responsibility for implementing ESG governance strategy, coordinating ESG matters and reporting relevant work progress to the Board on a regular basis. Each functional department and subordinate company, serving on the execution level, is responsible for implementing initiatives set up by the ESG taskforce and reporting relevant work progress and data to ESG taskforce on a regular basis. The ESG taskforce comprises of the staffs from different operating units to ensure the diverse backgrounds and expertise in ESG management. The Group will review the composition of the ESG taskforce on a regular basis. The Board will have meeting with the ESG taskforce at least once per year and receive briefings on any updated ESG issues and performance, including the progress of ESG related goals and targets, on a regular basis in order to ensure that the Group's ESG strategies, goals and targets are achieved. By reviewing and evaluating the implementation of policies, the Board is up-to-date regarding the ESG performance of the Group.

IV. 達致可持續發展之方針

作為負責任公司，本集團繼續加強可持續發展措施履行企業責任，並達到客戶的標準。為使本集團的投資者及持份者能合適地獲悉有關資料作評估，本集團於下文載列其於報告期內為減少對環境的負面影響、提升本集團僱員的福祉及貢獻社區所作出的努力。

董事會聲明

董事會對本集團的環境、社會及管治策略及報告負有全面責任，包括確定及評估環境、社會及管治相關風險，監督並確保建立適當有效的環境、社會及管治風險管理及內部控制系統。董事會亦負責確保各項策略計劃及願景以及環境、社會及管治事宜的營運指引順利運行。董事會已成立環境、社會及管治工作小組（「工作小組」），就制定及實施本集團的環境、社會及管治策略、政策及常規，以及檢討環境、社會及管治表現及目標向董事會提供協助及建議。工作小組定期向董事會匯報。其負責收集來自不同職能部門及業務營運的數據，並在收集後分析（包括但不限於與歷史數據比較）及核實環境、社會及管治數據，以確保遵守環境、社會及管治相關法律及法規，並編製環境、社會及管治報告。其亦負責實施環境、社會及管治的管治策略、協調環境、社會及管治事宜及定期向董事會匯報相關工作進度。各職能部門及旗下公司作為執行層，負責落實環境、社會及管治工作小組制定的措施，並定期向環境、社會及管治工作小組匯報相關工作進度及數據。環境、社會及管治工作小組由不同營運單位的員工組成，以確保在環境、社會及管治的管理中有著不同背景及專業知識。本集團將定期審閱環境、社會及管治工作小組的組成。董事會將每年至少與環境、社會及管治工作小組進行一次會議，並定期接收有關任何最新環境、社會及管治議題及表現（包括環境、社會及管治相關目標及指標的進展）的簡報，以確保本集團的環境、社會及管治策略、目標及指標得以實現。透過檢討及評估政策的實施，董事會得以及時了解本集團的環境、社會及管治表現。

The Board performs annual review on the effectiveness of the Group's risk management and internal control systems. The Group has appointed an independent internal control review advisor (referred to as the “**Internal Control Advisor**”) to assess the risks, including ESG-related risks and opportunities, through the processes of risk identification, assessment, treatment, monitoring and review. The result of the overall ESG-related risk assessment will be reported to the Board on an annual basis for review in order to ensure that the Group's ESG strategy and goals are achieved. Based on the findings of the Internal Control Advisor, the Board is up-to-date regarding the risk and opportunities of ESG.

The Board tracks, reviews and follows up on the achievement of the main ESG issues (including ESG related goals and targets) at least once a year in order to bridge the gap between current progress and the expectations. The Board will also ensure the Group's policies are continuously implemented.

V. ENVIRONMENTAL RESPONSIBILITY

The Group is committed to environmental sustainability by seeking for solutions to minimize the environmental impacts of its operations, with a particular focus on the reduction of greenhouse gas emissions and conservation of resources. The Group sets out a number of policies and guidelines for impact management and environmental awareness. The Group strives to fulfill sustainable development and to promote preservation of resources with its environmental responsibility.

Aspect A1: Emissions and waste

The Group implements robust measures to ensure all discharges to air and the handling of waste are compliant with regulatory standards. During the Reporting Period, the Group has not encountered any incidents of non-compliance with all applicable laws and regulations related to air emissions and waste handling at all operating regions. Major applicable laws and regulations are detailed in respective sections.

董事會每年檢討本集團風險管理及內部控制系統的有效性。本集團已委任獨立內部監控審閱顧問(稱為「**內部監控顧問**」)透過風險識別、評估、處理、監察及檢討等過程評估風險,包括與環境、社會及管治相關的風險及機遇。整體環境、社會及管治相關風險評估的結果將每年向董事會報告以供審閱,以確保本集團的環境、社會及管治策略及目標得以實現。根據內部監控顧問的調查結果,董事會得以及時了解環境、社會及管治的風險及機遇。

董事會每年至少一次追蹤、檢討及跟進主要環境、社會及管治議題(包括與環境、社會及管治相關的目標及指標)的達成情況,以彌補當前進展與預期之間的差距。董事會亦將確保本集團的政策得以持續實施。

V. 環境責任

本集團透過尋求減輕營運對環境所產生影響之解決方案,致力於環境可持續發展,尤其側重於減少溫室氣體排放量及節約使用資源。本集團制定若干政策及指引,力求管理影響及提升環保意識。本集團銳意實現可持續發展,遵循其環境責任推廣保護資源。

層面A1: 排放物及廢棄物

本集團實施強而有力的措施,確保所有廢氣排放及廢棄物處理均符合監管標準。於報告期內,本集團在所有營運地區並無發生任何違反有關廢氣排放及廢棄物處理的所有適用法律法規的事件。主要適用的法律法規詳見相關章節。

Air emissions

The Group's air emissions are limited to the exhaust gas from vehicle use, which includes the emission of nitrogen oxides (NO_x), sulphur oxides (SO_x), and particulate matter (PM). The Group aims to replace heavy-polluting vehicles with more environmentally-friendly models. In efforts to improve roadside air quality and traffic conditions, the Group encourages employees to take public transportation during commutes to work. Major applicable laws and regulations related to control of air emissions include, but are not limited to, the Air Pollution Control Ordinance of Hong Kong and Air Pollution Control Act of Japan.

During the Reporting Period, the Group's air emissions from vehicle use were recorded. The Group released 4.05kg, 0.09kg and 0.30kg of nitrogen oxides, sulphur oxides, and particulate matter in FY2024.

廢氣排放

本集團的廢氣排放僅限於使用車輛所產生的廢氣，其中包括氮氧化物(NO_x)、硫氧化物(SO_x)及顆粒物(PM)的排放。本集團旨在以更環保的車型替代會造成嚴重污染的車輛。為改善路邊空氣質素及交通狀況，本集團鼓勵員工上下班乘坐公共交通工具。與管制廢氣排放有關的主要適用法律及法規包括但不限於香港的《空氣污染管制條例》及日本的《大氣污染防治法》。

於報告期內，本集團使用車輛所產生的廢氣排放量已予以記錄。本集團於2024年財政年度的氮氧化物、硫氧化物及顆粒物排放量分別為4.05千克、0.09千克及0.30千克。

Air emissions 廢氣排放	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度	YOY change 同比變動
Nitrogen oxides (NO _x) 氮氧化物(NO _x)	kg 千克	4.05	3.17	28%
Sulphur oxides (SO _x) 硫氧化物(SO _x)	kg 千克	0.09	0.07	29%
Particulate matter (PM) 顆粒物(PM)	kg 千克	0.30	0.23	30%

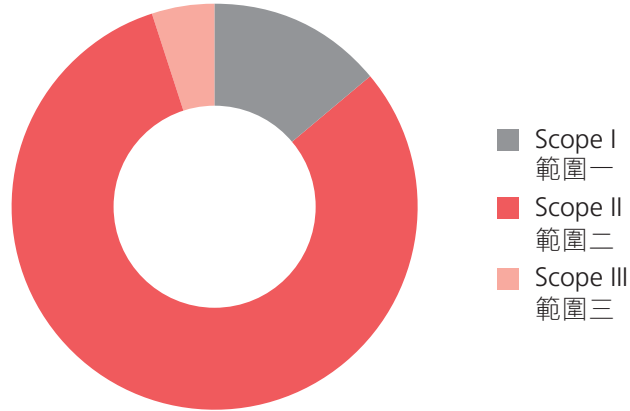
Greenhouse gas emissions and climate change mitigation

Climate change adaptation and mitigation is no longer only a subject of international agenda, but highly relevant to all members of society. The corporate sector is increasingly becoming aware of the potential types of impact climate change risks present to their operations. To implement an effective approach to climate change mitigation, it is important to have a comprehensive understanding of the carbon emission sources of the Group. The Group's carbon footprint, presented in the chart and table below, is primarily due to office electricity usage (in Scope II) and business air travels (in Scope III). During the Reporting Period under review, the Group generated a total of 76.18 tonnes of carbon dioxide equivalent (tCO₂e) of greenhouse gases (Scope I and II), resulting in a carbon intensity of 2.0 tonnes of carbon dioxide equivalent per employee. The increase in the total carbon intensity of greenhouse gas emissions (Scope I, II and III) in FY2024 was mainly owing to increase in business air travels. The Group will continue to review the effectiveness of the existing initiatives in future years.

溫室氣體排放及緩解氣候變化

適應及緩解氣候變化不再只屬於國際議程的主題，而是與社會所有成員息息相關。公司部門越來越意識到氣候變化風險對其營運造成的潛在影響類別。為實施有效方法緩解氣候變化，必須全面掌握本集團的碳排放源。本集團的碳足跡（呈列於以下圖表）主要來自辦公室用電（於範圍二內）及乘坐飛機出外公幹（於範圍三內）。於回顧報告期內，本集團合共產生76.18噸二氧化碳當量（tCO₂e）的溫室氣體（範圍一及二），導致每名僱員的碳密度為2.0噸二氧化碳當量。於2024年財政年度，溫室氣體排放（範圍一、二及三）的總碳密度增加，主要由於增加乘坐飛機出外公幹。本集團將繼續檢討現有舉措於未來幾年的成效。

GHG EMISSIONS IN FY2024
2024年財政年度溫室氣體排放



Greenhouse gas emissions ⁽¹⁾	Unit	FY2024 2024年 財政年度	FY2023 2023年 財政年度	YOY change 同比變動
溫室氣體排放 ⁽¹⁾	單位			
Scope I (Direct Emissions) 範圍一(直接排放)	tCO ₂ e 二氧化碳當量	17.51	12.45	41%
Mobile combustion 車用燃油	tCO ₂ e 二氧化碳當量	17.51	12.45	41%
Scope II (Indirect Emissions)⁽²⁾ 範圍二(間接排放) ⁽²⁾	tCO ₂ e 二氧化碳當量	58.67	70.14	(16%)
Electricity purchased 購電	tCO ₂ e 二氧化碳當量	58.67	70.14	(16%)
Scope III (Other Indirect Emissions) 範圍三(其他間接排放)	tCO ₂ e 二氧化碳當量	17.77	4.53	92%
Business air travels 乘坐飛機出外公幹	tCO ₂ e 二氧化碳當量	14.31	1.05	1,263%
Paper waste disposed at landfills 棄置於堆填區的紙屑	tCO ₂ e 二氧化碳當量	3.38	3.36	(1%)
Fresh water and sewage processing (electricity use) 淡水及污水處理(用電)	tCO ₂ e 二氧化碳當量	0.08	0.12	(33%)
Total 總計	(Scope I and II) (範圍一及二) tCO ₂ e 二氧化碳當量	76.18	82.59	(8%)
	(Scope I, II and III) (範圍一、二及三) tCO ₂ e 二氧化碳當量	93.95	87.12	8%
Carbon intensity⁽³⁾ 碳密度 ⁽³⁾	(Scope I and II) (範圍一及二) tCO ₂ e/ employee	2.00	1.97	2%
	(Scope I, II and III) (範圍一、二及三) 二氧化碳 當量/僱員	2.47	2.07	19%

Note (1): The method used for greenhouse gas data emissions is based on (but not limited to) the “Greenhouse Gas Inventory Protocol: Corporate Accounting and Reporting Standards” published by the World Resources Institute and the World Business Council for Sustainable Development and “How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs” published by HKEX.

Note (2): Scope II includes emissions from the purchase of electricity from power companies, and reference includes but not limited to “TEPCO Integrated report 2023” issued by Tokyo Electric Power Company, “Kansai Electric Power Group Integrated Report 2023” issued by Kansai Electric Power Group and “How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs” published by HKEX.

Note (3): The number of employee of the Group in FY2024 and FY2023 are 38 and 42 respectively.

The Group is committed to reducing our carbon footprint. Scope I and II emissions are addressed through our energy reduction initiatives (See Section: A2.1 Energy Consumption). Scope III emissions targets incur throughout our value chain. We have set emission targets to maintain scope I, scope II and scope III discharge intensity (per employee) of greenhouse gas emissions at the same level of FY2022 by the end of FY2027. The emission target was in progress in FY2024 and the Group will continue to employ the following measures to minimize such emissions:

- Cut business travels whenever possible through video conferencing;
- Select direct flights for unavoidable business trips; and
- Promote paper recycling at office premises.

附註(1): 用於溫室氣體排放數據的方法乃基於(但不限於)世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書: 企業會計與報告標準》及香港交易所刊發的《如何準備環境、社會及管治報告附錄二: 環境關鍵績效指標的匯報指引》。

附註(2): 範圍二包括從電力公司購買電力的排放, 參考包括但不限於Tokyo Electric Power Company刊發的《2023年TEPCO綜合報告》、Kansai Electric Power Group刊發的《2023年Kansai Electric Power Group綜合報告》及香港交易所刊發的《如何準備環境、社會及管治報告附錄二: 環境關鍵績效指標的匯報指引》。

附註(3): 本集團於2024年財政年度及2023年財政年度的僱員人數分別為38名及42名。

本集團致力減少碳足跡。我們以節能措施應對範圍一及二的排放(見「A2.1能源消耗」一節)。範圍三的排放目標會在我們的整個價值鏈中產生。我們已設定排放目標, 於2027年財政年度結束時將溫室氣體排放中範圍一、範圍二及範圍三的排放密度(每名僱員)維持在與2022年財政年度相同的水平。於2024年財政年度, 該排放目標正在進行, 且本集團將繼續採取以下措施減少有關排放:

- 透過視像會議盡可能減少差旅;
- 就不可避免的差旅選擇直飛航班; 及
- 推廣辦公場所進行紙張回收。

Waste management

The typical waste generated in the Group's office are paper and general waste. The majority of waste is disposed at the landfill by qualified contractors. The Group has established clear procedures for disposal and management of office garbage and recyclable waste by allocating recycle bins in the offices. During the Reporting Period, the Group generated 475 kg (2023: 700 kg) of paper waste, resulting in the non-hazardous waste intensity of 12.5 kg per employee (2023: 16.7 kg per employee). In the course of operation, the Group did not generate any significant hazardous waste. The major applicable laws and regulations related to the control of waste include, but not limited to, the "Waste Disposal Ordinance" of Hong Kong and "Waste Disposal and Cleaning Law" of Japan. The Group has set waste target of maintaining the discharge intensity (per employee) of hazardous and non-hazardous waste at the same level of FY2022 by the end of FY2027. The Group achieved the target in FY2024. The Group will continue to promote the concepts of reducing waste and continue to review the effectiveness of the existing initiatives.

Seeking to contribute to the closed-loop economy, we have employed the following measures and initiatives during the Reporting Period to reduce the generation of non-hazardous waste, and raise recycling rates:

- Organise and maintain the garbage and recycled waste storage areas;
- Collect all waste printer cartridges for recycling;
- Reduce use of single-use disposable and non-recyclable products;
- Adopt green procurement, i.e. purchasing products and services that cause minimal adverse environmental impacts;

廢棄物管理

本集團辦公室所產生的典型廢棄物為紙張及一般廢棄物。大多數廢棄物均由合資格承包商於堆填區處置。本集團透過在辦公室配置回收箱，建立處理及管理辦公室垃圾以及可回收廢棄物的明確程序。於報告期內，本集團產生475千克（2023年：700千克）廢紙，每名僱員的無害廢棄物密度為12.5千克（2023年：每名僱員16.7千克）。在經營過程中，本集團並無產生任何重大有害廢棄物。與廢棄物控制有關的主要適用法律及法規包括但不限於香港的《廢物處置條例》及日本的《廢物管理和公共清潔法》。本集團已設定廢棄物目標，於2027年財政年度結束時將有害及無害廢棄物的排放密度（每名僱員）維持在與2022年財政年度相同的水平。於2024年財政年度，本集團已實現該目標。本集團將繼續推廣減少廢棄物的概念，並繼續檢討現有措施的成效。

本集團冀對閉環式經濟作出貢獻，於報告期內，我們已採取下列措施和舉措，以減少無害廢棄物的產生並提高回收率：

- 整理及清理垃圾及回收廢棄物暫存區；
- 收集所有廢墨盒以便回收；
- 減少使用一次性使用以及不可回收的產品；
- 實行綠色採購，即購買對環境造成最小不利影響的產品及服務；

- Evaluate the usage of material to avoid overstock;
 - Set computer and printers to default duplex and economical modes; and
 - Encourage the staffs to use electronic communications for directory, forms, reports and storage when possible.
- 評估材料的使用情況，避免庫存過多；
 - 將電腦及打印機設置默認為雙面複印及經濟模式；及
 - 鼓勵員工盡可能就名錄、表格、報告及儲存採用電子通訊方式。

Aspect A2: Use of resources

The Group is committed to continually monitoring and improving resource efficiency as an integral part of business strategy and operating methods, as well as complying with relevant government policies and environmental legislations.

Energy

The Group's energy consumption consists of vehicle fuel and electricity use for office operations. Electricity purchased accounted for approximately 68% of total energy consumption, and petrol use accounted for the remaining 32%. Due to COVID-19, we started an auction platform so that our customers can participate and bid in auction without time-space limitations. During the Reporting Period under review, the Group consumed 57,775 kWh and 121,208 kWh of direct and indirect energy respectively, resulting in a total energy intensity of 4,710 kWh per employee.

層面A2：資源使用

本集團致力持續監察及改善資源使用效率，並將此作為業務策略及營運方法不可或缺的一部分，並遵守政府的相關政策及環保法規。

能源

本集團的能源消耗包括辦公室營運中使用的車用燃料及電力。購電約佔總能耗的68%，而汽油的使用則佔剩餘的32%。由於COVID-19，我們推出一個拍賣平台，以便我們的客戶可不受時空限制地參與拍賣及競標。於回顧報告期內，本集團分別直接及間接消耗能源57,775千瓦時及121,208千瓦時，導致每名僱員的總能源密度為4,710千瓦時。

Energy consumption 能源消耗量	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度	YOY change 同比變動
Direct⁽¹⁾ 直接⁽¹⁾	kWh 千瓦時	57,775	45,249	28%
Petrol 汽油	kWh 千瓦時	57,775	45,249	28%
Indirect⁽¹⁾ 間接⁽¹⁾	kWh 千瓦時	121,208	154,462	(22%)
Electricity purchased 購電	kWh 千瓦時	121,208	154,462	(22%)
Total (Direct and Indirect) 總計(直接和間接)	kWh 千瓦時	178,983	199,711	(10%)
Energy intensity⁽²⁾ 能源密度⁽²⁾	kWh/employee 千瓦時/僱員	4,710	4,755	(1%)

Note (1): The energy conversion method adopted by the Group is based on the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" and the IPCC Default Net Calorific Values Database.

附註(1)：本集團採納的能源轉換方法乃基於《如何準備環境、社會及管治報告 — 附錄二：環境關鍵績效指標的匯報指引》及IPCC默認淨熱值數據庫。

Note (2): The number of employee of the Group in FY2024 and FY2023 are 38 and 42 respectively.

附註(2)：本集團於2024年財政年度及2023年財政年度的僱員人數分別為38名及42名。

The Group has set the energy consumption targets of maintaining the discharge intensity (per employee) at the same level of FY2022 by the end of FY2027 and committed to minimising such consumption. The Group achieved the target in FY2024. The Group will continue to promote the concepts of reducing energy consumption and continue to review the effectiveness of the existing initiatives. During the Reporting Period, the Group's premises of operations have implemented the following initiatives:

- Replace heavy-polluting vehicles with more environmentally-friendly models;
- Install energy-saving light bulbs and LED lights across offices;
- Enable power saving modes for all electronic equipment and computers; and
- Continually upgrade electronic equipment, servers, and monitors to energy efficient models.

Water resources

At the Group, the offices withdraw water from municipal water supplies. During the Reporting Period, it did not encounter any problems in sourcing water fit for purpose. However, water resources should not be taken for granted and conserved to ensure a sustainable future. The Group has set water consumption target of maintaining the discharge intensity (per employee) at the same level of FY2022 by the end of FY2027 and committed to minimizing water consumption and enhancing the effectiveness of the use of water resources. The Group achieved the targets in FY2024. We will continue to review the effectiveness of the existing initiatives and the progress of the targets.

本集團設立能源消耗目標為於2027年財政年度結束時將排放密度(每名僱員)維持在與2022年財政年度相同的水平,並致力減少有關消耗。於2024年財政年度,本集團已實現該目標。本集團將繼續推廣減少能源消耗的概念,並繼續檢討現有措施的成效。於報告期內,本集團的經營場所實施以下舉措:

- 用更環保的車型替代產生嚴重污染的車輛;
- 於辦公室內安裝節能燈泡及LED燈;
- 為所有電子設備及電腦啟用省電模式;及
- 不斷將電子設備、伺服器及顯示器升級為節能型號。

水資源

在本集團,辦公室從市政供水中取水。於報告期內,我們在求取適用水源方面並無遇到任何問題。然而,水資源不應視為理所當然,應加以保護以確保未來的可持續發展。本集團已設定用水目標,於2027年財政年度結束時將排放密度(每名僱員)維持在與2022年財政年度相同的水平,並致力減少用水及提高水資源利用效益。於2024年財政年度,本集團已實現該目標。我們將繼續檢討現有舉措的成效及目標進度。

During the Reporting Period, offices and sites have implemented the following initiatives:

- Makes use of dual-flush toilet systems to save water;
- Gives priority to effective water-saving products in purchasing decisions;
- Collects rainwater for watering plants when possible; and
- Checks the hoses and pipes for leaks, cracks, and other damage regularly and repair it in a timely manner.

Due to the change in management company, the consumption of water decreased to a total of 123 cubic metre during the Reporting Period, resulting in a water intensity of 3.24 cubic metre per employee.

於報告期內，各辦公室及場地已採取以下舉措：

- 利用雙抽水馬桶系統以節水；
- 在購買決策中優先考慮有效的節水產品；
- 盡可能收集雨水用作植物澆水；及
- 定期檢查軟管及管道是否出現洩漏、破裂及其他損壞，並及時進行修理。

由於管理公司變動，於報告期的用水量減少至合共123立方米，導致每名僱員的用水密度為3.24立方米。

Water consumption ⁽¹⁾ 用水量 ⁽¹⁾	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度	YOY change 同比變動
Total water consumption 總用水量	cubic metre 立方米	123.0	188.0	(35%)
Water consumption intensity 用水密度	cubic metre/ employee 立方米／僱員	3.24	4.48	(28%)

Note (1): The scope of the data disclosure is limited to the Group's premise of operations in Tokyo, as the water supply at our Hong Kong office is solely controlled by the building management office.

附註(1)：由於我們香港辦公室的供水完全由樓宇管理辦公室控制，因此數據披露的範圍僅限於本集團於東京的經營場所。

Packaging material

Due to the nature of the Group's business, the Group does not manufacture physical products for sale, while packaging materials for auction products are negligible. Therefore, as the Group deemed packaging consumption was not a material topic, it did not disclose any data for this Reporting Period. However, the Group makes efforts to reduce or avoid the use of excessive packaging and/or decorative material.

Aspect A3: The environment and natural resources

As a business engaged in the auctioning of cultural products, we are engaged in the organisation and management of corporate events. We constantly seek to integrate sustainability principles into the event management, such as aiming to reduce waste generated during events. The Group strives to build an eco-conscious culture that ingrains positive lifestyles and habits among employees. It encourages employees to opt for public transportation when commuting to and from offices. The Group also provides eco-friendly office supplies and reusable cups and kitchenware.

Aspect A4: Climate Change

The corporate sector has become increasingly aware of the potential types of impact climate change risks present to their bottom line, as well as the opportunities to transit to a low-carbon economy offers to the private sphere. Albeit in the early stages, the Group has commenced the integration of climate change risks and opportunities within our business strategies. Our Group will conduct an enterprise risk assessment at least once a year to assess the current and potential risks faced by our Group's business, including the potential risks arising from the impacts of climate change. The Group reviews the impact of climate change on its operation on a regular basis and will formulate measures to address risks and achieve sustainable operations in the future.

包裝物料

基於本集團業務的性質，本集團不生產實物產品以作出售，而拍賣產品使用的包裝物料則可忽略不計。因此，由於本集團認為包裝消耗並非重大主題，因此並無披露於報告期的任何數據。然而，本集團致力減少或避免使用過多的包裝及／或裝飾物料。

層面A3：環境及天然資源

作為從事文化產品拍賣的企業，我們參與公司活動的組織及管理。我們不斷尋求將可持續性原則整合至活動管理中，例如旨在減少活動期間產生的廢棄物。本集團致力建立一種環保意識文化，使員工樹立積極的生活方式及習慣。其鼓勵員工上下班時選擇乘搭公共交通工具。本集團亦提供環保辦公用品以及可重複使用的杯子及廚具。

層面A4：氣候變化

企業越來越意識到氣候變化風險對其底線構成的潛在影響類別，以及向私人領域提供低碳經濟轉型的機會。儘管仍處於早期階段，本集團已開始將氣候變化風險及機遇納入我們的經營策略。本集團將至少每年進行一次企業風險評估，以評估本集團業務面臨的當前及潛在風險，包括氣候變化影響帶來的潛在風險。本集團定期檢討氣候變化對其營運的影響，並將制定應對風險的措施，實現未來的可持續營運。

The Group's Environment, Social and Governance policy emphasize that the Group should apply three key strategies: enhance the carbon emission disclosure, improve climate change risk management, and include climate change concerns in the future business plan of the Group. The Group's potential climate-related risks are summarised as below:

本集團的環境、社會及管治政策強調，本集團應實施三項關鍵策略：加強碳排放披露，改善氣候變化風險管理，並將氣候變化問題納入本集團未來的經營計劃。本集團潛在的氣候相關風險概述如下：

Risk Type 風險種類	Risk 風險	Potential Financial Impact 潛在財務影響	Mitigation Strategy 緩解策略
Physical Risks 實體風險	<ul style="list-style-type: none"> Changes in rainfall patterns, extreme changes in weather patterns and more severe extreme weather events 降雨模式變化、天氣模式極端變化及更嚴重的極端天氣事件 	<ul style="list-style-type: none"> Reduced revenue from business due to business disruptions 業務中斷導致業務收益減少 	<ul style="list-style-type: none"> Establish adverse weather condition policy and formulate emergency plans Insurance coverage for fire, flood and typhoon damages to merchandise, fixtures and fittings etc. 設立惡劣天氣政策及制定應急預案 保險範圍涵蓋火災、水災及颱風對商品、裝置及配件等損壞
Transition Risks 過渡風險	<ul style="list-style-type: none"> Changes in environmental-related regulations and increase in discharge responsibility 環境相關法規變化及排放責任增加 	<ul style="list-style-type: none"> Higher operating and compliance costs to adopt new practices 採納新常規的營運及合規成本增加 	<ul style="list-style-type: none"> Adopt energy conservation measures to reduce emissions Continue to monitor the regulatory environment to ensure that the Group has complied with the environmental related laws and regulations 採取節能措施以減少排放 持續監察監管環境以確保本集團遵守環境相關法律及法規

VI. SOCIAL RESPONSIBILITY

The Group ingrains social responsibility into all aspects of its operations. The Group strives to maintain honest and authentic dialogue with staff and seeks to address their needs and views to ensure our conduct is responsible at all times. The Group commits to offering a fair and safe workplace with staff development opportunities. Furthermore, the Group commits to delivering the quality products/services grounded on ethical business conduct and supply chain management, as well as to meaningful engagements with the community.

Aspect B1: Employment

As at the end of the Reporting Period, the Group employed a total of 38 employees, in which 20 and 18 are male and female staff respectively. In term of the workforce by the age group, 5, 18, 7 and 8 of Group's employees were in the age group of less than 30, 30 to 39, 40 to 49 and 50 and more respectively. In terms of the workforce by region, 25, 11, 1 and 1 of the Group's employees are located in Japan, Hong Kong, the PRC and Taiwan. In term of the workforce by employee category, 5, 1 and 32 of Group's employees were executive, technical, administrative respectively. In term of the workforce by employment type, 36 and 2 of Group's employees were full-time employee and part-time employee respectively.

VI. 社會責任

本集團將社會責任植根於其所有營運層面。本集團致力與員工維持誠實及真正對話，並尋求應對其需要及觀點以確保我們於所有時間均以負責任方式行事。本集團致力提供公平及安全且具備員工發展機會的工作場所。此外，本集團致力以道德業務操守及供應鏈管理為基礎而提供優質產品／服務，以及實質參與社群。

層面B1：僱傭

於報告期結束時，本集團合共僱用38名僱員，其中男性及女性員工分別為20名及18名。以年齡組別劃分僱員團隊而言，本集團5名、18名、7名及8名僱員分別屬於30歲以下、30至39歲、40至49歲及50歲及以上的年齡組別。以地區劃分僱員團隊而言，本集團位於日本、香港、中國及台灣的僱員分別為25名、11名、1名及1名。以僱員類別劃分僱員團隊而言，本集團5名、1名及32名僱員分別屬於行政、技術及管理人員。以僱傭類別劃分僱員團隊而言，本集團36名及2名僱員分別屬於全職僱員及兼職僱員。

Employees ⁽¹⁾ 僱員 ⁽¹⁾	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度
Group 本集團	person 人數	38	42
By Gender 按性別			
Male 男性	person 人數	20	20
Female 女性	person 人數	18	22
By Type 按僱傭類別			
Full-Time 全職	person 人數	36	39
Part-Time 兼職	person 人數	2	3
By Category 按僱員類別			
Executive 行政	person 人數	5	5
Technical 技術	person 人數	1	2
Administrative 管理	person 人數	32	35
By Age 按年齡			
Under 30 30歲以下	person 人數	5	7
30-39 30歲至39歲	person 人數	18	20
40-49 40歲至49歲	person 人數	7	11
>= 50 50歲及以上	person 人數	8	4
By Region 按地區			
PRC 中國	person 人數	1	1
Hong Kong 香港	person 人數	11	16
Taiwan 台灣	person 人數	1	1
Japan 日本	person 人數	25	24

Note (1): The data of the number of employees is based on the labour contract signed with employees provided by the human resources department of the Group. The data cover employees who have a direct employment relationship with the Group in accordance with relevant local laws and those whose work or workplace is controlled by the Group. The above method of reporting employment data is based on the “How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs”.

Based on the principles of fairness and equality, the Group’s employment handbook stipulates concrete policies relating to relevant labor laws, regulations and industry practices, covering areas such as compensation, dismissal, promotion, working hours, recruitment, rest periods, equal opportunities, diversity and other benefits and welfare. During the Reporting Period, the Group has encountered no incidents of non-compliance with all major applicable laws and regulations related to employment at all operating regions. Major applicable laws and regulations include, but are not limited to, “Labour Law of the People’s Republic of China”, the “Labour Contract Law of the People’s Republic of China”, “Employment Ordinance” of Hong Kong and the Labor Standards Act in Japan and Taiwan.

The Group’s policies and procedures included in the employment handbook are reviewed and updated on a regular basis. The Group discourages and disallows any behavior that violates the regulations in the employment handbook. Offenders will receive warning, and the Group has the right to terminate employment contract with offenders for any serious violations.

附註(1)：僱員人數的數據乃基於本集團人力資源部門所提供與僱員簽訂的勞動合同。數據涵蓋根據當地相關法律與本集團有直接僱傭關係的僱員，以及由本集團控制其工作或工作場所的僱員。上述僱傭數據的報告方法乃基於《如何準備環境、社會及管治報告 — 附錄三：社會關鍵績效指標匯報指引》。

根據公平及平等原則，本集團的僱傭手冊規定有關相關勞工法律、規例及行業慣例的具體政策，涵蓋多個範圍，例如補償、解僱、晉升、工作時數、招聘、休息時間、平等機會、多元化以及其他利益及福利。於報告期內，本集團於所有營運地區均無涉及違反有關僱傭的所有重大適用法律及規例的事故。重大的適用法律及規例包括但不限於《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、香港的《僱傭條例》以及日本及台灣的《勞動基準法》。

列入僱傭手冊的本集團政策及程序均會定期進行檢討及更新。本集團不鼓勵及不容許違反僱傭手冊內規例的任何行為。違規者將受到警告，而本集團有權就任何嚴重違規行為終止與違規者訂立的僱傭合約。

Remuneration policies

Employees of the Group are remunerated at a competitive level with reference to market terms and individual merits and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to annual review. Employees are entitled to the defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with applicable laws and regulations in Japan. Furthermore, employees are entitled to travel allowances, "thirteenth month" bonus, five-day workweek arrangement and various types of paid leave. The Group has adopted share option scheme as a reward to eligible high-caliber employees and to attract similar high quality personnel that are valuable to the Group. To ensure information transparency on the responsibilities and rights of employees, details are set out in the employment handbook.

The human resources department conducts a comprehensive recruitment review process to ensure that the data provided by the candidates is accurate. The Group's recruitment and promotion process are carried out in a fair and open manner for all employees. Employees are recognised and rewarded by their contribution, work performance and skills, and outcomes will not be affected by any discrimination on the grounds of age, sex, marital status, family status, race, disability, nationality, religion, political affiliation and sexual orientation and other factors. In the case of dismissal, the employment handbook is adhered to which ensures the entire procedure is compliant with statutory requirements. The Group strives to retain the best employees at work, and has continued to monitor staff turnover with a view to identify and manage problems in the termination process. In regards to employee's holiday, if it falls on a statutory holiday, compensatory time off will be offered.

薪酬政策

本集團向僱員提供具競爭力的薪酬，並經參考市場情況及個別僱員能力而定，以及根據其表現及經驗給予獎勵。本集團僱員的晉升及薪酬乃視年度檢討而定。根據香港的《強制性公積金計劃條例》，僱員有權參與定額供款退休福利計劃。本集團根據僱員底薪百分比作出供款。本集團亦根據日本適用法律及規例作出公積金、養老保險、醫療保險、失業保險及工傷保險供款。此外，僱員有權享有交通津貼、「第十三個月」花紅、五天工作週安排及各類有償假期。本集團已採納購股權計劃，作為對合資格優秀僱員的獎勵，並吸引對本集團十分重要的同樣優秀人員。為確保有關僱員於責任及權利的資訊透明度，詳情載於僱傭手冊。

人力資源部門開展全面的招聘評審流程，確保候選人提供的資料準確無誤。本集團的招聘及晉升流程對所有員工均公平公開。員工按其貢獻、工作表現及技能獲得認可及獎勵，且結果不會受到任何基於年齡、性別、婚姻狀況、家庭狀況、種族、殘疾、國籍、宗教、政治聯繫及性傾向以及其他因素的歧視所影響。如遭解僱，一切依據僱傭手冊規定，其中確保一切程序均遵守法律規定。本集團致力挽留最優秀員工，並已不斷監察員工流失率，期望於終止僱用過程中識別及管控問題。在僱員假期方面，如該日子屬於法定假期，則將會提供補假。

During the Reporting Year under review, the Group's employee turnover rate decreased from 90% to 47% in FY2024 due to the business restructure in previous year. The charts below present the turnover rate by gender, age and region.

於回顧報告年度內，本集團的僱員流失率因過往年度業務重組而由90%減少至2024年財政年度的47%。下表載列按性別、年齡及地區劃分的流失率。

Turnover rate ⁽¹⁾ 流失率 ⁽¹⁾	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度
Group 本集團	%	47	90
By Gender 按性別			
Male 男性	%	40	90
Female 女性	%	56	91
By Age Group 按年齡組別			
< 30 <30歲	%	100	100
30–39 30歲至39歲	%	39	105
40–49 40歲至49歲	%	0	36
50–59 50歲至59歲	%	0	125
By Region 按地區			
Japan 日本	%	36	129
Hong Kong 香港	%	45	44
Taiwan 台灣	%	—	—
PRC 中國	%	—	—

Note (1): Employee turnover data are based on labour contracts signed with employees provided by the human resources department of the Group. The turnover rate is calculated by dividing the number of employees who left during the year by the number of employees at the end of the year. The reporting method used for the above turnover data is based on the “How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

Anti-discrimination and diversity

The Group is an equal opportunity employer and does not discriminate on the basis of age, sex, marital status, family status, race, disability, nationality, religion, political affiliation and sexual orientation. We embrace inclusive employment that builds a harmony and respectful workplace. The Group strives to ensure a safe and secure workplace with zero tolerance to any form of abuse and/or sexual harassment in the workplace.

Aspect B2: Workplace health and safety

It is of paramount importance to ensure a safe and healthy workplace for the employees as the Group believes its employees are the most valuable assets of an enterprise. The Group’s management team is responsible for identifying any actual and potential hazards and risks to each individual, work towards a safe and hygienic work environment and to ensure that our work environment is adhered to the requirements of relevant laws and regulations. During the Reporting Period, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to occupational health and safety at all operating regions. Major applicable laws and regulations include, but are not limited to, “Occupational Safety and Health Ordinance” of Hong Kong and Industrial Safety and Health Law in Japan, “Law on Work Safety” of the PRC.

附註(1)：僱員流失率數據乃基於本集團人力資源部門所提供與僱員簽訂的勞動合同。流失率乃按年內離職僱員人數除以年末僱員人數計算。上述流失率數據所使用的報告方法乃基於聯交所發佈的《如何準備環境、社會及管治報告 — 附錄三：社會關鍵績效指標匯報指引》。

反歧視及多元化

本集團為平等機會僱主，並不會基於年齡、性別、婚姻狀況、家庭狀況、種族、殘疾、國籍、宗教、政治聯繫及性傾向而作出歧視行為。我們的僱傭包含共融元素，從而建立和諧及互相尊重的工作場所。本集團致力確保提供安全及穩妥的工作場所，對工作場所內任何形式的濫權及／或性騷擾採取零容忍態度。

層面B2：工作場所健康及安全

本集團確保為僱員建立安全及健康的工作場所至為重要，原因在於本集團相信僱員為企業的最寶貴資產。本集團的管理團隊負責識別每名員工面對的任何實際及潛在危害及風險，並致力於營造安全及衛生之工作環境，及確保我們的工作環境遵守相關法律及規例的規定。於報告期內，本集團於所有營運地區均無涉及違反有關職業健康及安全的所有適用法律及規例的事故。重大的適用法律及規例包括但不限於香港的《職業安全及健康條例》及日本的《工業安全及健康法律》，以及中國的《安全生產法》。

The Group spares no effort to safeguard the safety of our employees and workplace. During the Reporting Period, the Group has adopted the best practices through the following safety policies and procedures.

- Establishes safety guidelines and practices to ensure healthy and safe working conditions for the employees;
- Provides safety orientation to new employees to ensure a thorough understanding of health and safety, and their roles and responsibilities;
- Conducts regular inspections and investigate any reported unsafe conditions;
- Conducts rescue, fire and evacuation drills on a regular basis and according to statutory requirements; and
- Provides safety trainings materials to employees on a regular basis in order to raise awareness of occupational safety.

The Group abides to safety-first principles through the following workplace procedures and provisions that include, but are not limited to:

General measures and initiatives 一般措施及行動

- Examine and maintain the condition of equipment according to supplier's recommendations
根據供應商的建議檢查及保持設備的狀況
- Provide comprehensive training to personnel that engage in manual handling, based on risk assessment evaluations
根據風險評估估算，為從事勞力工作的人員提供全面培訓
- Provide adequate first-aid facilities
提供足夠的急救設施
- Establish emergency plans
制定應急計劃

本集團不遺餘力地保障我們僱員及工作場所的安全。於報告期內，本集團已透過以下安全政策及程序採納最佳常規。

- 制定安全指引及常規以確保為僱員提供健康及安全的工作條件；
- 為新加入僱員提供安全導覽以確保透徹了解健康及安全，以及其角色及責任；
- 進行定期檢查及調查任何報稱不安全情況；
- 定期及按照法律規定進行拯救、防火及疏散演習；及
- 定期向僱員提供安全培訓材料，從而提升職業安全意識。

本集團透過以下工作場所程序及規定遵守安全第一原則，包括但不限於以下各項：

During the past three years, there was no work-related fatalities. Furthermore, there were no lose days due to work injuries in the Reporting Period.

Aspect B3: Development and training

The Group regards our staff as the most valuable assets. The Group dedicates significant resources to attract and retain talented employees, and to ensure that staff grow in competence and skill sets alongside the business. The Group is committed to providing comprehensive on-the-job training programs, which collectively serve as a platform to encourage its staff to develop potential and self-improvement.

The Group seeks to improve its comprehensive internal and external staff training systems. The Group strives to provide promising career development opportunities through on-the-job trainings with a focus on auction operation know-how, customer service techniques, artworks authentication and valuation abilities, through which the employees could strengthen the quality of their skill sets.

Furthermore, every newly appointed director will receive formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

於過往三年內，概無工作相關致命事件。此外，於報告期內，概無因工傷而引致損失工作日數。

層面B3：發展及培訓

本集團視我們的員工為最寶貴的資產。本集團投入大量資源以吸引及挽留優秀僱員，以及確保員工在能力及技能上與業務一同成長。本集團致力於提供全面的在職培訓計劃，整體上作為鼓勵其員工發展潛能及自我提升的平台。

本集團尋求改良其綜合內部及外聘員工培訓系統。本集團透過在職培訓，提供理想的職業發展機會，而培訓重點為拍賣營運訣竅、客戶服務技巧及藝術品真偽鑑定與估值能力，僱員可藉此加強其技能質素。

此外，每名新委任董事將於其首次接受委任時獲得正式、全面及適切的就任須知，以確保適當了解本公司的業務及營運，以及充分理解於上市規則及相關法律規定項下的董事責任及義務。

The Group also encouraged the directors to participate in continuing professional development to develop and refresh knowledge and skills. Internally-facilitated briefings for directors would be arranged and reading materials on relevant topics would be provided to directors where appropriate. All directors are also committed to participating any suitable training to develop and refresh their knowledge and skills.

During the Reporting Period under review, a total number of 42 employees have attended training hours, of which 20 and 22 were male and female respectively. In terms of employee category, 5 (i.e. 12%), 2 (i.e. 5%) and 35 (i.e. 83%) of employees trained were of executive, technical and administrative respectively.

During the Reporting Period under review, the Group has provided a total of 46 training hours for staff, which averages to 1.30 and 0.91 hours per male and female staff. In terms of employee category, an average of 2.0, 1.0 and 1.0 training hours per staff were received by executive, technical and administrative grade employees.

本集團亦鼓勵董事參與持續專業發展，以發展及重溫知識及技能。在適當情況下，本集團將為董事安排內部特設的簡報會及向董事提供相關專題的閱讀材料。所有董事亦承諾參與任何適合培訓以發展及重溫其知識及技能。

於回顧報告期內，共有42名僱員參加培訓，其中分別20名為男性及22名為女性。按僱員類別計，5名（即12%）、2名（即5%）及35名（即83%）受訓僱員分別屬行政人員、技術人員及管理人員。

於回顧報告期內，本集團為員工提供共計46個小時的培訓，每名男性及女性員工平均受訓1.30個及0.91個小時。按僱員類別計，行政、技術及管理人員職級的僱員每人平均接受2.0、1.0及1.0個小時的培訓。

Development and Training ⁽¹⁾ 發展及培訓 ⁽¹⁾	FY2024 2024年財政年度		FY2023 2023年財政年度	
	Trained Employee (in percentage) 受訓僱員 (以百分比計)	Average Training hours (in hour) 平均受訓時數 (以小時計)	Trained Employee (in percentage) ⁽²⁾ 受訓僱員 (以百分比計) ⁽²⁾	Average Training hours (in hour) 平均受訓時數 (以小時計)
Group 本集團	100%	1.12	100%	1.10
By Gender 按性別				
Male 男性	48%	1.13	56%	1.30
Female 女性	52%	1.11	44%	0.91
Employee Category 僱員類別				
Executive 行政人員	12%	2.00	12%	2.00
Technical 技術人員	5%	1.00	5%	1.00
Administrative 管理人員	83%	1.00	83%	0.97

Note (1): The employee's training data are obtained from the Company's human resources department. Training refers to the vocational training that the employees of the Company participated in during the year. The method adopted for the above report on the number and percentage of trained employees are based on "How to prepare an ESG Report Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

Note (2): The percentages have been restated as the method on the percentage of trained employees adopted changed and based on "How to prepare an ESG Report Appendix 3: Reporting Guidance on Social KPIs" issued by HKEX.

附註(1)：僱員培訓數據來自本公司的人力資源部門。培訓指本公司僱員於年內參與的職業培訓。上述報告所採納受訓僱員人數及百分比的方法乃基於香港交易所發佈的《如何準備環境、社會及管治報告附錄三：社會關鍵績效指標匯報指引》。

附註(2)：由於得出受訓僱員百分比所採納的方法有所變動，百分比已根據香港交易所發佈的《如何準備環境、社會及管治報告附錄三：社會關鍵績效指標匯報指引》重列。

Aspect B4: Labor Standard

The Group strictly prohibits all forms of child labour, forced labour or modern slavery. The Group has established and implemented the staff handbook which contains concrete policies relating to relevant labor laws, regulations and industry practices, covering areas such as compensation, dismissal, promotion, working hours, recruitment, rest periods, equal opportunities, diversity and other benefits and welfare. Cases of child labour in our businesses are averted by conducting age verification of all job applicants.

During the Reporting Period under review, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to anti-child and anti-forced labour practices at all operating regions. Major applicable laws and regulations include, but are not limited to, "Employment Ordinance" of Hong Kong and the Labor Standards Act in Japan and Taiwan.

Aspect B5: Supply chain management

The Group is committed to developing and maintaining effective and mutually beneficial working relationships with our business partners. During the Reporting Period, the suppliers include mainly sellers from whom the Group purchase artworks as principal for the artwork sales segment, property owners who provide venue for artwork preview exhibition and art auction operation, suppliers of event organization and accommodation booking services for the artwork preview exhibition and art auction operation, suppliers of photo-taking, printing and delivery services for the auction catalogs, and suppliers of delivery services for the auctioned artworks and security and insurance services. During the Reporting Period, the Group has encountered no incidents of non-compliance with all related laws and regulations at all operating regions.

層面B4：勞工準則

本集團嚴格禁止所有形式的童工、強迫勞工或現代奴役方式。本集團已制定及執行員工手冊，內容囊括有關相關勞動法律、規例及行業慣例之具體政策，涵蓋範圍涉及補償、解僱、晉升、工作時數、招聘、休息時間、平等機會、多元化以及其他利益及福利等。我們的業務透過對所有求職者進行年齡核實以避免聘用童工。

於回顧報告期內，本集團於所有營運地區均無涉及違反有關反對童工及反對強迫勞工手法的所有適用法律及規例的事故。重大的適用法律及規例包括但不限於香港的《僱傭條例》以及日本及台灣的《勞動基準法》。

層面B5：供應鏈管理

本集團承諾與我們的業務夥伴建立及維持有效及互惠互利的工作關係。於報告期內，供應商主要包括本集團以主事人身份就藝術品銷售分部向其購買藝術品的賣家、提供場地作藝術品預展及舉行藝術品拍賣會的業主、為藝術品預展及舉行藝術品拍賣會提供活動籌備及住宿預訂服務的供應商、為拍品圖錄提供攝影、印刷及付運服務的供應商，以及為已拍賣藝術品提供付運服務、保安及保險服務的供應商。於報告期內，本集團於所有營運地區均無涉及違反所有相關法律及規例的事故。

The major suppliers of the Group are located in PRC, Hong Kong and Japan. The geographical distribution of the suppliers of the Group is as below.

本集團的主要供應商位於中國、香港及日本。本集團供應商的地域分佈如下。

Distribution of suppliers 供應商分佈	Unit 單位	FY2024 2024年財政年度	FY2023 2023年財政年度
By Region 按地區			
Japan 日本	%	55	55
Hong Kong 香港	%	30	30
PRC 中國	%	10	10
Other regions 其他地區	%	5	5

The Group generally selects suppliers based on their scale of business and reputation. The Group also supports and encourages the suppliers to promote efficient use of resources and environmental protection and fulfill corporate social responsibility. The Group will take a fair and open principle on procurement of materials and services.

本集團一般以供應商的業務規模及聲譽挑選供應商。本集團亦支持及鼓勵供應商提倡高效運用資源及環保元素以及履行企業社會責任。本集團在採購材料及服務時將採取公平及開放原則。

The quality of artworks is essential to the Group's business as they are the main products. The Group purchases artworks which the Group believes has appreciation potential and resell them to independent third parties. The Group has implemented internal control and risk management systems to authenticate and value the artworks. All the artwork sellers must pass the stringent assessment procedures, such as screening and authenticate the artworks before purchasing them for resale. Furthermore, the Group has established Internal Artwork Appraisal Team and External Artwork Appraisal Consultants to advise the Group on the authenticity and valuation of different types of artworks. The team will authenticate and value them in accordance with the Group's internal control policy. The Group would not approve or purchase from unqualified suppliers.

Furthermore, the Group gradually takes environmental consideration into account in the procurement process. To integrate the environmental vision into the procurement of product supplies, the Group avoids disposable products and chooses suppliers who provide durable products with less packaging materials. Priority will be given to environmentally friendly materials and office goods, so as to raise the suppliers' awareness of sustainable development.

The Group has integrated the pandemic risks into our enterprise risk management mechanism and future business plan. We have suspended public activities and events, in contrast, we utilise new communication technologies and existing digital infrastructure to facilitate seamless communication for business continuity — conducted auction in our auction online platform. We keep our customers and supply chain partners informed of the latest business information and ensure short term demand-supply synchronization.

Aspect B6: Product responsibility

The Group offers quality products and services grounded on responsible operating practices. The Group commits to meeting customer needs through innovation and sound business ethics.

由於藝術品為主要產品，其質素對本集團業務至關重要。本集團購買本集團相信擁有升值潛力的藝術品及將其轉售予獨立第三方。本集團已實行內部監控及風險管理系統為藝術品鑑定真偽及釐定價值。所有藝術品賣家必須通過嚴謹的評估程序，例如在購買藝術品作轉售前為其進行篩選及鑑定真偽。此外，本集團已設立內部藝術品鑑定團隊及聘用外部藝術品鑑定顧問，為不同種類的藝術品的真偽及估值向本集團提供意見。該團隊將根據本集團的內部監控政策為藝術品鑑定真偽及釐定價值。本集團不會接受不合資格供應商或自其購買藝術品。

此外，本集團逐漸將環保元素納入採購程序。為了將環保願景與產品供應的採購互相結合，本集團避免即用即棄產品及選取以較少包裝材料提供耐用產品的供應商。本集團優先選用環保材料及辦公室物品，從而提升供應商的可持續發展意識。

本集團已將疫情風險納入企業風險管理機制及未來業務計劃中。我們已暫停公眾活動，改為使用嶄新的通訊科技及現有數碼基建來進行無縫通訊 — 於拍賣線上平台進行拍賣，以延續業務。我們使客戶及供應鏈夥伴得悉業務的最新消息，確保短期內供需同步。

層面B6：產品責任

本集團以負責任的營運常規為基礎提供優質產品及服務。本集團致力透過創新及完善的商業道德以應對客戶需要。

Product quality and safety

Assuring the quality and safety of the artworks and services is of the topmost importance. The Group has implemented concrete internal control system and risk management system to authenticate and value the artworks for auction or for resale. All the artwork must pass the stringent assessment procedures, such as screening and authenticating the artworks. Furthermore, the Group has established an internal artwork appraisal team and hired external artwork appraisal consultants to advise the Group on the authenticity and valuation of different types of artworks. The team, which consist of well recognised experts and external artwork appraisal consultants with adequate qualification and experience, will authenticate and value them in accordance with the Group's internal control policy.

The confirmation of ownership and legality of the source is crucial before selling the artworks, the Group has implemented a series of due diligence work on the background of the artworks. After examined the artworks and ascertained the provenance of the artwork, the appraisal team will produce assessment reports. The internal artwork appraisal team will consider seeking advice and a second opinion from the external artwork appraisal consultants if necessary. If there is a discrepancy on the authentication and valuation of a particular artwork between the internal artwork appraisal team and the external artwork appraisal consultants after a detailed discussion, such particular artwork will not be put for auction. Otherwise, the final valuation should be the valuation made by both parties and agreed and confirmed by the consignor in the signed auction consignment agreement with us for record and further procedure.

Regarding the artworks on consignment, the Group has implemented a series of following measures for ownership confirmation. The Group will not accept any artwork that we know is subject to title disputes or legal impediments.

- Requests the consignor to provide documents to prove ownership, authenticity and value of the artwork and verify the authenticity and origin of the relevant artwork;

產品質量及安全

確保藝術品及服務的質量及安全至為重要。本集團已實行具體的內部監控系統及風險管理系統，為藝術品鑑定真偽及釐定價值以供拍賣或轉售。所有藝術品必須通過嚴謹的評估程序，例如篩選藝術品及鑑定其真偽。此外，本集團已設立內部藝術品鑑定團隊及聘用外部藝術品鑑定顧問，為不同種類的藝術品的真偽及估值向本集團提供意見。該團隊由廣受認同的專家及擁有足夠資歷及經驗的外部藝術品鑑定顧問組成，將根據本集團的內部監控政策為藝術品鑑定真偽及釐定價值。

在出售藝術品前，確認其擁有權及來源合法性非常重要，本集團已就藝術品的背景進行一連串的盡職審查工作。在檢查藝術品及確定藝術品的出處後，鑑定團隊將編製評估報告。如有需要，內部藝術品鑑定團隊將考慮自外部藝術品鑑定顧問尋求建議及第二意見。倘若內部藝術品鑑定團隊與外部藝術品鑑定顧問進行詳盡會談後仍對特定藝術品的真偽及估值存在分歧，該特定藝術品將不會進行拍賣。否則，最終估值應為雙方作出的估值，該數值並且須經由委託人與我們簽署訂立的拍賣委託協議協定和確認，以作記錄及進一步程序。

有關委託藝術品方面，本集團就確認擁有權實行以下一連串措施。本集團不會接受任何受制於所有權爭議或法律障礙的藝術品。

- 要求委託人提供文件以證實藝術品的擁有權、真偽及價值，並會鑑定相關藝術品的真偽及來源；

- Requests the consignor to provide authentication or artist certificate or previous purchase record in auction or private transaction, if any;
 - Conducts public searches through the internet and from the public security and court record, including but not limited to the “Stolen (Lost) Cultural Relics Information Publishing Platform of China” to retrieve any record of artworks, if any; and
 - Gives representations and warranties to the ownership and legality of source, and such representations and warranties are set out as an express term in the auction consignment agreement or the sale agreement.
- 要求委託人提供藝術品的鑑定證明或藝術家證書或過往在拍賣活動或私人交易中的購買記錄(如有)；
 - 透過互聯網及公安和法庭記錄進行公開查冊，包括但不限於「中國被盜(丟失)文物信息發佈平台」，以獲取藝術品的任何記錄(如有)；及
 - 對藝術品的擁有權及來源合法性作出聲明及保證，並將該等聲明及保證列入拍賣委託協議或銷售協議的明文條款中。

During the Reporting Period, the Group did not faced any major product liability claims, and did not recalled any products due to safety and health reason. The Group treats all the complaints and feedback seriously and handles them in a timely and professional manner. We will review and investigate the complaints and feedback and takes the immediate actions when necessary. During the Reporting Period, the Group had not received any major customer complaints about the quality of the Group's products.

Fair and Open Competition

The Group promotes fair and open competition that aims to develop long-term relationships with its buyers and suppliers based on mutual trust. The Group has ensured the fairness and transparency of the auction. For example, the background information and facts about the auction lots would be disclosed in details to public. The Group implements “Know Your Client” due diligence and client screening procedures that aim at evaluating the identity, financial background, reputation and business activities (if any) of a new seller and buyer. The Group requests the seller to provide documents to prove ownership, authenticity and value of the artwork and verify the authenticity and origin of the relevant artwork on its own.

於報告期內，本集團並無面臨任何重大產品責任索償，且無因安全與健康理由而召回任何產品。本集團認真對待所有投訴及反饋，並及時以專業態度處理。我們將審閱及調查有關投訴及反饋並於必要時採取即時行動。於報告期內，本集團並無接到任何客戶對本集團產品質量作出的重大投訴。

公平公開競爭

本集團提倡公平公開競爭，旨在與其買家及供應商建立以互信為基礎的長期關係。本集團已確保拍賣的公平性及透明度。舉例而言，我們詳細向公眾披露藝術拍賣品的背景資料及事實。本集團實施「認識你的客戶」盡職審查和客戶篩查程序，旨在評估新賣家及買家的身份、財務背景、聲譽及業務活動(如有)。本集團要求賣家提供文件以證實藝術品的擁有權、真偽及價值，並會自行鑑定相關藝術品的真偽及來源。

Ethical operating practices

The Group places great value in conducting all aspects of our businesses with integrity and honest values. From protection of data privacy and intellectual property to ethical marketing communication, our robust management approaches ensure even the most trivial aspects is not overlooked. During the Reporting Period, the Group has encountered no incidents of non-compliance with all applicable laws and regulations related to data privacy, advertising, labelling matters at all operating regions. Major applicable laws and regulations include, but are not limited to, Hong Kong Personal Data (Privacy) Ordinance, Personal Data Protection Act in Japan, the PRC and Taiwan.

Personal data privacy protection

The Group is committed to protecting privacy and confidentiality of the collected personal data. The Group is conscientious about securing communication and data protection, and the Group respects all individuals' legal rights to privacy. As the Group owns electronic artworks database, online auction platform and information on a large number of buyers and sellers, regular enhancements on the anti-virus protection system are proceeded by information technology personnel. The Group has established internal policies on handling personal data recorded from our employees, customers and other business partners. The Group collects data only in a lawful and fair way, for directly related purposes of which the data subject is clearly notified. The employees are instructed to handle client information with due care and access to the client information only with good reasons. The Group collects and uses client information in a responsible and non-discriminatory manner and has restricted the use of client information for the purposes that are only in consistent with those identified in engagement contracts. During the Reporting Period, the Group has complied with the requirements of the Personal Data Ordinance of Hong Kong and Act on the Protection of Personal Information of Japan.

道德營運常規

本集團非常重視在進行所有業務層面時堅守誠信及忠誠的價值。由保障資料私隱及知識產權以至道德營銷傳訊，我們的穩健管理方式確保最微細的層面亦不會被忽略。於報告期內，本集團於所有營運地區均無涉及違反有關資料私隱、廣告、標籤事項的所有適用法律及規例的事故。重大的適用法律及規例包括但不限於香港的《個人資料(私隱)條例》，以及日本、中國及台灣的《個人資料保障法》。

個人資料私隱保障

本集團承諾保障所收集個人資料的私隱及保密。本集團極其重視溝通及保障資料安全，且尊重法例賦予每個人之私隱權。由於本集團擁有藝術品電子數據庫、線上拍賣平台及大量買家及賣家的資料，因此資訊科技人員定期更新病毒防護系統。本集團已制定有關處理從我們的僱員、客戶及其他業務夥伴所取得個人資料的內部政策。本集團只會以合法及公平方式收集資料，並清楚表明只會以與資料目標直接有關的目的收集資料。本集團要求僱員小心處理客戶資料及僅於有合理理由時方可取得客戶資料。本集團以負責任及非歧視方式收集及使用客戶資料，並已限制僅以使用委聘合約列明的目的使用客戶資料。於報告期內，本集團一直遵守香港的《個人資料(私隱)條例》及日本的《個人資料保障法》的規定。

Advertising and product labelling

Responsible marketing practices are crucial to gaining customer trust and confidence. The Group has implemented clear guidelines on the ethical usage of all forms of sales promotion and direct marketing and digital marketing communications. All auction catalogs for artworks available on our website are reviewed to ensure the information is complete and accurate. The Group also produce and distribute self-designed consigned auctions catalogs in our art auctions. Product labelling serves a critical function, ensuring unique product identification and that customers are informed of any possible product risks. Ongoing assessment of policies is conducted through periodic assessment.

Aspect B7: Anti-corruption

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty and to comply with the relevant legal norms and ethical standards. It is every employee's responsibility and it is all interest of the company to ensure that any inappropriate behavior or organisational malpractice that compromises the interest of the shareholders, investors, customers and the wider public does not occur. During the year, the Group held internal trainings regarding the anti-corruption and anti-money laundering, including but not limited to laws and regulations, and sent out the anti-corruption materials to the staff. To ensure the continuous enhancement of our anti-corruption internal controls, the Group conducts annual corruption risk assessments.

The Group has implemented whistle-blowing policy to encourage employees and others who have serious concerns to voice any suspected misconduct, illegal acts or failure to act. Employees who breach the anti-corruption policy will face disciplinary action, which could result in dismissal for serious misconduct. The Group has no tolerance to any corruption and set whistle-blowing policy to report any corruption. Whistle-blowers can report verbally or in writing to the department or the senior management of the Group with regards to any suspected misconduct with full details and supporting evidence.

廣告及產品標籤

負責任的營銷手法對爭取客戶信賴及信心非常重要。本集團已就以合乎道德方式使用一切形式的銷售推廣及直接營銷及數碼營銷傳訊而實行清晰指引。有關藝術品的所有拍品圖錄均可於我們的網站上審視以確保有關資料為完備及準確。本集團亦製作及於本身的藝術品拍賣會中派發自行設計的受委託拍品圖錄。產品標籤肩負非常重要的作用，確保獨特的產品識別及讓客戶得悉任何可能存在的產品風險。我們會透過定期評估而持續評估政策。

層面B7：反貪污

本集團致力在公開、廉潔及問責性方面達致及維持最高標準。我們要求各個層級的僱員均以具誠信、公正及誠實方式行事並遵守相關法律規範及道德標準。每名僱員均有責任確保不會發生損害股東、投資者、客戶以至廣大公眾利益之任何不當或有組織瀆職行為，此舉亦符合本公司的整體利益。年內，本集團舉行有關反貪污及反洗錢的內部培訓（包括但不限於法律及法規），並向員工發出反貪污資料。為確保我們的反貪污內部控制持續加強，本集團進行年度貪污風險評估。

本集團已實行舉報政策以鼓勵對事件感到非常關注的僱員及其他人士提出任何懷疑的不當行為、不法行為或疏忽行事。違反反貪污政策的僱員將面對紀律行動，並可能因嚴重不當行為而遭到解僱。本集團絕不容忍任何貪污行為，並制定舉報政策以報告任何貪污行為。舉報人可以口頭或書面向本集團的部門或高級管理層報告任何懷疑的不當行為的詳情及證據。

Furthermore, the Group performs regular screening and monitoring process after each auction event and conducts investigation on situations indicating potential money-laundering activities. If the money-laundering activities were identified, any suspicious transactions of the respective seller or buyer will be suspended and the business relationship with such buyer or seller may be terminated subject to result of the investigation.

During the Reporting Period, the Group has encountered no incidents of non-compliance with all applicable laws and regulations at all operating regions. Major applicable laws and regulations include, but are not limited to, the “Criminal and Civil Law” of the PRC and the “Prevention of Bribery Ordinance” of Hong Kong. During the Reporting Period, the Group has strictly abided by all the rules and regulations, no litigation regarding bribery has been instituted against the Group and its staff.

Aspect B8: Community investment

Despite the challenging market and economic conditions, the Group is committed to contributing to socio-economic development, community well-being and sustainability. For the Group’s long-term development, community participation is important. As a responsible corporate citizen, the Group is constantly aware of the needs and is committed to promoting development activities of the community at which the Group operates. The Group also encourages staff to spend time and efforts in various community projects and make contributions to the community.

此外，本集團會在每次拍賣活動後執行定期篩查及監察程序，並在顯示可能有洗錢活動發生的情況下進行調查。如經識別為洗錢活動，則相關賣家或買家的任何可疑交易將會中止，而根據調查結果，可能終止與該買家或賣家的業務關係。

於報告期內，本集團於所有營運地區均無涉及違反所有適用法律及規例的事故。重大的適用法律及規例包括但不限於中國的《刑法及民法》及香港的《防止賄賂條例》。於報告期內，本集團嚴格遵守所有規則及規例，並無發生對本集團及其員工提出有關賄賂的訴訟。

層面B8：社區投資

儘管市場和經濟狀況面臨重重挑戰，但本集團竭力向社會經濟發展、社區福祉及可持續性作出貢獻。就本集團的長期發展而言，社區參與非常重要。作為負責任的企業公民，本集團經常留意有關需要及承諾於本集團經營的社區提倡發展活動。本集團亦鼓勵員工投入時間及努力於不同社區項目，為社區作出貢獻。

REPORTS OF THE DIRECTORS

董事會報告

The Directors submit herewith their report together with the audited consolidated financial statements of the Group for the Reporting Period.

PRINCIPAL BUSINESS ACTIVITIES

The Group is a well-recognised auction house of Chinese and Japanese artworks in Hong Kong and Japan. The Group specialises in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese teawares.

An analysis of the Group's performance for the year by operating segment is set out in Note 5 to the consolidated financial statements.

BUSINESS REVIEW

Part of the business review as required under Schedule 5 to the Companies Ordinance is included in the section headed "Management Discussion and Analysis" in this annual report on pages 8 to 20 and such contents form part of this Report of the Directors.

RESULTS AND DIVIDENDS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss on page 123 of this annual report.

The Board did not recommend the payment of any dividend for the years ended 31 March 2024 and 2023.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five year is set out on page 255 of this annual report.

董事謹此提呈報告及本集團於報告期間的經審核合併財務報表。

主要業務活動

本集團是香港及日本知名的中國及日本藝術品拍賣行。本集團專注拍賣以中國及日本藝術品為主的各種藝術品，包括中國書畫、中國古董及日本及中國茶具。

本集團在本年度之業績表現按營運分部進行的分析載於合併財務報表附註5。

業務審視

部分根據公司條例附表5的業務審視載列於本年報第8至20頁的「管理層討論及分析」一節內，上述內容為本董事會報告一部分。

業績及股息

本集團於報告期間業績載於本年報第123頁合併損益表。

董事會並不建議就截至2024年及2023年3月31日止年度派付任何股息。

財務概要

本集團過去五年之業績以及資產及負債概要載於本年報第255頁。

DIVIDEND POLICY

The Company has adopted the Dividend Policy, which aims to set out the principles and guidelines that the Company applies to the declaration and distribution of dividends to the Shareholders. The Company may by ordinary resolution declare dividends as the Directors consider appropriate. The determination to pay dividends will be based on the Company's profits, cash flows, financial condition, capital requirements and other conditions that the Board deems relevant. No dividend shall be payable except out of the profits or other distributable reserves of the Company available for distribution. Except as otherwise provided by the Articles or the rights attached to Shares or the terms of issue thereof, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. The Company may pay dividends by any method that the Directors consider appropriate.

PROPERTY, PLANT AND EQUIPMENT

Details of movements during the Reporting Period in the property, plant and equipment of the Group are set out in Note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements during the Reporting Period in the share capital of the Company are set out in Note 26 to the consolidated financial statements.

DEBENTURES ISSUED

The Company did not have any debentures in issue for the Reporting Period.

EQUITY-LINKED AGREEMENT

During the Reporting Period, save for the Share Option Scheme as set out in the paragraph headed "Share Option Scheme" of this Report of the Directors, the Company did not enter into any other equity-linked agreement, nor did any other equity-linked agreement exist during the Reporting Period. Please refer to the paragraph headed "Share Option Scheme" in this Report of the Directors and Note 35 to the consolidated financial statements for further information about the Share Option Scheme.

股息政策

本公司已採納股息政策，旨在載列本公司適用於向股東宣派及派發股息的原則及指引。本公司可通過普通決議案宣派董事認為適當的股息。支付股息的決定將基於本公司的利潤、現金流量、財務狀況、資本要求以及董事會認為相關的其他條件。股息只能從本公司可供分派之溢利或其他可供分派之儲備中支付。除非在細則或任何附於股份之權利或其發行條款另有規定，所有股息將根據派付股息的股份繳足金額宣派及支付。本公司可按董事認為適當的任何方法支付股息。

物業、廠房及設備

本集團物業、廠房及設備於報告期間的變動詳情載於合併財務報表附註15。

股本

本公司股本於報告期間的變動詳情載於合併財務報表附註26。

已發行債權證

本公司於報告期間並無任何已發行債權證。

股票掛鈎協議

於報告期間，除本董事會報告「購股權計劃」一段所載購股權計劃外，本公司並無訂立任何其他股票掛鈎協議，亦無任何其他股票掛鈎協議於報告期間存在。有關購股權計劃之進一步資料，請參閱本董事會報告「購股權計劃」一段及合併財務報表附註35。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

During the Reporting Period, neither the Company nor any of its subsidiaries were a party to any arrangements to enable the Directors (including their spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 127 of this annual report and Note 27 to the consolidated financial statements, respectively.

Distributable reserves of the Company as at 31 March 2024 calculated under Part 6 of the Companies Ordinance amounted to approximately HK\$8.1 million.

DIRECTORS

The Directors during the Reporting Period and up to the date of this Report of the Directors were:

Executive Directors

Mr. Ando Shokei (alias Liao Xianggui) (*Chairman*)
Mrs. Ando Eri (alias Feng Huijin)
Mr. Katsu Bunkai (alias Ge Wenhai)
Mr. Sun Hongyue

Independent Non-executive Directors

Mr. Chung Kwok Mo John
Ms. Lam Suk Ling Shirley
Mr. Chun Chi Man

Mr. Chung Kwok Mo John, Ms. Lam Suk Ling Shirley and Mr. Chun Chi Man are independent non-executive directors and were appointed for an initial term of three years commencing from 13 September 2018, which may be terminated by either party giving not less than three months' written notice. The term of appointment shall be renewed and extended automatically for successive term of one year upon expiry of the then current term until terminated by either party giving not less than three months' written notice to the other.

購回股份或債權證之安排

於報告期間，概無本公司或其任何附屬公司參與任何安排，致使董事（包括彼等之配偶及十八歲以下之子女）可藉購入本公司或任何其他法人團體的股份或債權證而獲取利益。

儲備

本集團及本公司的儲備於年內的變動詳情，分別載於本年報第127頁合併權益變動表及合併財務報表附註27。

按照公司條例第6部所計算，本公司於2024年3月31日之可供分派儲備約為8.1百萬港元。

董事

於報告期間及直至本董事會報告日期之董事如下：

執行董事

安藤湘桂先生(又名廖湘桂)(主席)
安藤惠理女士(又名馮慧瑾)
葛文海先生
孫鴻月先生

獨立非執行董事

鍾國武先生
林淑玲女士
秦治民先生

鍾國武先生、林淑玲女士及秦治民先生均為獨立非執行董事，初步委任年期自2018年9月13日起計為期三年，可由任何一方發出不少於三個月的書面通知予以終止。委任任期於當時的現有任期屆滿後自動重續及延長一年，直至任何一方向另一方發出不少於三個月的書面通知予以終止為止。

During the Reporting Period and up to the date of this report, Mr. Ando Shokei, Mrs. Ando Eri and Mr. Katsu Bunkai are also directors in certain subsidiaries of the Company.

Other directors of the Company's subsidiaries during the Reporting Period and up to the date of this report were:

Mr. Chak Chi Shing
Ms. Peng Kuan Lin

Directors' service contracts

As at 31 March 2024, none of the Directors had a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

The Directors' remuneration is determined with reference to the remuneration of the comparable companies, the Directors' time contribution, duties and responsibilities and individual performance as well as the results of the Group.

Biographical details of Directors and senior management

Biographical details of Directors and senior management are set out in page 21 to 28 of this annual report.

Executive Directors

Each of the executive Directors has entered into a service contract with the Company pursuant to which they agreed to act as executive Directors for an initial term of three years with effect from 13 September 2018 which may be terminated by either party by giving not less than three months' written notice.

The term of service contract shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term until terminated by either party by giving not less than three months' written notice.

於報告期間及直至本報告日期，安藤湘桂先生、安藤惠理女士及葛文海先生亦為本公司若干附屬公司的董事。

於報告期間及直至本報告日期，本公司附屬公司的其他董事如下：

翟志勝先生
彭貫琳女士

董事的服務合約

於2024年3月31日，董事與本公司或其任何附屬公司概無訂立任何本公司於一年內不作賠償（法定賠償除外）而不可終止的服務合約。

董事薪酬乃根據可資比較公司支付的薪酬、董事投入的時間、職務及責任、個別工作表現及本集團的業績而釐定。

董事及高級管理層履歷詳情

董事及高級管理層履歷詳情載於本年報第21至28頁。

執行董事

各執行董事與本公司已訂立服務合約，據此，彼等同意出任執行董事，任期由2018年9月13日起初步為期三年，並可由任何一方發出不少於三個月書面通知予以終止。

服務合約的條款將在當時的現有任期屆滿後自動重續及延長一年，直至由任何一方發出不少於三個月書面通知予以終止為止。

During the term of the service contract, each of the executive Directors is entitled to a salary (subject to an annual increment after 1 April 2019 at the discretion of the Directors of not more than 10% of the average annual salary for the 12 months immediately prior to such increase).

In addition, during the term of the service contract, each of the executive Directors is also entitled to a discretionary management bonus in such sum as the Board may in its absolute discretion determine provided that the aggregate amount of bonuses payable to all the executive Directors for any financial year of the Company shall not exceed 10% of the audited consolidated or combined net profit attributable to the shareholders of the Company (after taxation and minority interests and payment of such bonuses but before extraordinary or exceptional items) in respect of that financial year of the Company. An executive Director may not vote on any resolution of the Directors regarding the amount of management bonus payable to him/her.

Independent non-executive Directors

Each of the independent non-executive Directors has been appointed for an initial term of three years commencing from 13 September 2018, which may be terminated by either party giving not less than three months' written notice. The term of appointment shall be renewed and extended automatically for successive term of one year upon expiry of the then current term until terminated by either party giving not less than three months' written notice to the other. The appointments are subject to the provisions of the Articles with regard to vacation of office of Directors, removal and retirement by rotation of Directors. Each of the independent non-executive Directors is entitled to a director's fee of HK\$240,000 per annum. Save for directors' fees, none of the independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

於服務合約任期內，執行董事各自有權收取薪酬（於2019年4月1日後可由董事酌情增加，年度增幅不多於緊接該增加前十二個月平均年薪的10%）。

此外，於服務合約任期內，各執行董事亦有權獲得酌情管理層花紅，金額由董事會全權酌情釐定，惟本公司於任何財政年度向所有執行董事應付的該項花紅總額不得超過本公司於該財政年度的本公司股東應佔經審核合併或匯總純利（除稅、少數股東權益及該等花紅付款後，但未扣除非經常或特殊項目）的10%。執行董事不得就任何有關應付其的管理層花紅之金額的董事決議案投票。

獨立非執行董事

各獨立非執行董事的初步委任年期自2018年9月13日起計為期三年，可由任何一方發出不少於三個月的書面通知予以終止。委任任期於當時的現有任期屆滿後自動重續及延長一年，直至任何一方向另一方發出不少於三個月的書面通知予以終止為止。該等委任受細則中有關董事離任、罷免及董事輪席退任的條文規限。各獨立非執行董事均有權每年收取240,000港元的董事袍金。除董事袍金外，預期並無獨立非執行董事會因擔任獨立非執行董事一職而收取任何其他薪酬。

Directors' and senior management remuneration

Details of the remuneration of the Directors of the Group for the Reporting Period are set out in Notes 13 and 38 to the consolidated financial statements of the Company. The remuneration of each senior management personnel by band is as follows:

		No. of senior management 高級管理層人員數目
Less than HK\$1,000,000	少於1,000,000港元	2
More than HK\$1,000,001 and less than HK\$2,000,000	多於1,000,001港元及少於 2,000,000港元	1

董事及高級管理層薪酬

本集團董事於報告期間的薪酬詳情載於本公司合併財務報表附註13及38。各高級管理層人員的薪酬範圍如下：

Directors' interest in transactions, arrangements or contracts of significance

Save as disclosed in Notes 13 and 38 to the consolidated financial statements, no transactions, arrangements and 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/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the Reporting Period or at any time during the Reporting Period.

董事於重大交易、安排或合約之權益

除合併財務報表附註13及38所披露者外，概無與本集團業務有關的重大交易、安排及合約於報告期間末或報告期間內任何時間存續，而當中本公司或其任何附屬公司為訂約方，且董事或其關連實體直接或間接擁有重大權益。

Changes in Director's biographical details

Save as disclosed in this annual report, the Company is not aware of other changes in the Directors' information which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

董事履歷詳情變動

除本年報所披露者外，本公司並不知悉董事資料有其他變動，而須根據上市規則第13.51B(1)條作出披露。

PERMITTED INDEMNITY PROVISION

In accordance with the definition of section 469 of the Companies Ordinance, the permitted indemnity provision in relation to the director's and officer's liability insurance was in force during the Reporting Period and remains in force as at the date of this annual report.

獲准許的彌償條文

根據公司條例第469條中的定義，有關董事及要員責任保險的獲准許彌償條文於報告期間有效及直至本年報日期仍然有效。

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the Prospectus under the section headed "Continuing Connected Transaction" and the transactions as disclosed in Note 34 to the consolidated financial statements, no controlling shareholder of the Company or any of its subsidiaries has any contract of significance (including contract of significance for the provision of services) with the Company or its subsidiaries during the Reporting Period.

MANAGEMENT CONTRACTS

No contracts concerning the management or administration of the whole or any substantial part of the business of the Group was entered into or subsisted during the Reporting Period.

PENSION SCHEME

The Group participates in several defined contribution retirement benefit schemes, including the National Pension and Mandatory Provident Fund for its employees in Japan and Hong Kong, respectively. The Group's contributions vest fully with the employees when such contributions are made into these pension schemes. Accordingly, no forfeited contribution is available for the Group to reduce its existing level of contributions to the respective pension schemes. Further details of the pension scheme of the Company are set out in the paragraph headed "Pension Obligations" in Note 2.22(b) to the consolidated financial statements.

控股股東在重大合約中的權益

於報告期間內，除招股章程中「持續關連交易」一節所披露者及合併財務報表附註34所披露的交易外，概無本公司或其任何附屬公司控股股東與本公司或其附屬公司訂立任何重大合約（包括提供服務的重大合約）。

管理合約

於報告期間，本集團並無就本集團全部或任何重大部分業務之管理或行政工作訂立或存有任何合約。

退休金計劃

本集團為其日本及香港僱員參與多項定額供款退休福利計劃，包括國民年金及強制性公積金。本集團的供款於向該等退休金計劃作出供款時全數歸屬僱員。因此，本集團並無沒收供款可供減少其對各退休金計劃的現有供款水平。本公司退休金計劃的進一步詳情載於合併財務報表附註2.22(b)中「退休金責任」一段。

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on 13 September 2018 (the “**2018 Share Option Scheme**”) for the purpose to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Group. All directors, employees, suppliers of goods or services, customers, persons or entities that provide research, development or other technological support to the Group, shareholders of any member of the Group, advisers or consultants of the Group and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to growth of the Group are eligible to participate in the 2018 Share Option Scheme. An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option, subject to the provisions for early termination thereof. The subscription price for the Shares under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of: (i) the closing price of Shares as stated in the Stock Exchange’s daily quotations sheet on the date of the offer of grant, which must be a business day; and (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet for the five business days immediately preceding the date of the offer for the grant.

購股權計劃

本公司於2018年9月13日採納購股權計劃（「**2018年購股權計劃**」），以使本公司能夠向選定參與者授予購股權，作為向彼等對本集團的貢獻予以激勵或獎勵。全體董事、僱員、商品或服務供應商、客戶、為本集團提供研究、開發或其他技術支援的人士或實體、本集團任何成員公司的股東、本集團的諮詢人或顧問，以及曾經或可能藉合資經營、業務聯盟或其他業務安排而對本集團的增長作出貢獻的任何其他群組或類別的參與者，均有資格參與2018年購股權計劃。參與者應於授出購股權的要約日期起計21日內接納購股權。於接納所授購股權時須繳付1港元的象徵式代價。購股權可於董事釐定並通知各承授人的期間內隨時根據購股權計劃的條款行使（該期間須由獲行使授出購股權的要約當日1日後起計，但無論如何須於授出購股權日期起計10年內屆滿，惟可根據有關條文提早終止）。購股權計劃下的股份認購價須由董事釐定，但不得低於：(i) 授出購股權的要約日期（必須為營業日）在聯交所每日報價表所報的股份收市價；及(ii) 緊接授出購股權的要約日期前5個營業日在聯交所每日報價表所報的股份平均收市價各項中的最高者。

The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 10% of the Shares in issue on 11 October 2018 (being the date of listing of Shares of the Company) (the “**2018 General Scheme Limit**”). The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2018 Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the Shares in issue from time to time. Unless approved by the shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the 2018 Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

On 24 April 2023, 48,000,000 share options were granted to certain Director, senior managements and employees of the Group (the “**Grantees**”), as disclosed in the announcement of the Company dated 24 April 2023. The share options granted shall vest in the Grantees in accordance with their respective the timetable. Details of the grant of share options are set out in the announcement of the Company dated 24 April 2023. During the Reporting Period, no share options have been exercised, lapsed or cancelled by the Company under the 2018 Share Option Scheme. As at 31 March 2024, there were Share Options for 48,000,000 shares valid and outstanding under the 2018 Share Option Scheme.

因根據購股權計劃及本集團採納的任何其他購股權計劃將予授出的所有購股權獲行使而可能配發及發行的股份總數合共不得超過於2018年10月11日(即本公司股份上市日期)已發行股份數目的10%([**2018年一般計劃上限**])。根據2018年購股權計劃及本集團所採納的任何其他購股權計劃而已授出惟尚未行使的所有尚未行使的購股權獲行使而可能發行的股份數目上限，合共不得超過不時已發行股份的30%。除非獲本公司股東批准，於任何12個月期間因根據2018年購股權計劃及本集團任何其他購股權計劃向各參與者所授出的購股權(包括已行使或尚未行使購股權兩者)獲行使而已發行及可能將發行的股份總數不得超過當時本公司已發行股本的1%。除非董事另行決定及在向承授人作出授出購股權的要約中列明，購股權計劃並無規定在可行使購股權前所需持有的最短期限。

誠如本公司日期為2023年4月24日的公告所披露，於2023年4月24日，48,000,000份購股權已授予本集團若干董事、高級管理層及僱員([**承授人**])。授出的購股權將根據承授人各自的時間表歸屬於彼等。授出購股權的詳情載於本公司日期為2023年4月24日的公告。於報告期間，本公司根據2018年購股權計劃概無已行使、失效或註銷的購股權。於2024年3月31日，2018年購股權計劃項下有48,000,000股有效及尚未行使的購股權。

On 4 September 2023, at the annual general meeting (the “**2023 AGM**”), the Company proposed adoption of 2023 share option scheme (the “**2023 Share Option Scheme**”) and termination of the 2018 Share Option Scheme were duly passed by the Shareholders by way of poll. For details information, please refer the circular of the Company dated 28 July 2023 (the “**2023 AGM Circular**”) and the poll result of the 2023 AGM are set out in the announcement of the Company dated 4 September 2023.

The Share Option Scheme

The purpose of the 2023 Share Option Scheme is to (i) enable the Company to grant Options to the Eligible Participants as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the grantees with those of the Shareholders to promote the long-term financial and business performance of the Company. A summary of the principal rules of the 2023 Share Option Scheme is set out in Appendix III to the 2023 AGM Circular. The Directors believe that the provisions as well as such other terms as may be determined by the Board, will serve to protect the value of the Company as well as to achieve the purpose of the 2023 Share Option Scheme.

None of the Directors is a trustee of the 2023 Share Option Scheme or has a direct or indirect interest in the trustees of the 2023 Share Option Scheme (if any). There is no trustee appointed for the purposes of the 2023 Share Option Scheme.

The total number of shares of the Company which may be issued in respect of all share options and all share awards to be granted under the 2023 Share Option Scheme of the Company must not in aggregate exceed 10% of the shares of the Company in issue as at the date of adoption. Pursuant to the Rule 17.07(3) of the Listing Rules, as at 31 March 2024 and the date of this report, the total number of shares of the Company which may be issued under the 2023 Share Option Scheme is 50,000,000 shares.

於2023年9月4日，於股東週年大會（「**2023年股東週年大會**」）上，本公司建議採納2023年購股權計劃（「**2023年購股權計劃**」）及終止2018年購股權計劃已獲股東以投票表決方式正式通過。有關詳情，請參閱本公司日期為2023年7月28日的通函（「**2023年股東週年大會通函**」），而2023年股東週年大會的投票結果載於本公司日期為2023年9月4日的公告。

購股權計劃

2023年購股權計劃旨在(i)使本公司能夠向合資格參與者授予購股權，作為向彼等對本集團增長及發展的貢獻予以激勵或獎勵；(ii)吸引及挽留人才，以促進本集團的可持續發展；及(iii)使承授人的利益與股東的利益一致，以促進本公司的長期財務及業務表現。2023年購股權計劃的主要規則概要載於2023年股東週年大會通函附錄三。董事相信，有關條文以及董事會可能釐定的其他條款將保障本公司的價值以及達致2023年購股權計劃的目的。

概無董事為2023年購股權計劃的受託人或於2023年購股權計劃受託人(如有)中擁有直接或間接權益。概無就2023年購股權計劃委任任何受託人。

本公司2023年購股權計劃項下將予授出的所有購股權及所有股份獎勵而可能發行的本公司股份總數，合共不得超過本公司於採納日期已發行股份的10%。根據上市規則第17.07(3)條，於2024年3月31日及本報告日期，2023年購股權計劃項下可能發行的本公司股份總數為50,000,000股股份。

As at 31 March 2024 and the date of this report, the total number of shares available for issue under the 2023 Share Option Scheme was 50,000,000 shares, representing 10% of the issue shares of the Company as at such date.

With the effectiveness of the new Chapter 17 of the Listing Rules with effect from 1 January 2023, the Company shall comply with the relevant rules of the new Chapter 17 of the Listing Rules under the transitional arrangements before the Share Option Scheme is amended to comply with the new Chapter 17 of the Listing Rules.

Further details of the Share Option Scheme are set out in section headed “Management Discussion and Analysis” of this report.

SUBSTANTIAL SHAREHOLDERS’ INTEREST IN THE SHARES

So far as is known to the Directors, as at 31 March 2024, other than a Director or chief executive of the Company whose interests are disclosed under the sub-paragraph headed “Directors’ and chief executive’s interests and short positions in shares and underlying shares and debentures of the company or any of its associated corporations” below, no other persons had an interest or a short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the “SFO”).

於2024年3月31日及本董事會報告日期，2023年購股權計劃項下可供發行的股份總數為50,000,000股，相當於本公司於該日期已發行股份的10%。

隨著新上市規則第17章於2023年1月1日生效，本公司須於購股權計劃修訂前根據過渡安排遵守新上市規則第17章的相關規則，以遵守新上市規則第17章的規定。

有關購股權計劃的進一步詳情載於本報告「管理層討論及分析」一節。

主要股東於股份的權益

就董事所知，於2024年3月31日，除其權益於下文「董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」分段所披露的本公司董事或最高行政人員外，概無其他人士於股份或相關股份中擁有根據證券及期貨條例（香港法例第571章）（「證券及期貨條例」）第336條記錄於本公司須存置之登記冊內的權益或淡倉。

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

As at 31 March 2024, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix 10 to the Listing Rules, were as follows:

董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中的權益及淡倉

於2024年3月31日，本公司董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第352條記錄於須存置之登記冊的權益及淡倉，或根據上市規則附錄十所載的標準守則須另行知會本公司及聯交所的權益及淡倉如下：

Name	Name of Group member/associated corporation	Nature of interest	Number of shares interested	Approximate percentage of interest held in the Company 本公司持有的權益之概約百分比
姓名	本集團成員公司／相聯法團名稱	權益性質	擁有權益股份數目 (Note 1) (附註1)	
Mr. Ando Shokei 安藤湘桂先生	The Company 本公司	Beneficial owner 實益擁有人	374,967,278(L)	75%
Mrs. Ando Eri 安藤惠理女士	The Company 本公司	Interest of spouse (Note 2) 配偶權益(附註2)	374,967,278(L)	75%
Mr. Katsu Bunkai 葛文海先生	TCA Japan TCA日本	Beneficial owner (Note 3) 實益擁有人(附註3)	50 class A shares(L) 50股A類股份(L)	5%

Notes:

1. The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
2. Mrs. Ando Eri is the spouse of Mr. Ando Shokei. Under the SFO, Mrs. Ando Eri is taken to be interested in the same number of Shares in which Mr. Ando Shokei is interested.
3. These shares represent class A shares in TCA Japan held by Mr. Katsu Bunkai. Shareholders of class A shares in TCA Japan do not have any voting right at the general meeting of shareholders of TCA Japan.

On 24 April 2023, total 5,000,000 options are granted to one executive Director of the Company to subscribe for Shares upon exercise of such share options at an exercise price of HK\$0.80 per shares with an exercise period of 24 April 2024 to 23 April 2029.

Save as disclosed above, as at 31 March 2024, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code and the Companies Ordinance.

MAJOR CUSTOMERS AND SUPPLIERS

The customers under the art auction and related business primarily include sellers who consign artworks to the Group for the auctions and buyers who purchase artworks in the art auctions. To the best knowledge of the Directors, the customers under the segment are generally comprised of artwork interested parties including artworks artists, masters, experts, merchants, collectors, art galleries and private museums.

附註：

1. 字母「L」代表董事於本公司或有關相聯法團股份中的好倉。
2. 安藤惠理女士為安藤湘桂先生之配偶。根據證券及期貨條例，安藤惠理女士被當作於安藤湘桂先生擁有權益的相同股份數目中擁有權益。
3. 該等股份為葛文海先生於TCA日本持有的A類股份。TCA日本A類股份股東於TCA日本的股東大會上並無任何投票權。

於2023年4月24日，合共5,000,000份購股權獲授予本公司一名執行董事，以供於行使該等購股權後按行使價每股0.80港元認購股份，行使期為2024年4月24日至2029年4月23日。

除上文所披露者外，於2024年3月31日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條記錄於須存置之登記冊，或根據標準守則及公司條例之規定而須另行知會本公司及聯交所的任何權益或淡倉。

主要客戶及供應商

本集團的藝術品拍賣及相關業務客戶主要包括將藝術品委託予我們拍賣的賣家及在藝術品拍賣會上購買藝術品的買家。據董事所知，我們在此分部下的客戶一般由藝術品愛好者構成，包括藝術家、藝術品大師、專家、商人、收藏家、藝廊及私人博物館。

The suppliers mainly include sellers from whom the Group purchase artworks as principal for the artwork sales segment, property owners who provide venue for artwork preview exhibition and art auction operation, suppliers of event organisation and accommodation booking services for the artwork preview exhibition and art auction operation, suppliers of photo-taking, printing and delivery services for the auction catalogs, and suppliers of delivery services for the auctioned artworks and security and insurance services.

供應商主要包括本集團以主事人身份就藝術品銷售分部向其購買藝術品的賣家、提供場地作藝術品預展及舉行藝術品拍賣會的業主、為我們的藝術品預展及舉行藝術品拍賣會提供活動籌備及住宿預訂服務的供應商、為我們的拍品圖錄提供攝影、印刷及付運服務的供應商，以及為已拍賣藝術品提供付運服務、保安及保險服務的供應商。

The information of the customers and suppliers is as follows:

客戶及供應商的資料如下：

		Percentage of total sales for the year ended 31 March 2024 截至2024年3月31日止年度佔總銷售百分比
Five largest customers	五大客戶	34.4%
The largest customer	最大客戶	13.5%
		Percentage of total purchase for the year ended 31 March 2024 截至2024年3月31日止年度佔總購買百分比
Five largest suppliers	五大供應商	28.6%
The largest supplier	最大供應商	9.9%

Note: The percentage of total sales from the five largest customers was represented by total sales to the five largest customers divided by aggregate hammer price and total sales for the year ended 31 March 2024. The percentage of total purchase from five largest suppliers was presented by total purchase from the five largest suppliers divided by aggregate hammer price and total purchase for the year ended 31 March 2024.

附註：截至2024年3月31日止年度，來自五大客戶的總銷售百分比指向五大客戶作出的總銷售除以總落槌價及總銷售。截至2024年3月31日止年度，來自五大供應商的總購買百分比指來自五大供應商的總購買除以總落槌價及總購買。

As far as the Directors are aware, none of the Directors, their close associates or shareholders holding more than 5% of the issued shares of the Company had any interest in the five largest customers or five largest suppliers of the Group.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in the ordinary course of business by the Group during the Reporting Period are set out in Note 34 to the consolidated financial statements of this annual report. Each of such related party transactions constitute connected transactions (as defined under Chapter 14A of the Listing Rules) which are fully exempted from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules. Accordingly, the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

PUBLIC FLOAT

Based on the information publicly available to the Company and as far as the Directors are aware as at the date of this annual report, the Company has maintained the prescribed minimum public float under the Listing Rules.

COMPETING BUSINESS

The compliance of the controlling shareholder of the Company, namely Mr. Ando Shokei, of the non-competition undertakings entered into in favour of the Company on 13 September 2018 is set out in the Corporate Governance Report.

During the Reporting Period, none of the Directors or the controlling shareholder of the Company or their respective close associates are considered to be interested in businesses which compete or are likely to compete, either directly or indirectly, with the core businesses of the Group.

就董事所知，概無董事、彼等的緊密聯繫人或持有本公司已發行股份5%以上的股東於本集團五大客戶或五大供應商中擁有任何權益。

關聯方交易

本集團於報告期間日常業務過程中進行的關聯方交易詳情載於本年報合併財務報表附註34。各該等關聯方交易構成關連交易(定義見上市規則第14A章)，其獲全面豁免遵守上市規則第14A章項下股東批准、年度審閱及所有披露規定。因此，本公司已根據上市規則第14A章遵守披露規定。

公眾持股量

根據本公司可獲得的公開資料及就其董事知悉，於本年報日期，本公司已維持上市規則規定的最低公眾持股量。

競爭業務

本公司控股股東，即安藤湘桂先生，遵守於2018年9月13日為本公司利益出具的不競爭承諾的情況載於企業管治報告內。

於報告期間，概無本公司董事或控股股東或其各自的緊密聯繫人被認為於與本集團核心業務直接或間接競爭或可能競爭的業務中擁有權益。

EMPLOYEES

The number of employees as at 31 March 2024 is set out under “Management Discussion and Analysis — Employees and emolument policy” on page 17 of this annual report. During the Reporting Period, the Group did not experience any strikes or significant labour disputes which materially affected the operation of the Group. The Group maintained good relationship with its employees.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event after the end of the Reporting Period.

USE OF PROCEEDS

From the Global Offering

The Company’s shares were listed on the Stock Exchange on 11 October 2018 and the Company received net proceeds (the “**Net Proceeds**”) (after deduction of underwriting commission and related costs and expenses) from the global offering of approximately HK\$110.0 million. On 26 March 2021, the Company has resolved to change the use of the unutilised net proceeds of approximately HK\$27.3 million (the “**Reallocation**”). For details, please refer to the prospectus (the “**Prospectus**”) of the Company dated 27 September 2018 in relation to the global offering and the announcement of the Company dated 26 March 2021 (the “**Announcement**”).

僱員

於2024年3月31日的僱員人數載於本年報第17頁「管理層討論及分析 — 僱員及薪酬政策」。於報告期間，本集團並無經歷任何對本集團經營有重大影響的罷工或重大勞工糾紛。本集團與其僱員維持良好關係。

報告期間後事項

本集團於報告期間結束後並無重大事項。

所得款項用途

自全球發售

本公司股份於2018年10月11日在聯交所上市，而本公司自全球發售獲得所得款項淨額（「**所得款項淨額**」）（經扣除包銷佣金及相關成本及開支後）約110.0百萬港元。於2021年3月26日，本公司已決議更改約27.3百萬港元尚未動用所得款項淨額之用途（「**重新分配**」）。詳情請參見本公司日期為2018年9月27日有關全球發售之招股章程（「**招股章程**」）及本公司日期為2021年3月26日的公告（「**該公告**」）。

As at 31 March 2024, the Net Proceeds had been partially utilised by the Company and applied for as follows:

於2024年3月31日，本公司已動用部分所得款項淨額，使用情況如下：

		Planned use of Net Proceeds as disclosed in the Prospectus	Amount of Reallocation as disclosed in the Announcement	Amount utilised as at 1 April 2023	Amount utilised during the year ended 31 March 2024 截至 2024年3月31日 止年度 所動用的金額	Amount utilised as at 31 March 2024	Unutilised Net Proceeds as at 31 March 2024	
		招股章程 披露的所得款項 淨額計劃用途 (HK\$ million) (百萬港元)	該公告所披露 重新分配的金額 (HK\$ million) (百萬港元)	於2023年4月1日 所動用的金額 (HK\$ million) (百萬港元)	2024年3月31日 止年度 所動用的金額 (HK\$ million) (百萬港元)	於2024年3月31日 所動用的金額 (HK\$ million) (百萬港元)	於2024年3月31日 尚未動用的 所得款項淨額 (HK\$ million) (百萬港元)	
(i)	Strengthening and expanding existing auction business	加強及擴充現有 拍賣業務	62.7	(22.8)	(39.9)	—	(39.9)	—
(ii)	Enhancing marketing and promotional activities	加強營銷及推廣 活動	22.0	—	(22.0)	—	(22.0)	—
(iii)	Recruiting high-calibre managers and experts	招聘高質素的管理 人才及專家	8.8	—	(8.8)	—	(8.8)	—
(iv)	Developing the Group's ERP system	開發本集團的企業 資源規劃系統	5.5	(4.5)	(1.0)	—	(1.0)	—
(v)	Supplementing the Group's working capital and for general corporate purposes	補充本集團的營運 資金及作一般 公司用途	11.0	—	(11.0)	—	(11.0)	—
(vi)	Developing an artwork business for online trading and information platform	發展線上交易及 資訊平台的 藝術品業務	—	27.3	(6.6)	(9.2)	(15.8)	11.5
			110.0	—	(89.3)	(9.2)	(98.5)	11.5

The unutilised Net Proceeds as at 31 March 2024 are expected to be fully utilised on or before 31 March 2025.

於2024年3月31日尚未動用的所得款項淨額預期於2025年3月31日或之前悉數動用。

AUDIT COMMITTEE

The Company has established an audit committee in compliance with Rule 3.21 of the Listing Rules. It comprises three independent non-executive Directors, namely Ms. Lam Suk Ling Shirley (chairlady), Mr. Chung Kwok Mo John and Mr. Chun Chi Man.

The audit committee has reviewed with the management of the Group the accounting principles and standards adopted by the Group, and discussed auditing, internal control and financial reporting matters including the review of this annual report and the audited annual financial results of the Group for the Reporting Period.

AUDITOR

The consolidated financial statements for the Reporting Period have been audited by HLB Hodgson Impey Cheng Limited (“HLB”). A resolution will be submitted to the forthcoming AGM to re-appoint HLB as auditors of the Company until the conclusion of the next annual general meeting of the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

Discussion of the principal risks and uncertainties faced by the Group is included in Note 3 to the consolidated financial statements and such contents form part of this Report of the Directors.

ENVIRONMENTAL POLICIES

The Group is committed to environmental protection and values corporate social responsibilities. The Group continues to update internal policies and programmes for environmental risk prevention to ensure compliance with requirements of applicable industrial and local standards, laws, regulations and policies. The Group also continues to implement environmental protection, energy saving and emission reduction projects to improve environmental management, setting a solid foundation for better future development.

審核委員會

本公司已遵照上市規則第3.21條規定設立審核委員會。審核委員會包括三名獨立非執行董事，即林淑玲女士（主席）、鍾國武先生及秦治民先生。

審核委員會已與本集團管理層審閱本集團所採納的會計原則及準則，並討論審計、內部控制及財務報告事宜，包括審閱本年報及本集團於報告期間的經審核年度財務業績。

核數師

於報告期間的合併財務報表已由國衛會計師事務所有限公司（「國衛」）審核。將於應屆股東週年大會提呈一項決議案，以重新委聘國衛為本公司的核數師，直至本公司下屆股東週年大會結束為止。

主要風險及不確定因素

有關本集團所面臨的主要風險及不確定因素的討論載於合併財務報表附註3，且該等內容構成本董事會報告的一部分。

環境政策

本集團致力推動環保，重視企業社會責任。本集團持續更新規避環境風險的內部政策和項目，以確保遵守適用行業和地方標準、法律、規例及政策的規定。本集團亦持續推行環保、節能及減排項目，以改善環境管理，為日後的更佳發展奠定堅實基礎。

ACCOUNT OF THE GROUP KEY RELATIONSHIP

Employees

Employees are regarded as the most important and valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise high performing staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by offering appropriate training and providing opportunities within the Group for career advancement.

Suppliers

Please refer to the paragraph headed "Major Customers and Suppliers" in this Report of the Directors for details of the suppliers of the Group. Sound relationships with suppliers of the Group are important for the Group's business, which can derive cost effectiveness and long term business benefits.

Customers

Please refer to the paragraph headed "Major Customers and Suppliers" in this Report of the Directors for details of the customers of the Group. The Group has the mission of sourcing excellent artworks with good provenance to explore and collect more valuable artworks for auction by its customer whilst maintaining long term profitability and business growth. Various means have been taken to strengthen the communications between customers and the Group.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Reporting Period, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on the Group in all material respects.

CORPORATE GOVERNANCE

The Company has adopted the principles and code provisions the Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code during the Reporting Period.

本集團的主要關係說明

僱員

我們視僱員為本集團最為重要及珍貴的資產。本集團人力資源管理的目的為提供具競爭力的薪酬待遇及推行完善的績效評估制度，並附設適當獎勵，從而嘉獎和認可表現優秀的員工，以及提供適當培訓和在本集團的晉升機會，從而促進事業發展與進程。

供應商

有關本集團的供應商詳情，請參閱本董事會報告「主要客戶及供應商」一段。與本集團的供應商維持良好關係對本集團的業務至關重要，可促進成本效益及長期商業利益。

客戶

有關本集團的客戶詳情，請參閱本董事會報告「主要客戶及供應商」一段。本集團的使命為搜羅更多「來源有據，流傳有序」的出色藝術珍品以讓客戶作拍賣，同時實現長期的盈利和業務增長。我們已使用各種方法來加強客戶與本集團的溝通。

遵守法律及法規

於報告期間，本公司概不知悉任何未有遵守任何相關法律及法規而於所有重大層面對本集團產生重大影響之情況。

企業管治

本公司已採納上市規則附錄十四所載企業管治守則（「企業管治守則」）的原則及守則條文。董事會已審閱本公司的企業管治常規，並信納本公司於報告期間已遵守企業管治守則所載的守則條文。

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' transactions on terms no less exacting than the required standard set out in the Model Code. After specific enquiry made by the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct of the Company governing Directors' securities transactions during the Reporting Period.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board

Ando Shokei
Hong Kong, 25 June 2024

董事進行證券交易之標準守則

本公司已就董事的交易採納一套行為守則，其條款不遜於標準守則所載的規定準則。經本公司作出特定查詢後，全體董事已確認彼等於報告期間，已遵守標準守則及本公司規管董事進行證券交易的行為守則所載的規定準則。

購回、出售或贖回本公司上市證券

於報告期間，本公司或其任何附屬公司概無購回、出售或贖回本公司任何上市證券。

代表董事會

安藤湘桂
香港，2024年6月25日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



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To the Shareholders of Tokyo Chuo Auction Holdings Limited
(Incorporated in Hong Kong with limited liability)

致東京中央拍賣控股有限公司股東
(於香港註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Tokyo Chuo Auction Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 123 to 251, which comprise the consolidated statement of financial position as at 31 March 2024, the consolidated statement of profit or loss and other 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 material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, 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 Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with the Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditors’ 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.

意見

我們已審計東京中央拍賣控股有限公司(「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第123至251頁的合併財務報表，包括於2024年3月31日的合併財務狀況表、截至該日止年度的合併損益及其他綜合收益表、截至該日止年度的合併權益變動表及截至該日止年度的合併現金流量表，以及合併財務報表附註，包括重大會計政策資料。

我們認為，該等合併財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的《香港財務報告準則》(「**香港財務報告準則**」)真實而中肯地反映了 貴集團於2024年3月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「**香港審計準則**」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「**守則**」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

KEY AUDIT MATTERS

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

Key Audit Matter 關鍵審計事項

Net realisable value ("NRV") of the inventories 存貨之可變現淨值(「可變現淨值」)

Refer to note 2.12, note 4.1 and note 22 to the consolidated financial statements.
請參閱合併財務報表附註2.12、附註4.1及附註22。

As at 31 March 2024, the balance of artwork inventories was HK\$128.6 million, which represented 32.4% of the total assets of the Group as at 31 March 2024.
於2024年3月31日，藝術品存貨之結餘為128.6百萬港元，佔貴集團於2024年3月31日總資產的32.4%。

Artwork inventories are measured at the lower of cost and net realisable value.
藝術品存貨按成本及可變現淨值兩者之間較低者計量。

關鍵審計事項

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

How our audit addressed the key Audit Matter 我們的審計如何處理關鍵審計事項

Our procedures in relation to revenue recognition including but not limited to:
我們有關確認收益的程序包括但不限於：

- assessing the external art experts' experience, qualifications and credentials by inspecting the Group's records and information in the public domain;
通過檢查貴集團在公共領域的記錄及信息來評估外部藝術專家的經驗、資格和資歷；
- obtaining the external valuation reports for artwork inventories as at 31 March 2024 and comparing valuation amount of artworks inventories to the net realisable value of the artwork inventories, on a sample basis;
取得於2024年3月31日的藝術品存貨的外部估值報告，並將藝術品存貨的估值金額與藝術品存貨的可變現淨值進行抽樣比較；
- assessing, on a sample basis, whether there were any losses or damage to art inventories by attending the inventory count with the assistance of the external art experts; and
在外部藝術品專家的協助下，通過清點存貨，以抽樣方式評估藝術品存貨是否有任何損失或損壞；及

Key Audit Matter 關鍵審計事項

We identified the assessment of the net realisable value of artworks inventories as a key audit matter because the judgement exercised by the management in determining the net realisable value of artwork inventories, which can be inherently uncertain, and because the impact on the consolidated financial statements could be material.

我們將評估藝術品存貨之可變現淨值釐定為關鍵審計事項，因為管理層在釐定藝術品存貨可變現淨值時所行使的判斷可能具有內在的不確定性，且可能對合併財務報表造成重大影響。

How our audit addressed the key Audit Matter 我們的審計如何處理關鍵審計事項

- obtaining an understanding of recent market trends for artwork inventories, on a sample basis, by inspecting recent auction prices and other publicly available information and enquiring internal artwork appraisal team in the auction division and applying the information obtained from the procedures above in evaluation of the net realisable value of artwork inventories.

以抽樣方式通過檢查近期拍賣價格及其他公開可得信息以及向拍賣部門的內部藝術品鑒定團隊查詢，了解藝術品存貨的近期市場趨勢，並將通過上述程序取得的信息應用於藝術品存貨之可變現淨值評估。

Based on our work performed, we found that the net realisable value of inventories were supportable by available evidence.

根據我們履行的工作，我們認為存貨可變現淨值有可行的證據支持。

Key Audit Matter
關鍵審計事項

How our audit addressed the key Audit Matter
我們的審計如何處理關鍵審計事項

Impairment of consignor advance and prepayments to sellers for auctioned artwork

委託人預付款項及就已拍賣藝術品向賣家預付的款項的減值

Refer to note 2.10, note 2.13, note 3.2, note 23 and note 24 to the consolidated financial statements.

請參閱合併財務報表附註2.10、附註2.13、附註3.2、附註23及附註24。

As at 31 March 2024, the balance of consignor advance and prepayments to sellers for auctioned artwork was HK\$63.0 million and HK\$5.8 million, respectively, which represented 15.9% and 1.5% of the total assets of the Group as at 31 March 2024, respectively.

於2024年3月31日，委託人預付款項及就已拍賣藝術品向賣家預付的款項之結餘分別為63.0百萬港元及5.8百萬港元，分別佔貴集團於2024年3月31日總資產的15.9%及1.5%。

Our procedures in relation to management's assessment on impairment of consignor advance and prepayments to sellers for auctioned artwork including but not limited to:

我們有關管理層評估委託人預付款項及就已拍賣藝術品向賣家預付的款項減值的程序包括但不限於：

- understanding and assessing the design, implementation of key internal control over the management's approval process of granting consignor advance and prepayments to sellers for auctioned artwork;

了解及評估管理層有關授出就委託人預付款項及就已拍賣藝術品向賣家預付的款項的批核程序關鍵內部控制的設計及實施；

- discussing with management on the nature and judgement involved in their assessment on the recoverability of individual significant balances for consignor advance and prepayments to sellers for auctioned artwork by considering the credit history and worthiness of the consignors and sellers and corroborated their explanations with supporting evidences to evaluate whether specific provision should be made;

經考慮委託人及賣家的信貸記錄及信譽度，與管理層就委託人預付款項及就已拍賣藝術品向賣家預付的款項的獨立重大結餘的可收回性，討論彼等的評估所牽涉的性質及判斷，及證實彼等的解釋有可支持證據，以評價是否有需要作出特定的撥備；

Key Audit Matter 關鍵審計事項

Consignor advance

委託人預付款項

The Group provides certain collectors and art dealers with advances with artwork held under the Group's custody. If the consigned artwork is sold in auction, the proceeds received from the buyer, after deducting commission, consignor advance, interest and relevant taxes, will be paid to the consignor. If the artwork under custody remains unsold, the consignor will be required to repay the advance together with interest, where applicable, before the artwork under custody is returned to the consignor.

貴集團以 貴集團託管所持有的藝術品向若干藏家及藝術代理人提供預付款項。如果受委託之藝術品於拍賣中售出，從買家所得之所得款項(經扣除佣金、委託人預付款項、利息及相關稅項)將會支付予委託人。如果託管之藝術品仍未售出，委託人在託管藝術品交回委託人前，將須償還預付款項(連同利息，如有)。

How our audit addressed the key Audit Matter 我們的審計如何處理關鍵審計事項

- checking, on a sample basis, the approval of consignor advances and prepayments to sellers for auctioned artwork by tracing to agreements and payment records;
透過抽樣檢查協議及付款記錄以檢查委託人預付款項及就已拍賣藝術品向賣家預付的款項之審批；
- obtaining the full list of consignor advance and prepayments to sellers for auctioned artwork, and checked, on a sample basis, whether these advances and prepayments to sellers for auctioned artwork are supported by the artwork under the custody of the Group;
取得委託人預付款項及就已拍賣藝術品向賣家預付的款項的完整清單及以抽樣方式檢查該等委託人預付款項及就已拍賣藝術品向賣家預付的款項是否有藝術品歸 貴集團託管；

Key Audit Matter 關鍵審計事項

Prepayments to sellers for auctioned artwork 就已拍賣藝術品向賣家預付的款項

Prepayments to sellers for auctioned artwork represent the amounts advanced to sellers of auctioned artwork before receiving full payments from relevant buyers. Amounts may be advanced to sellers prior to receiving full payment of the auction purchase prices from the relevant buyers and the Group will keep the related auctioned artwork under its custody. Prior to receiving full payment of the auction purchase prices from the relevant buyers, the Group reserves the right to request repayment from sellers for the prepayments advanced to them, or request the sellers to replace another artwork with estimated value no less than the prepayments to the Group.

就已拍賣藝術品向賣家預付的款項指就未向相關買家收取已拍賣藝術品全數款項而預付予賣家之金額。金額可能於未收到相關買家悉數支付拍賣購買價的款項前預付予賣家，而貴集團將保留相關已拍賣藝術品由其託管。於收到相關買家悉數支付拍賣購買價的款項前，貴集團保留要求賣家償還已預付予彼等的預付款項，或要求賣家替換另一項其價值估計不少於向貴集團償還的預付款項之藝術品的權利。

The Group established policies to ensure that advances are made to consignors and sellers with an appropriate credit history and the Group assesses the credit worthiness of its consignors and sellers as well as considering prior transaction history with these consignors and sellers.

貴集團訂有政策以確保預付款項乃向信貸記錄恰當的委託人及賣家作出，而貴集團評估其委託人及賣家的信譽度，並考慮該等委託人及賣家的交易往績。

How our audit addressed the key Audit Matter 我們的審計如何處理關鍵審計事項

- assessing, on a sample basis, whether the artwork under the Group's custody was in good condition by attending the physical count of the artwork with assistance of the external art experts;
在外部藝術品專家的協助下，通過親身盤點貴集團託管的藝術品，以抽樣方式評估藝術品是否狀況良好；
- on a sample basis, obtaining and reviewing the valuation assessments for the artwork under the Group's custody prepared by the internal artwork appraisal team. We inquired of the internal artwork appraisal team about the factors they considered in their assessments and compared the assessments by referencing to the recent market prices for similar artwork on a sample basis;
以抽樣方式取得及審閱由內部藝術品鑒定團隊對貴集團託管的藝術品所進行之估值評估。我們向內部藝術品鑒定團隊詢問彼等進行評估所考慮的因素及參考類近藝術品的近期市價以抽樣方式比較該等評估；

Key Audit Matter 關鍵審計事項

Management has applied HKFRS 9 and conducted an assessment of expected credit losses (“ECL”) relating to the consignor advance and prepayments to sellers for auctioned artwork. The Group considers that the credit risk arising from these advances and prepayments is not significant after considering the credit history and worthiness of the consignors and sellers as well as the market value of the relevant artwork held by the Group. 管理層已應用香港財務報告準則第9號及就委託人預付款項及就已拍賣藝術品向賣家預付的款項進行預期信貸虧損（「預期信貸虧損」）的評估。經考慮委託人及賣家的信貸記錄及信譽度以及 貴集團持有的相關藝術品的市價後， 貴集團認為委託人預付款項及就已拍賣藝術品向賣家預付的款項的信貸風險並不重大。

The Group's internal artwork appraisal team has assessed and evaluated the market value of the artwork under its custody based on the recent market prices of similar artwork so to determine if the amount of allowance made is adequate.

貴集團的內部藝術品鑒定團隊已根據類近藝術品的近期市場價格對其託管的藝術品的市場價值進行評估及估價，以釐定所作之撥備是否足夠。

We identified impairment of consignor advance and prepayments to sellers for auctioned artwork as a key audit matter because of its significance to the consolidated financial statements and because the judgement exercised by management in determining an appropriate level of loss allowances for these advances and prepayments involves assessment on creditability of consignors and sellers as well as estimation of the market value of artwork under the Group's custody, which can be inherently uncertain.

我們識別委託人預付款項及就已拍賣藝術品向賣家預付的款項的減值為關鍵審計事項，因為其對於合併財務報表具有重大影響且管理層於釐定該等委託人預付款項及就已拍賣藝術品向賣家預付的款項適當程度的虧損撥備時作出的判斷涉及評估委託人及賣家的信用度以及估計 貴集團託管的藝術品的市場價值，其本質上可能具有不確定性。

How our audit addressed the key Audit Matter 我們的審計如何處理關鍵審計事項

- on a sample basis, evaluating management's assessment of the values of artwork under the Group's custody based on the valuation assessments performed by the internal artwork appraisal team and discussing with management on the means of realisation of the artwork under the Group's custody and the expected cash flows to be recovered from the artwork, and comparing the carrying value of the consignor advance and prepayments to sellers for auctioned artwork with the value of artwork on a sample basis; and

根據內部藝術品鑒定團隊進行的估值，以抽樣方式評價管理層對 貴集團託管的藝術品的價值的評估，並與管理層討論 貴集團託管的藝術品變現及預期將就該等藝術品收回現金流量的方式，以及以抽樣方式將委託人預付款項及就已拍賣藝術品向賣家預付的款項之賬面值與藝術品的價值作出比較；及

- on a sample basis, checking the subsequent settlement of the consignor advance as at 31 March 2024 with bank receipts or other relevant documents.

以抽樣方式將於2024年3月31日委託人預付款項的期後結算與銀行收據或其他相關文件進行檢查。

Based on our work performed, we found that management's estimates and judgment were supported by available evidence.

根據我們履行的工作，我們認為管理層的估計及判斷有可行的證據支持。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

The directors 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

其他信息

董事須對其他信息負責。其他信息包括年報內的信息，但不包括合併財務報表及我們的核數師報告（「其他信息」）。

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

結合我們對合併財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就合併財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》之披露規定擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督貴集團的財務報告過程。

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照香港《公司條例》第405條僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴該等合併財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計就情況而言適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- 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 auditors' 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 auditors' 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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.

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

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動及應用的防範措施。

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 auditors' 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 director on the audit resulting in this independent auditors' report is Yau Wai Ip.

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

出具本獨立核數師報告的審計項目董事是邱偉業。

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Yau Wai Ip
Practising Certificate Number: P07849

Hong Kong, 25 June 2024

國衛會計師事務所有限公司
執業會計師

邱偉業
執業證書編號：P07849

香港，2024年6月25日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

合併損益及其他綜合收益表

FOR THE YEAR ENDED 31 MARCH 2024
截至2024年3月31日止年度

		Note 附註	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Revenue	收益	6	57,852	72,762
Costs of services	服務成本		(4,175)	(7,851)
Costs of sales of goods	貨品銷售成本		(6,898)	(11,590)
Gross profit	毛利		46,779	53,321
Other gains or losses, net	其他收益或虧損淨額	7	7	(1,712)
Other income	其他收入	8	1,380	1,470
Provision for allowance for expected credit losses on financial assets	金融資產預期信貸虧損撥備計提		(6,778)	(2,382)
Selling and distribution expenses	銷售及分銷開支		(23,803)	(24,937)
Administrative expenses	行政開支		(43,498)	(34,250)
Operating loss	經營虧損		(25,913)	(8,490)
Finance income	財務收入	10	226	176
Finance costs	財務成本	10	(1,045)	(1,037)
Finance costs, net	財務成本淨額	10	(819)	(861)
Share of result on investment accounted for using the equity method	應佔使用權益會計法列賬之投資業績	19	343	872
Loss before income tax	除所得稅前虧損	9	(26,389)	(8,479)
Income tax (expense)/credit	所得稅(開支)/抵免	11	(537)	197
Loss for the year	年度虧損		(26,926)	(8,282)
Loss attributable to:	以下各方應佔虧損：			
Owners of the Company	本公司擁有人		(26,890)	(8,286)
Non-controlling interests	非控股權益		(36)	4
			(26,926)	(8,282)
Loss per share for profit attributable to owners of the Company	本公司擁有人應佔溢利的每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	12	HK (5.38) cents (5.38)港仙	HK (1.66) cents (1.66)港仙

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述合併損益及其他綜合收益表應與隨附附註一併閱讀。

Consolidated Statement of Profit or Loss and Other Comprehensive Income
 合併損益及其他綜合收益表

FOR THE YEAR ENDED 31 MARCH 2024
 截至2024年3月31日止年度

	Note 附註	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Loss for the year	年度虧損	(26,926)	(8,282)
Other comprehensive loss: Items that may be reclassified subsequently to profit or loss Exchange difference on translating foreign operations	其他綜合虧損： 其後可能重新分類至 損益的項目 換算海外業務產生 的匯兌差額	(6,583)	(7,651)
Total comprehensive loss for the year, net of tax	年度綜合虧損總額， 扣除稅項	(6,583)	(7,651)
Total comprehensive loss for the year	年度綜合虧損總額	(33,509)	(15,933)
Total comprehensive loss for the year attributable to: Owners of the Company Non-controlling interests	以下各方應佔年度 綜合虧損總額： 本公司擁有人 非控股權益	(33,048) (461)	(15,623) (310)
		(33,509)	(15,933)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述合併損益及其他綜合收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

AS AT 31 MARCH 2024
於2024年3月31日

		Note	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
		附註		
Assets	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	8,341	5,984
Right-of-use assets	使用權資產	16	9,978	3,364
Intangible assets	無形資產	17	2,246	3,792
Investment accounted for using the equity method	使用權益會計法列賬之投資	19	5,010	5,846
Finance asset at fair value through profit or loss	按公平值計入損益之金融資產	20	—	850
Deferred income tax assets	遞延所得稅資產	21	1,337	1,363
Deposits and prepayments	按金及預付款項	24	1,586	30
			28,498	21,229
Current assets	流動資產			
Inventories	存貨	22	128,588	129,248
Trade and other receivables	貿易及其他應收款項	23	158,160	181,807
Deposits and prepayments	按金及預付款項	24	26,147	60,885
Current income tax recoverable	可收回當期所得稅		—	1,552
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	20	2,500	—
Pledged bank deposits	已抵押銀行存款	25	4,000	4,000
Cash and cash equivalents	現金及現金等價物	25	48,744	67,280
			368,139	444,772
Total assets	總資產		396,637	466,001
Equity	權益			
Equity attributable to owners of the company	本公司擁有人應佔權益			
Share capital	股本	26	169,730	169,730
Reserves	儲備	27	65,906	89,587
			235,636	259,317
Non-controlling interests	非控股權益		3,310	3,771
Total equity	總權益		238,946	263,088

Consolidated Statement of Financial Position
合併財務狀況表

AS AT 31 MARCH 2024
於2024年3月31日

		Note 附註	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Liabilities	負債			
Non-current liabilities	非流動負債			
Other payables	其他應付款項	29	1,200	—
Lease liabilities	租賃負債	16	6,519	1,513
Borrowings	借款	28	26,996	30,735
Deferred income tax liabilities	遞延所得稅負債	21	1,959	2,210
			36,674	34,458
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	29	101,557	146,596
Lease liabilities	租賃負債	16	4,133	2,597
Borrowings	借款	28	14,602	18,597
Current income tax liabilities	當期所得稅負債		725	665
			121,017	168,455
Total liabilities	負債總額		157,691	202,913
Total equity and liabilities	權益及負債總額		396,637	466,001

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

上述合併財務狀況表應與隨附附註一併閱讀。

The consolidated financial statements on pages 123 to 251 were approved by the Board of Directors on 25 June 2024 and were signed on its behalf.

第123至251頁之合併財務報表於2024年6月25日獲董事會批准並由以下董事代為簽署。

Ando Shokei
安藤湘桂
Director
董事

Ando Eri
安藤恵理
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

FOR THE YEAR ENDED 31 MARCH 2024
截至2024年3月31日止年度

		Attributable to the owners of the Company					Non-controlling interests	Total equity
		本公司擁有人應佔						
		Share capital (Note 26) 股本 (附註26) HK\$'000 千港元	Other reserve (Note 27) 其他儲備 (附註27) HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Sub-Total			
					小計	非控股權益	權益總額	
					HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Balance at 1 April 2022	於2022年4月1日的結餘	169,730	(52,915)	163,125	279,940	4,081	284,021	
Loss for the year	年度虧損	—	—	(8,286)	(8,286)	4	(8,282)	
Other comprehensive loss	其他綜合虧損							
— Exchange difference on translating foreign operations	— 換算海外業務產生的匯兌差額	—	(7,337)	—	(7,337)	(314)	(7,651)	
Total comprehensive loss for the year	年度綜合虧損總額	—	(7,337)	(8,286)	(15,623)	(310)	(15,933)	
Final dividend declared and paid	已宣派及支付的末期股息	—	—	(5,000)	(5,000)	—	(5,000)	
Balance at 31 March 2023 and 1 April 2023	於2023年3月31日及2023年4月1日的結餘	169,730	(60,252)	149,839	259,317	3,771	263,088	
Loss for the year	年度虧損	—	—	(26,890)	(26,890)	(36)	(26,926)	
Other comprehensive loss	其他綜合虧損							
— Exchange difference on translating foreign operations	— 換算海外業務產生的匯兌差額	—	(6,158)	—	(6,158)	(425)	(6,583)	
Total comprehensive loss for the year	年度綜合虧損總額	—	(6,158)	(26,890)	(33,048)	(461)	(33,509)	
Recognition of equity-settled share based payment	已確認的以權益結算的股份基礎付款	—	9,367	—	9,367	—	9,367	
Balance at 31 March 2024	於2024年3月31日的結餘	169,730	(57,043)	122,949	235,636	3,310	238,946	

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述合併權益變動表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

FOR THE YEAR ENDED 31 MARCH 2024
截至2024年3月31日止年度

		Note	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Cash flow from operating activities	經營活動之現金流量			
Cash used in operations	經營業務所用現金	31(a)	(7,225)	(12,364)
Income tax refund/(paid)	已退/(已付)所得稅		1,066	(4,160)
Net cash used in operating activities	經營活動所用 現金淨額		(6,159)	(16,524)
Cash flow from investing activities	投資活動之現金流量			
Purchase of property, plant and equipment	購買物業、廠房及設備		(4,759)	(725)
Purchase of intangible assets	購買無形資產		(15)	—
Interest received	已收利息		226	176
Net cash used in investing activities	投資活動所用 現金淨額		(4,548)	(549)
Cash flow from financing activities	融資活動之現金流量			
Repayment of lease liabilities	償還租賃負債	36	(4,252)	(6,558)
Proceeds from bank borrowings	銀行借款所得款項	36	15,428	14,561
Repayment of borrowings	償還借款	36	(17,301)	(20,965)
Interest paid	已付利息		(752)	(686)
Dividend paid	已付股息		—	(5,000)
Net cash used in financing activities	融資活動所用 現金淨額		(6,877)	(18,648)
Net decrease in cash and cash equivalents	現金及現金等價物 減少淨額		(17,584)	(35,721)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		67,280	108,698
Effect of foreign exchange rate change	匯率變動影響		(952)	(5,697)
Cash and cash equivalents at end of the year	年末現金及現金等價物	25	48,744	67,280

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述合併現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

1. GENERAL INFORMATION

Tokyo Chuo Auction Holdings Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong. Its ultimate controlling party is Mr. Ando Shohei (“**Mr. Ando**”), who is also the chairman and executive director of the Company. The address of the Company’s registered office is Room 2601, 26/F, Wing on Centre, No. 111 Connaught Road Central, Hong Kong.

The Company is an investment holding company. The Company’s subsidiaries principally engage in the provision of auction and related services as well as artwork sales in Hong Kong and Japan.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”), which is the same as the functional currency of the Company, unless otherwise stated.

1. 一般資料

東京中央拍賣控股有限公司(「**本公司**」)為一間在香港註冊成立的有限公司。其最終控股方為安藤湘桂先生(「**安藤先生**」)，彼亦為本公司主席兼執行董事。本公司的註冊辦事處地址為香港干諾道中111號永安中心26樓2601室。

本公司為投資控股公司。本公司附屬公司主要從事在香港及日本提供拍賣及相關服務以及藝術品銷售。

本公司股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。

除另有註明外，該等合併財務報表以港元(「**港元**」)呈列，與本公司的功能貨幣相同。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and accounting principles generally accepted in Hong Kong. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the applicable requirements of the Hong Kong Companies Ordinance (Cap.622).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

2. 重大會計政策資料概要

2.1 編製基準

合併財務報表乃按照香港財務報告準則（「**香港財務報告準則**」），該統稱包括香港會計師公會（「**香港會計師公會**」）頒佈的所有適用個別香港財務報告準則、香港會計準則（「**香港會計準則**」）及詮釋）以及香港公認會計原則編製。就編製合併財務報表而言，倘資料經合理預測會影響主要使用者作出的決定，則有關資料被視為重大。此外，合併財務報表包括香港聯合交易所有限公司證券上市規則（「**上市規則**」）及香港公司條例（第622章）的適用規定所規定之適用披露事項。

合併財務報表乃按歷史成本基準編製，惟誠如下文載列的會計政策所說明，於各報告期末按公平值計量的若干金融工具除外。

歷史成本一般基於為換取貨品而支付代價之公平值。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.1 Basis of Preparation (Continued)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. 重大會計政策資料概要(續)

2.1 編製基準(續)

公平值是市場參與者於計量日期在有序交易中出售資產將收取或轉讓負債將支付之價格，而不論該價格是否可直接觀察或使用其他估值方法作出估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮資產或負債之特點。在該等合併財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號以股份為基礎付款範圍內之以股份為基礎付款的交易、根據香港財務報告準則第16號租賃列賬之租賃交易以及與公平值有些類似但並非公平值的計量(例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值)除外。

此外，就財務報告而言，公平值計量分為第一級、第二級或第三級，此等級別之劃分乃根據公平值計量的輸入數據可觀察程度及輸入數據對公平值計量的整體重要性，詳述如下：

- 第一級輸入數據乃實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據乃第一級所載報價以外，就資產或負債直接或間接可觀察的輸入數據；及
- 第三級輸入數據乃資產或負債的不可觀察輸入數據。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountant (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements.

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform — Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本年度強制生效的經修訂香港財務報告準則

於本年度，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則，該等修訂於2023年4月1日開始之本集團年度期間強制生效，以編製合併財務報表。

香港財務報告準則第17號(包括2020年10月及2022年2月之香港財務報告準則第17號(修訂本))	保險合約
香港會計準則第8號(修訂本)	會計估計定義
香港會計準則第12號(修訂本)	與單一交易所產生之資產及負債有關之遞延稅項
香港會計準則第12號(修訂本)	國際稅務改革 — 支柱二規則範本
香港會計準則第1號及香港財務報告準則實務報告第2號(修訂本)	會計政策披露

除下文所述者外，於本年度應用新訂及經修訂香港財務報告準則對本集團本年度及過往年度的財務狀況和表現及/或該等合併財務報表所載披露並無重大影響。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies

The Group has applied the amendments for the first time in the Year. HKAS 1 Presentation of Financial Statements is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can 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 also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the “**Practice Statement**”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的經修訂香港財務報告準則(續)

應用香港會計準則第1號及香港財務報告準則實務報告第2號(修訂本)會計政策披露的影響

本集團於本年度首次應用該等修訂。香港會計準則第1號財務報表之呈列已修訂，以將所有「主要會計政策」一詞替換為「重大會計政策資料」。倘會計政策資料與實體財務報表中包含的其他資料一併考慮時，可合理預期影響一般用途財務報表的主要使用者基於該等財務報表所作的決策，則該等資料屬重大。

該等修訂亦闡明，即使款額並不重大，會計政策資料亦可能因相關交易、其他事件或情況的性質而屬重大。然而，並非所有與重大交易、其他事件或情況相關的會計政策資料本身屬重大。倘一間實體選擇披露非重大會計政策資料，則有關資料不得掩蓋重大會計政策資料。

香港財務報告準則實務報告第2號作出重要判斷(「**實務報告**」)亦經修訂，以說明實體如何將「四步重大性流程」應用於會計政策披露，並判斷有關會計政策的資料對其財務報表而言是否屬重大。實務報告已附加指引及實例。

應用該等修訂概無對本集團的財務狀況或表現產生重大影響，惟影響本集團會計政策的披露。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) — Long Service Payment (“LSP”) offsetting mechanism in Hong Kong

The Company and its subsidiary are operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee’s accrued retirement benefits derived from employers’ MPF contributions was allowed under the Employment Ordinance (Cap.57). In June 2022, the Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”) which abolishes the use of the accrued benefits derived from employers’ mandatory MPF contributions to offset severance payment and LSP (the “**Abolition**”). The Abolition will officially take effect on 1 May 2025 (the “**Transition Date**”). In addition, under the Amendment Ordinance, the last month’s salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的經修訂香港財務報告準則(續)

因應用香港會計師公會有關廢除香港強制性公積金(「強積金」)—長期服務金(「長期服務金」)抵銷機制的會計影響指引而導致的會計政策變動

本公司及其附屬公司在香港營運，在若干情況下有義務向僱員支付長期服務金。同時，本集團向受託人繳納強制性公積金供款，該受託人專門管理信託中持有的資產，以提供每位僱員的退休福利。根據僱傭條例(第57章)，僱主的強積金供款所產生的僱員應計退休福利可用於抵銷長期服務金。於2022年6月，香港特區政府在憲報刊登《2022年僱傭及退休計劃法例(抵銷安排)(修訂)條例》(「**修訂條例**」)，取消使用僱主強制性強積金供款累算權益以對沖遣散費及長期服務金(「**取消**」)。取消將於2025年5月1日(「**過渡日期**」)正式生效。此外，根據修訂條例，緊接過渡日期(而非終止僱傭日期)前最後一個月的薪金乃用於計算過渡日期前僱傭期間長期服務金的比例。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) — Long Service Payment (“LSP”) offsetting mechanism in Hong Kong (Continued)

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” which provides guidance for the accounting for the offsetting mechanism and the impact arising from abolition of the MPF-LSP offsetting mechanism in Hong Kong. In light of this, the Group has implemented the guidance published by the HKICPA in connection with the LSP obligation retrospectively so as to provide more reliable and more relevant information about the effects of the offsetting mechanism and the Abolition.

The Group considered the accrued benefits arising from employer MPF contributions that have been vested with the employee and which could be used to offset the employee’s LSP benefits as a deemed contribution by the employee towards the LSP. Historically, the Group has been applying the practical expedient in paragraph 93(b) of HKAS 19 to account for the deemed employee contributions as a reduction of the service cost in the period in which the related service is rendered.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的經修訂香港財務報告準則(續)

因應用香港會計師公會有關廢除香港強制性公積金(「強積金」) — 長期服務金(「長期服務金」)抵銷機制的會計影響指引而導致的會計政策變動(續)

於2023年7月，香港會計師公會頒佈「取消香港強積金 — 長期服務金對沖機制之會計影響」，就抵銷機制的會計安排及取消香港強積金長期服務金抵銷機制所帶來的影響提供指引。有見及此，本集團已追溯實施香港會計師公會就長期服務金責任所頒佈的指引，以便就抵銷機制及取消的影響提供更可靠及更適切的資料。

本集團認為來自僱主強積金供款的累算權益已歸屬於僱員，並可用於抵銷僱員的長期服務金福利，視為僱員對長期服務金的視同供款。歷來，本集團一直應用香港會計準則第19號第93(b)段的實務權宜方法，將視作僱員供款計入提供相關服務期間減少服務成本。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) — Long Service Payment (“LSP”) offsetting mechanism in Hong Kong (Continued)

Based on the HKICPA’s guidance, as a result of the Abolition, these contributions are no longer considered “linked solely to the employee’s service in that period” since the mandatory employer MPF contributions after the Transition Date can still be used to offset the pre-transition LSP obligation. Therefore, it would not be appropriate to view the contributions as “independent of the number of years of service” and the practical expedient in paragraph 93(b) of HKAS 19 is no longer applicable. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit applying paragraph 93(a) of HKAS 19.

Based on management’s assessment, the change has had no material impact on the Group’s financial positions and performance.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的經修訂香港財務報告準則(續)

因應用香港會計師公會有關廢除香港強制性公積金(「強積金」)—長期服務金(「長期服務金」)抵銷機制的會計影響指引而導致的會計政策變動(續)

基於香港會計師公會的指引，由於取消，該等供款不再被視為「僅與該期間的僱員服務相關」，原因為過渡日期後的強制性僱主強積金供款仍可用於抵銷過渡前的長期服務金責任。因此，將該等供款視為「與服務年數無關」乃屬不恰當，而香港會計準則第19號第93(b)段的實務權宜措施不再適用。相反，該等視作供款應按照香港會計準則第19號第93(a)段適用的總長期服務金福利，以相同方式歸因於服務期間。

根據管理層的評估，該變動對本集團的財務狀況及表現概無重大影響。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have issued but not yet effective:

Amendments to HKFRS 10 And HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 重大會計政策資料概要 (續)

2.2 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則 第10號及香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營企業之間資產出售或注資 ¹
香港財務報告準則 第16號(修訂本)	售後租回之租賃負債 ²
香港會計準則 第1號(修訂本)	將負債分類為流動或非流動及香港詮釋第5號(2020年)之相關修訂 ²
香港會計準則 第1號(修訂本)	附帶契諾的非流動負債 ²
香港會計準則 第7號及香港財務報告準則 第7號(修訂本)	供應商融資安排 ²
香港會計準則 第21號(修訂本)	缺乏可交換性 ³

¹ 於待定期限或之後開始的年度期間生效。

² 於2024年1月1日或之後開始的年度期間生效。

³ 於2025年1月1日或之後開始的年度期間生效。

董事預計應用所有新訂及經修訂香港財務報告準則將不會在可見未來對合併財務報表造成重大影響。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2024. 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.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

2. 重大會計政策資料概要 (續)

2.3 主要會計政策概要

(a) 綜合入賬基準

合併財務報表包括本公司及其附屬公司(統稱「本集團」)於截至2024年3月31日止年度之財務報表。附屬公司的財務報表乃就本公司相同報告期間而編製，使用一致會計政策。附屬公司之業績於本集團取得控制權之日起綜合入賬，並繼續綜合入賬直至有關控制權終止之日為止。

合併財務報表包括本公司及本公司控制之實體(及其附屬公司)之財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力而影響其回報。

附屬公司於本集團獲得附屬公司控制權時綜合入賬，並於本集團失去附屬公司控制權時終止入賬。具體而言，於年內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團不再控制附屬公司當日止，計入合併損益及其他綜合收益表內。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(a) Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group 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.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

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 in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2. 重大會計政策資料概要(續)

2.3 主要會計政策概要(續)

(a) 綜合入賬基準(續)

即使會導致非控股權益出現虧蝕結餘，損益及其他綜合收入的各個組成部分仍會歸屬於本集團母公司擁有人及非控股權益。所有集團內公司間資產及負債、權益、收入、開支以及與本集團成員公司間交易有關的現金流，將於綜合入賬時悉數對銷。

於附屬公司的非控股權益自本集團於當中的股權分開呈列，其指賦予其持有人權利於清盤時按比例分佔相關附屬公司淨資產的現有擁有權權益。

倘事實及情況顯示下文附屬公司會計政策所述三項控制權的元素中有一項或以上元素發生變動，則本集團將重新評估其是否仍控制投資對象。於附屬公司的所有權權益變動(並無喪失控制權)列賬為權益交易。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(a) Basis of consolidation (Continued)

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.

(b) Subsidiaries

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).

The results of subsidiaries are included in the Company's statement of profit or loss and other comprehensive income to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

2. 重大會計政策資料概要 (續)

2.3 主要會計政策概要 (續)

(a) 綜合入賬基準 (續)

倘本集團失去對附屬公司的控制權，則會終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計折算差額；並確認(i)已收代價的公平值；(ii)任何獲保留投資的公平值；及(iii)任何因而產生計入損益的盈餘或虧蝕。先前已於其他綜合收入確認的本集團應佔部分，乃按照猶如本集團直接出售相關資產或負債所需的相同基準，在適當的情況下重新分類至損益或保留溢利。

(b) 附屬公司

附屬公司為一間由本公司直接或間接控制之實體(包括結構性實體)。當本集團因參與投資對象業務而承擔浮動回報的風險或對此享有權利及具有能力通過對投資對象行使其權力而影響該等回報時，則取得控制權(即賦予本集團現有能以主導投資對象相關活動的現有權利)。

附屬公司業績乃按已收及應收股息納入本公司損益及其他綜合收益表中。本公司於附屬公司的投資按成本減任何減值虧損列賬。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(c) Interest in associates

An associate is an entity over which the Group has 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 results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payment on behalf of the associate.

2. 重大會計政策資料概要(續)

2.3 主要會計政策概要(續)

(c) 於聯營公司的權益

聯營公司指本集團能對其行使重大影響力之實體。重大影響力指可參與投資對象之財務及營運決策但不是控制或共同控制該等政策之權力。

除投資或部份投資根據香港財務報告準則第5號持作出售的非流動資產及已終止經營業務分類為持作出售外，聯營公司的業績、資產及負債以權益會計法於該等合併財務報表入賬。任何並無分類為持作出售於聯營公司的投資的保留部分應繼續使用權益會計法列賬。用作會計權益會計法的聯營公司的財務報表乃按與本集團於類似情況下就類似交易及事件使用的該等會計政策統一編製。根據權益會計法，於聯營公司之投資初步按成本於合併財務狀況表內確認，並於其後就確認本集團應佔該聯營公司的損益及其他綜合收入予以調整。除損益及其他綜合收入外，聯營公司的資產淨值變動不會入賬，除非該等變動導致本集團持有的所有權出現變動。當本集團應佔聯營公司的虧損超出本集團於該聯營公司的權益(包括實質上成為本集團於該聯營公司投資淨值一部分的任何長期權益)時，本集團終止確認其應佔之進一步虧損。僅於本集團已產生法律或推定責任，或已代表聯營公司支付款項之情況下，方會確認額外虧損。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(c) Interest in associates (Continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

2. 重大會計政策資料概要 (續)

2.3 主要會計政策概要 (續)

(c) 於聯營公司的權益 (續)

於聯營公司之投資乃自投資對象成為聯營公司當日起使用權益會計法列賬。收購於聯營公司之投資時，投資成本超出本集團應佔該投資對象之可識別資產及負債之公平值淨額之任何數額確認為商譽，並計入該投資之賬面值。本集團應佔可識別資產及負債之公平值淨額超出投資成本之任何部分，在重新評估後，即時於收購投資期間於損益內確認。

本集團評估是否有客觀證據顯示於聯營公司之權益可能出現減值。當存有任何客觀證據，則投資之全部賬面值(包括商譽)將視作單一資產並按香港會計準則第36號透過比較其可收回金額(使用價值及公平值減出售成本兩者之較高者)與其賬面值進行減值測試。任何已確認減值虧損不會分配至構成投資賬面值一部分之任何資產(包括商譽)。倘投資之可收回金額其後增加，該減值虧損之任何撥回會按照香港會計準則第36號確認。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(c) Interest in associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

2. 重大會計政策資料概要 (續)

2.3 主要會計政策概要 (續)

(c) 於聯營公司的權益 (續)

當本集團對聯營公司失去重大影響力時，其入賬列作出售投資對象的全部權益，所產生的損益於損益確認。當根據香港財務報告準則第9號之範圍，本集團保留於前聯營公司之權益且該保留權益為金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為於初步確認時之公平值。於聯營公司之賬面值與任何保留權益及出售聯營公司之相關權益之任何所得款項公平值間之差額計入釐定出售聯營公司之損益。此外，本集團會將先前在其他綜合收入就該聯營公司確認之所有金額入賬，基準與猶如該聯營公司已直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他綜合收入確認之收益或虧損，會於出售相關資產或負債時重新分類至損益，本集團會於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益（作為重新分類調整）。

當於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團將繼續使用權益會計法。於此類所有權權益變動發生時，公平值不會重新計量。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.3 Summary of Material accounting policy information (Continued)

(c) Interest in associates (Continued)

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

2.4 Separate financial statements

Investments in subsidiaries and associates are accounted for at cost less impairment. Cost includes direct attributable costs of investment. Cost also includes capital contribution relating to Equity Incentive Scheme for investments in subsidiaries. The results of subsidiaries and associates are accounted for by the Company on the basis of dividend received and receivable.

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

2. 重大會計政策資料概要 (續)

2.3 主要會計政策概要 (續)

(c) 於聯營公司的權益 (續)

當本集團削減其於聯營公司之所有權權益而本集團繼續採用權益會計法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他綜合收入確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

當集團實體與本集團之聯營公司進行交易，僅在聯營公司之權益與本集團無關之情況下，方會於合併財務報表中確認與聯營公司進行交易所產生之溢利及虧損。

2.4 獨立財務報表

於附屬公司及聯營公司的投資乃按成本扣除減值入賬。成本包括投資的直接應佔成本。成本亦包括於附屬公司投資有關股份獎勵計劃的出資。附屬公司及聯營公司的業績乃由本公司按已收及應收股息的基準入賬。

倘自於附屬公司的投資收取的股息超過宣派股息期間該附屬公司的綜合收入總額，或倘獨立財務報表的投資賬面值超過合併財務報表內被投資方的資產淨值(包括商譽)賬面值，則須對該等投資進行減值測試。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.5 Segment reporting

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

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in HK\$ which is the Company’s functional and the Group’s presentation currency.

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and bank balances are presented in the consolidated statement of profit or loss and other comprehensive income within “other (losses)/gains, net”.

2. 重大會計政策資料概要 (續)

2.5 分部報告

營運分部按照向主要營運決策者（「主要營運決策者」）提供的內部報告方式呈報。主要營運決策者（負責資源調配及評估各營運分部的表現）已確認為作出策略決定的本集團執行董事。

2.6 外幣換算

(a) 功能及呈列貨幣

本集團各實體的財務報表所載的項目乃採用該實體營運所在的主要經濟環境的貨幣（「功能貨幣」）計量。合併財務報表以本公司的功能貨幣及本集團的呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易採用交易日或項目重新計量的估值日的通行匯率換算為功能貨幣。因結算該等交易及按年底匯率兌換以外幣計值的貨幣資產及負債而產生的匯兌收益及虧損均於合併損益及其他綜合收益表內確認。

有關借款與現金及銀行結餘的匯兌收益及虧損呈列於合併損益及其他綜合收益表內「其他（虧損）／收益淨額」項下。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.6 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2. 重大會計政策資料概要 (續)

2.6 外幣換算 (續)

(c) 集團公司

功能貨幣有別於呈列貨幣的所有本集團實體(並無來自嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況均按以下方式換算為呈列貨幣：

- (i) 於各財務狀況表呈列的資產及負債乃按該財務狀況表日期的收盤匯率換算；
- (ii) 各收益表的收支乃按平均匯率換算(除非該平均匯率並非為有關交易當日的通行匯率累積影響的合理約數，在該情況下，收支按有關交易當日的匯率換算)；及
- (iii) 所有因此而產生的匯兌差額於其他綜合收入確認。

購入外國實體所產生的商譽及公平值調整，乃作為該外國實體的資產及負債處理，並按收盤匯率換算。所產生的匯兌差額於其他綜合收入中確認。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.7 Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Freehold land is not depreciated. Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	2%–4%
樓宇	2%至4%
Leasehold improvements	Shorter of remaining period of the lease or useful life of 5 years
租賃物業裝修	租賃的餘下期限或5年的可使用年期 (以較短者為準)
Furniture, fixtures and office equipment	20%
傢俬、固定裝置及辦公室設備	20%
Motor vehicles	20%
汽車	20%

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

2. 重大會計政策資料概要(續)

2.7 物業、廠房及設備

物業、廠房及設備(永久業權土地除外)是按歷史成本減累計折舊和任何減值虧損列賬。歷史成本包括收購項目直接引致的開支。

僅當與項目相關的未來經濟利益很可能會流入本集團，且能夠可靠計量項目的成本時，其後成本方會計入資產的賬面值或確認為一項獨立資產(如適用)。重置部分的賬面值取消確認。所有其他維修及保養於其產生的財政期間在合併損益及其他綜合收益表中扣除。

永久業權土地並無折舊。物業、廠房及設備的折舊乃按其估計可使用年期以直線法分配其成本至其剩餘價值，計算如下：

資產之剩餘價值及可使用年期於各報告期末進行檢討及調整(如適用)。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.7 Property, plant and equipment (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within "Other (losses)/gain, net" in the consolidated statements of profit or loss and other comprehensive income.

2.8 Intangible assets

(a) Computer software

Computer software purchased from vendors are initially shown at historical cost and subsequently amortised over their estimated useful lives, which does not exceed five years.

(b) Club membership

Club membership is amortised over its useful life of 20 years and is stated at cost less accumulated amortisation and impairment loss.

2.9 Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), 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.

2. 重大會計政策資料概要 (續)

2.7 物業、廠房及設備 (續)

倘資產賬面值高於其估計可收回金額，則資產的賬面值即時撇減至其可收回金額(附註2.9)。

出售收益及虧損透過比較所得款項及賬面值進行釐定，並於合併損益及其他綜合收益表的「其他(虧損)/收益淨額」內確認。

2.8 無形資產

(a) 電腦軟件

購自賣方的電腦軟件初步以歷史成本列示並隨後按其估計可使用年期攤銷，該年期不會超過五年。

(b) 俱樂部會籍

俱樂部會籍按其20年的可使用年期攤銷，並以成本減累計攤銷及減值虧損列賬。

2.9 非金融資產減值

除存貨及金融資產外，當資產有減值跡象或須對資產進行年度減值測試時，會估計資產之可收回金額。資產之可收回金額指資產或現金產生單位之使用價值與其已扣除出售成本之公平值兩者中之較高者，並會為個別資產釐定，除非該資產所產生之現金流入並非很大程度上獨立於其他資產或資產組別所產生者，在該情況下可收回金額按資產所屬現金產生單位釐定。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.9 Impairment of non-financial assets (Continued)

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 and other comprehensive income in the period in which it arises in those expense categories consistent with the function of the impaired 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 and other comprehensive income in the period in which it arises.

2. 重大會計政策資料概要(續)

2.9 非金融資產減值(續)

僅當資產之賬面值超逾其可收回金額時方會確認減值虧損。評估使用價值時，估計未來現金流量以反映當前市場評定之貨幣時間價值以及資產特有風險之稅前貼現率貼現至其現值。減值虧損於產生期間在合併損益及其他綜合收益表中列入與減值資產功能屬於同一類別之開支。

於各報告期末評估有否跡象顯示原已確認之減值虧損不復存在或有所減少。如有，則評估可收回金額。僅當釐定資產可收回金額之估計方法改變時，方可撥回先前就資產(商譽除外)確認之減值虧損，惟撥回後之數額不得高於假設過往年度並無確認資產減值虧損而應予釐定之賬面值(扣除任何折舊/攤銷)。該減值虧損之撥回於產生期間計入合併損益及其他綜合收益表。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments

Financial assets and financial liabilities are recognised when the group entity becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivable arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognised in profit or loss.

(a) Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. 重大會計政策資料概要 (續)

2.10 金融工具

金融資產及金融負債於集團實體成為工具合約條款的一方時確認。

已確認的金融資產及金融負債起初以公平值計量，除自客戶合約產生的貿易應收款項外，根據香港財務報告準則第15號初步計量。初始確認後，金融資產及金融負債的收購或發行直接應佔的交易成本添置於金融資產或金融負債的公平值或從金融資產或金融負債的公平值中扣除(倘適用)。按公平值計入損益(「按公平值計入損益」)的金融資產或金融負債的收購直接應佔的交易成本乃於損益確認。

(a) 金融資產

金融資產的分類及其後計量

符合下列條件的金融資產於其後按攤銷成本計量：

- 金融資產於旨在收取合約現金流量的業務模式內持有；及
- 合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金的利息。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(a) Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(a) 金融資產 (續)

金融資產的分類及其後計量 (續)

符合下列條件的金融資產其後按公平值計入其他綜合收入(「按公平值計入其他綜合收入」)計量：

- 金融資產於旨在同時出售及收回合約現金流量的業務模式內持有；及
- 合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金的利息。

所有其他金融資產其後按公平值計入損益計量，除非該股權投資既非持作買賣，亦非香港財務報告準則第3號業務合併所適用的業務合併收購方確認的或然代價，於初始應用／初始確認金融資產之日，本集團可不可撤銷地選擇於其他綜合收入中呈列股權投資公平值的其後變動。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(a) Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(a) 金融資產 (續)

金融資產的分類及其後計量 (續)

倘屬下列情況，則金融資產分類為持作買賣：

- 購入該金融資產之主要目的為於不久將來出售；或
- 於初始確認時，該金融資產為本集團共同管理的已識別金融工具組合的部份，且近期實際出現短期獲利模式；或
- 該金融資產為並非指定及有效作為對沖工具的衍生工具。

此外，本集團可不可撤回地指定一項須按攤銷成本或按公平值計入其他綜合收入的金融資產按公平值計入損益計量，倘有關指定可消除或大幅減少會計錯配。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(b) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(c) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other losses, net" line item.

2. 重大會計政策資料概要(續)

2.10 金融工具(續)

(b) 攤銷成本及利息收入

就其後按攤銷成本計量的金融資產而言，利息收入乃使用實際利率法進行確認。除其後發生信貸減值的金融資產外(見下文)，利息收入乃通過金融資產的賬面總值應用實際利率計算。就其後信貸減值的金融資產而言，利息收入自下個報告期間起通過對金融資產的攤銷成本應用實際利率進行確認。倘信貸減值的金融工具的信貸風險改善，使得金融資產不再信貸減值，則從確定該項資產不再信貸減值之後的報告期初起，利息收入通過對金融資產的賬面總值應用實際利率進行確認。

(c) 按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他綜合收入或指定為按公平值計入其他綜合收入計量標準的金融資產按公平值計入損益計量。

按公平值計入損益的金融資產按各報告期末的公平值計量，任何公平值收益或虧損於損益中確認。於損益確認的收益或虧損淨額，不包括從金融資產賺取的其他股息或利息，並計入「其他虧損淨額」項目內。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(d) Impairment of financial assets

The Group performs impairment assessment under ECL model on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, deposits and other receivables and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting period. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions. The Group always recognise lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(d) 金融資產減值

本集團就根據香港財務報告準則第9號須予減值的金融資產(包括貿易應收款項、按金及其他應收款項及銀行結餘)根據預期信貸虧損模式進行減值評估。預期信貸虧損的金額於各報告日期更新,以反映自初步確認後信貸風險的變化。

全期預期信貸虧損指將相關工具的預期年期內所有可能的違約事件產生的預期信貸虧損。相反,12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告期間後12個月內可能發生的違約事件導致的全期預期信貸虧損部分。評估乃根據本集團的歷史信貸虧損經驗進行,並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。本集團經常為貿易應收款項確認全期預期信貸虧損。

對於所有其他工具,本集團計量的虧損撥備等於12個月預期信貸虧損,除非自初始確認後信貸風險顯著增加,本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損的評估乃基於自初始確認以來發生違約的可能性或風險的大幅增加。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(e) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(e) 信貸風險大幅增加

於評估信貸風險自初始確認以來有否大幅增加時，本集團比較金融工具於報告期間出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時，本集團會考慮合理有據的定量及定性資料，包括過往經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險有否大幅增加時會考慮下列資料：

- 金融工具外界(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加，債務人的信貸違約掉期價大幅上升；
- 業務、財務或經濟狀況的現有或預測不利變動，預期將導致債務人履行其債務責任的能力大幅下降；

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(e) Significant increase in credit risk (Continued)

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(f) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(e) 信貸風險大幅增加 (續)

- 債務人經營業績的實際或預期重大惡化；
- 債務人監管、經濟或技術環境的實際或預期重大不利變動，導致債務人履行其債務責任的能力大幅下降。

不論上述評估結果如何，當合約付款逾期超過30天，本集團假定信貸風險自初始確認以來已大幅增加，惟本集團擁有合理有據的資料顯示情況並非如此，則作別論。

本集團定期監控用於識別信貸風險是否顯著增加的標準的有效性，並進行適時修訂，以確保標準能夠於金額逾期前識別信貸風險大幅增加。

(f) 違約的定義

就內部信貸風險管理而言，本集團認為違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款時發生。

儘管上文所評，當金融資產逾期超過90天，本集團認為違約事件已發生，惟本集團擁有合理有據的資料顯示更寬鬆的違約標準更適合除外。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(f) Definition of default (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (i) significant financial difficulty of the issuer or the borrower;
- (ii) a breach of contract, such as a default or past due event;
- (iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (v) the disappearance of an active market for that financial asset because of financial difficulties.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(f) 違約的定義 (續)

信貸減值金融資產

倘發生一項或多項違約事件對於金融資產的預計未來現金流量產生不利影響，則該金融資產發生信貸減值。金融資產的信貸減值證據包括下列事件的可觀察數據：

- (i) 發行方或借款人出現重大財務困難；
- (ii) 違反合約條款，如違約或逾期事件等；
- (iii) 借款人的貸款人因有關借款人財政困難的經濟或合約理由而向借款人批出貸款人不會另行考慮的寬免；
- (iv) 借款人可能進行破產或其他財務重組；或
- (v) 由於出現財政困難導致該金融資產失去活躍市場。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(f) Definition of default (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 90 days past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(f) 違約的定義 (續)

撇銷政策

當資料顯示對手方處於嚴重財困及無實際收回可能時(例如對手方被清盤或已進入破產程序時或就貿易應收帳款而言,當金額超過90天到期時,以較遲發生者為準),本集團則撇銷金融資產。經考慮法律意見後(倘合適),被撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事件。任何其後收回在損益中確認。

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險函數。違約概率及違約損失率的評估依據歷史數據作出,並就前瞻性資料作出調整。預期信貸虧損的估算乃無偏概率加權金額,以各自發生違約的風險為權重釐定。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量(按初始確認時釐定的實際利率貼現)的差額。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(f) Definition of default (Continued)

Measurement and recognition of ECL
(Continued)

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and other receivables where the corresponding adjustment is recognised through a loss allowance account.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(f) 違約的定義 (續)

預期信貸虧損的計量及確認
(續)

為進行集體評估，本集團制定分組時考慮以下特點：

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可得的外部信貸評級。

管理層定期審閱分組，以確保各組別的組成部分繼續共享類似信貸風險特徵。

利息收入按金融資產的賬面總值計算，除非該金融資產屬信貸減值，在此情況下，利息收入按金融資產的攤銷成本計算。

本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟貿易應收款項及其他應收款項除外，其透過虧損撥備賬確認相應調整。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(g) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(h) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(g) 終止確認金融資產

僅當資產現金流量的合約權利屆滿時，或向另一實體轉讓金融資產及資產所有權的絕大部份風險及回報時，本集團方會終止確認金融資產。倘本集團並無轉讓或保留所有權的絕大部分風險及回報並繼續控制所轉讓資產，則本集團確認其在資產中的保留權益，並就可能須支付的金額確認相關負債。倘本集團保留已轉讓金融資產所有權的絕大部分風險及回報，則本集團會繼續確認金融資產，亦會就已收取的所得款項確認有抵押借款。

終止確認按攤銷成本計量的金融資產時，該資產賬面值與已收及應收代價的差額於損益確認。

(h) 金融負債及權益工具

分類為債務或權益

債務及權益工具乃根據合約安排的內容以及金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具為證明實體資產於扣除其所有負債後的剩餘權益的任何合約。本公司所發行權益工具按已收所得款項扣除直接發行成本確認。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Financial instruments (Continued)

(h) Financial liabilities and equity instruments (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities (including other payables and accruals, borrowings and lease liabilities) are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2. 重大會計政策資料概要 (續)

2.10 金融工具 (續)

(h) 金融負債及權益工具 (續)

實際利率法

實際利率法乃計算金融負債的攤銷成本及於相關期間分配利息開支的方法。實際利率乃按金融負債的預期年期或較短期間(如適用)，準確貼現估計未來現金付款(包括構成實際利率一部分的所有已付或已收費用及點子、交易成本及其他溢價或折讓)至初步確認時賬面淨值的利率。

利息開支按實際利率基準確認。

金融負債

所有金融負債其後按攤銷成本使用實際利率法計量。

按攤銷成本計量之金融負債

金融負債(包括其他應付款項及應計費用、借款及租賃負債)其後按攤銷成本使用實際利率法計量。

終止確認金融負債

當且僅當本集團的義務已解除、取消或屆滿時，本集團才會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益確認。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.11 Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12 Inventories

Inventories represented artworks that opportunistically purchased by the Group and are stated at the lower of cost and net realisable value. Costs of purchase of these artworks are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.13 Trade and other receivables

Trade receivables represent commission receivables and related services fees receivables that are due from buyers and sellers as a result of the auctions conducted by the Group. Trade receivables also included those arising from direct artwork sales conducted by the Group. The Group grants credit period of 7 days for commission receivables and 30 days for receivables from artwork sales. Receivables are generally due for settlement within credit periods granted by the Group and are all classified as current.

Upon completing the auction, the Group is obliged to collect from the buyers the hammer price amounts for artworks sold. Such receivables are classified as "receivables from buyers in respect of auction and related business" and due for settlement within 7 days of recognition according to the terms of the contracts with the buyers.

2. 重大會計政策資料概要 (續)

2.11 抵銷金融資產及金融負債

當且僅當本集團現時擁有合法可強制執行權利抵銷有關已確認金額，而且有意以淨額方式結算，或同時變現資產及清償負債時，方會將金融資產與金融負債相互抵銷，並將抵銷後的淨額於合併財務狀況表中呈列。

2.12 存貨

存貨指本集團趁機購買的藝術品，並按成本值與可變現淨值較低者列賬。購買該等藝術品的成本乃扣除回扣及折扣後釐定。可變現淨值為日常業務過程中的估計售價減去進行出售所需的估計成本。

2.13 貿易及其他應收款項

貿易應收款項指因本集團舉行的拍賣而應收買家及賣家的應收佣金及應收相關服務費用。貿易應收款項亦包括來自本集團舉行的直接藝術品銷售產生的款項。本集團就應收佣金而授出7天的信貸期，並就應收藝術品銷售款項而授出30天的信貸期。應收款項一般須於本集團授出的信貸期內結付，並全部分類為流動。

於拍賣完成時，本集團須向買家收取售出藝術品的落槌價。該等應收款項分類為「應收買家拍賣及相關業務款項」，並須根據與買家訂立的合約條款於確認後7天內結付。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.13 Trade and other receivables (Continued)

Consignor advances are recognised initially at fair value less allowance for ECL. It represents financing provided to art collectors prior to their works of art being auctioned off, secured by works of art.

Other receivables that are realised as part of the Group's normal operating cycle are classified as current assets even when they are not expected to be realised within 12 months after the reporting period. The operating cycle of an entity is the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents.

Trade and other receivables are recognised initially at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 3.2 for a description of the Group's impairment policies.

2.14 Cash and bank balances

For the purpose of presentation in the statement of cash flows, cash and bank balances includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15 Trade and other payables

Trade payables represent obligations to pay for services from suppliers in the ordinary course of business and amounts due to sellers of artworks purchased by the Group for trading purpose.

2. 重大會計政策資料概要(續)

2.13 貿易及其他應收款項(續)

委託人預付款項最初按公平值減預期信貸虧損撥備確認。其指在藝術品被拍賣出前向藝術收藏家提供的融資，由藝術品作擔保。

變現為本集團正常營運週期的一部分的其他應收款項分類為流動資產，即使該等應收款項預期不會於報告期間後12個月內變現。一個實體的營運週期為收購資產作加工與其變現為現金或現金等價物之間的時間。

貿易及其他應收款項最初按公平值確認。本集團持有貿易應收款項的目標是收集合約現金流量，因此其後使用實際利率法按攤銷成本計量。有關本集團減值政策的說明，請參閱附註3.2。

2.14 現金及銀行結餘

就編製現金流量表而言，現金及銀行結餘包括手頭現金、其他短期高流動性投資(原定到期日為三個月或以下，隨時可轉換為已知金額的現金及價值變動風險不大者)。

2.15 貿易及其他應付款項

貿易應付款項指就供應商於日常業務過程中所提供服務付款的責任及本集團就買賣用途購買藝術品而應付賣家的款項。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.15 Trade and other payables (Continued)

Upon completing the auction, the Group is required to remit the hammer price amounts for artworks sold to sellers upon receiving the corresponding amounts from the buyer and such payables are classified as “payables to sellers in respect of auction and related business”. These unpaid balances as at period end are unsecured and are usually paid within 35 days upon receiving the hammer price amount. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fees are capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2. 重大會計政策資料概要 (續)

2.15 貿易及其他應付款項 (續)

於拍賣完成時，本集團在向買家收取相關款項後，須把已成交藝術品的落槌價支付予賣家，而該等應付款項分類為「應付賣家拍賣及相關業務款項」。於期末的該等未付結餘為無抵押，一般須於收取落槌價款項後35天內支付。除非款項並非於報告期後12個月內到期，否則貿易及其他應付款項乃呈列為流動負債。其初步按公平值確認及隨後使用實際利率法按攤銷成本計量。

2.16 借款

借款初步按公平值扣除所產生的交易成本確認。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額之間的任何差額以實際利率法於借款期間於損益中確認。

在融資很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。在並無證據顯示該融資很有可能部分或全部提取的情況下，該費用將資本化為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

除非本集團具有無條件權利將負債的結算遞延至報告期末後最少12個月，否則借款歸類為流動負債。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods 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 countries 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. 重大會計政策資料概要 (續)

2.17 借款成本

直接歸屬於收購、興建或生產合資格資產(即為需要頗長時間方可用作擬定用途或出售的資產)的一般及特定借款成本乃計入該等資產的成本，直至資產大體上可用作擬定用途或出售為止。

所有其他借款成本在產生期內的損益中確認。

2.18 所得稅

所得稅包括當期稅項及遞延稅項。與於損益以外確認之項目有關之所得稅於其他綜合收入或直接於權益內確認。

本期間或過往期間的當期稅項資產及負債按預期可自稅務機關收回或向稅務機關繳付之金額，並根據報告期末已頒佈或實際頒佈之稅率(及稅法)計量，當中已計及本集團經營所在國家之現行詮釋及慣例。

遞延稅項使用負債法就於報告期末按財務報告所列資產及負債之稅基與其賬面值兩者之所有暫時差額作出撥備。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.18 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 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, the carryforward of unused tax credits and any 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, 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.

2. 重大會計政策資料概要(續)

2.18 所得稅(續)

所有應課稅暫時差額均確認為遞延稅項負債，惟下列情況除外：

- 當遞延稅項負債於首次確認並非業務合併之交易的商譽或資產或負債時產生，且於交易時並無對會計溢利及應課稅溢利或虧損構成影響；及
- 就與投資於附屬公司有關之應課稅暫時差額而言，當暫時差額之撥回時間可予控制及暫時差額於可見將來可能不會撥回。

所有可扣減暫時差額、結轉未動用稅項抵免及任何未動用稅項虧損均確認為遞延稅項資產。確認遞延稅項資產以可用作抵銷應課稅溢利之可扣減暫時差額、結轉未動用稅項抵免及未動用稅項虧損為限，惟下列情況除外：

- 與因首次確認並非業務合併之交易資產或負債而產生，且於交易時並無對會計溢利及應課稅溢利或虧損構成影響之可扣減暫時差額有關之遞延稅項資產；及
- 就與投資於附屬公司相關之可扣減暫時差額而言，遞延稅項資產只在暫時差額於可見將來可能會撥回時方確認入賬，且以可用作抵銷應課稅溢利之暫時差額為限。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.18 Income tax (Continued)

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 a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognizes the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

2. 重大會計政策資料概要 (續)

2.18 所得稅 (續)

遞延稅項資產之賬面值會於各報告期末檢討，並減至不再可能有足夠應課稅溢利令全部或部分遞延稅項資產得以動用為止。未確認之遞延稅項資產會於各報告期末重新評估，並於可能有足夠應課稅溢利令全部或部分遞延稅項資產得以收回時確認。

遞延稅項資產及負債按預期適用於變現資產或結算負債期間之稅率，並根據報告期末已頒佈或實質頒佈之稅率(及稅法)計算。

倘有法定可執行權抵銷當期稅項資產及當期稅項負債，且遞延稅項與同一應課稅實體及同一稅務機關有關，則遞延稅項資產及遞延稅項負債方予以抵銷。

就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項而言，本集團首先釐定使用權資產或租賃負債是否應佔稅項扣減。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.18 Income tax (Continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liabilities are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Current and deferred tax are recognised in profit or loss.

2.19 Provisions and contingent liabilities

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

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2. 重大會計政策資料概要(續)

2.18 所得稅(續)

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團會對使用權資產及租賃負債分開應用香港會計準則第12號所得稅之規定。由於應用初始確認豁免，故有關使用權資產及租賃負債之暫時差額於初始確認時並未獲確認。因重新計量租賃負債及租賃修訂而其後修改使用權資產及租賃負債之賬面值時所產生的暫時差額，不獲初始確認豁免，並於重新計量或修訂日期進行確認。

當期及遞延稅項於損益確認。

2.19 撥備及或然負債

當本集團因過往事件須承擔現有的法律或推定責任，而履行有關責任可能需要資源流出，並可對有關金額作可靠估計，則確認撥備。並無就未來經營虧損確認撥備。

倘存在多項相若責任，結付時是否可能需要資源流出，須考慮整體責任的類別而定。即使同一類別的任何一項責任導致資源流出可能性極低，亦須確認撥備。

撥備採用稅前比率按照預期需履行有關責任的開支現值計量，該比率反映當時市場對金錢時間值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息開支。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.19 Provisions and contingent liabilities (Continued)

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2.20 Revenue recognition

(a) Commission revenue

The Group earns commission revenue from both buyer and seller through the auction sales in which the Group mainly acts as the role of auctioneer as well as promoting the sales through professional marketing techniques provided. The commission revenue is calculated as a percentage of the hammer price of the artwork sold at the auction in accordance with the contracts between the Group and the buyer and the seller. The Group also recorded revenue generated from private sales arranged by the Group on behalf of the consignors. The Group may act as an agent by matching the needs of consignors to those of buyers by private sales. In return, the Group collect commissions which are determined through negotiation with both buyers and sellers, usually representing the difference between the purchase price paid by the buyers and the selling price as pre-agreed by the sellers and the Group.

2. 重大會計政策資料概要(續)

2.19 撥備及或然負債(續)

或然負債乃因過往事件可能產生的責任，而其存在與否僅能透過發生或未有發生一宗或以上本集團不能完全控制的不明朗未來事件確定。或然負債亦可能是因不大可能須流出經濟資源或未能可靠計量有關責任金額而不予確認的過往事件所產生的現時責任。

或然負債不予確認，但已在合併財務報表附註中披露。當流出資源的可能性有變，致使可能流出資源，則或然負債將被確認為撥備。

2.20 收益確認

(a) 佣金收益

本集團透過拍賣銷售向買家及賣家賺取佣金收益，而本集團在拍賣銷售當中主要擔當拍賣官的角色，以及透過所提供的專業營銷技術推廣銷售。佣金收益乃按照本集團與買家及賣家所訂立的合約，於拍賣售出藝術品的落槌價的百分比而計算得出。本集團亦錄得來自本集團代表委託人安排的私洽產生的收益。本集團在私洽中擔任代理人，配對委託人與買家的需求。本集團從中收取佣金作為回報，佣金按買家與賣家磋商而定，一般是買家支付的購買價與賣家與本集團事先協定的售價之間的差額。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.20 Revenue recognition (Continued)

(a) Commission revenue (Continued)

The Group's entitlement to commission income includes an element of consideration that is variable or contingent on the outcome of future events. Actual commission income to be received is dependent upon, among others, the completion of transaction between buyers and sellers; and price concession based on customary industry practice.

The Group recognised revenue upon completion of the auction sale as evidenced by the fall of auctioneer's hammer. For private sales, commission revenue is recognised upon conclusion of contract with relevant buyer and seller.

(b) Revenue from other services relating to auctions

In relation to the auctions organised, the Group also earns other services income from catalogue preparation, or insurance charged to the sellers for artworks in preparation for and placed in the auctions, and they are recognized as revenue when the related services are rendered.

(c) Revenue from artwork sales

Revenue from sale of artworks is recognized upon transferring control of goods to customers, which generally coincides with the time when the goods are delivered to customers and title has passed.

2.21 Agency income

Agency income are recognised at the fee agreed in the contract with the customers when the related services are rendered.

2. 重大會計政策資料概要 (續)

2.20 收益確認 (續)

(a) 佣金收益 (續)

本集團收取佣金收入的權利包括代價的元素，其根據未來事件結果而有所變動或取決於該等事件。將收取的實際佣金收入視乎(其中包括)買賣雙方之間完成交易及根據常見的行業慣例的價格優惠。

本集團以拍賣官落槌所證明的拍賣銷售完成後確認收益。就私洽而言，佣金收益於相關買家及賣家訂立合約後確認。

(b) 與拍賣相關其他服務的收益

就所舉辦的拍賣會而言，本集團亦自編製圖錄或為籌備拍賣而放置於拍賣會的藝術品向賣家收取的保費中賺取其他服務收入，並於提供相關服務時確認為收益。

(c) 藝術品銷售收益

藝術品銷售收益於貨品的控制權轉移予客戶(一般與貨品向客戶交付及所有權轉交的時間相符)時確認。

2.21 代理收入

代理收入於相關服務提供時，按與客戶達成的合同協定的費用確認。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.22 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

(b) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Employees of the Group are covered by various government-sponsored defined contribution pension plans under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these retired employees. The Group contributes on a monthly basis to these pension plans. Under these plans, the Group has no obligation for post-retirement benefits beyond the contributions made.

2. 重大會計政策資料概要 (續)

2.22 僱員福利

(a) 短期責任

僱員直至報告期末的服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計病假)，並按結算有關負債預期支付的金額計量。負債於合併財務狀況表內呈列為當期僱員福利責任。

(b) 退休金責任

定額供款計劃為本集團須向獨立實體支付固定供款的退休金計劃。倘基金資產於本期間或過往期間並不足以向所有僱員支付與僱員服務有關的福利，則本集團概無任何法律或推定責任支付額外供款。本集團僱員參與多個獲政府資助的定額供款退休金計劃，據此，僱員有權享有每月按若干公式計算的退休金。相關政府機構有責任向此等退休僱員支付退休金。本集團每月向此等退休金計劃供款。根據此等計劃，除所作供款外，本集團並無其他退休後福利責任。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.22 Employee benefits (Continued)

(b) Pension obligations (Continued)

The contributions are recognised as employee benefit expense when they are due.

For LSP obligation, the Group accounts for the employer MPF contributions expected to be offsetted as a deemed employee contribution towards the LSP obligation in term of HKAS 19 paragraph 93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

2. 重大會計政策資料概要 (續)

2.22 僱員福利 (續)

(b) 退休金責任 (續)

供款於到期時確認為僱員福利開支。

就長期服務金責任而言，根據香港會計準則第19號第93(a)段，本集團將預期抵銷的僱主強積金供款列賬為視作僱員供款，並按淨額計量。未來福利的估計金額乃扣除因本集團的強積金供款已歸屬僱員而產生的應計福利所引致的負服務成本後釐定，該等供款被視為相關僱員的供款。

(c) 僱員應享假期

僱員應享年假於有關假期應計予僱員時確認。本集團為僱員直至財務狀況表日期止就已提供服務所產生年假的估計負債作出撥備。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.22 Employee benefits (Continued)

(d) Share-based compensation

The Group operates share option scheme under which the Group receives services from employees as consideration for equity instruments of the Company.

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options as at the date of grant: (i) including any market performance conditions; (ii) excluding the impact of any service and non-market performance vesting conditions (for example, profitability and sales growth targets); and (iii) including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss and other comprehensive income, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital.

2. 重大會計政策資料概要(續)

2.22 僱員福利(續)

(d) 以股份為基礎的酬金

本集團實行購股權計劃，據此，本集團獲取僱員提供的服務作為本公司股本工具的代價。

僱員為獲取購股權而提供的服務的公平值確認為開支。該等予以支銷的總金額參考於授出日期的購股權的公平值釐定：(i)包括任何市場表現條件；(ii)不包括任何服務及非市場表現歸屬條件的影響(例如：盈利能力及銷售增長目標)；及(iii)包括任何非歸屬條件的影響(例如規定僱員保存或於指定時段持有股份)。非市場歸屬條件計入有關預期將歸屬的購股權數目的假設中。總開支於歸屬期間(所有特定歸屬條件將獲達成的期間)確認。於各報告期末，本集團會根據非營銷歸屬條件修改其估計預期將歸屬的購股權數目，並於合併損益及其他綜合收益表內確認修改原來估計數字(如有)的影響，以及須對權益作出的相應調整。

倘購股權獲行使，本公司將發行新股。任何扣除直接應佔交易成本的已收所得款項入賬計入股本。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.22 Employee benefits (Continued)

(d) Share-based compensation (Continued)

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to other reserve.

2.23 Leases

Definition of 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.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2. 重大會計政策資料概要 (續)

2.22 僱員福利 (續)

(d) 以股份為基礎的酬金 (續)

倘購股權獲行使，先前在以股份為基礎的付款儲備中確認的金額將轉撥至股本。倘若購股權在歸屬日期後被沒收或在到期日仍未行使，先前在以股份為基礎的付款儲備中確認的金額將轉撥至保留溢利。

倘授予的股份獲歸屬，先前在以股份為基礎的付款儲備中確認的金額將轉入其他儲備。

2.23 租賃

租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。

就首次應用日期或之後訂立或修訂或因業務合併而產生的合約而言，本集團於初始時、修訂日期或收購日期(如適用)，根據香港財務報告準則第16號的定義，評估合約是否屬於租賃或包含租賃。除非該合約的條款及條件其後變動，否則不會重新評估有關合約。

作為承租人

分配代價至合約組成部分

就包含租賃組成部分及非租賃組成部分的合約而言，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總額將合約代價分配至各個租賃組成部分。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.23 Leases (Continued)

As a lessee (Continued)

Allocation of consideration to components of a contract (Continued)

The Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the financial statements would not differ materially from individual leases within the portfolio.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and

2. 重大會計政策資料概要 (續)

2.23 租賃 (續)

作為承租人 (續)

分配代價至合約組成部分 (續)

本集團應用可行權宜方法，不會將非租賃組成部分與租賃組成部分分開，而將租賃組成部分及任何相關非租賃組成部分作為單一租賃組成部分入賬。

作為可行權宜方法，當本集團合理預期以租賃組合為基準對具有類似特徵的租賃進行會計處理對財務報表的影響不會對該組合中的個別租賃進行會計處理時有重大差異，則可以租賃組合為基準列賬。

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租期自開始日期起計為期12個月或以內且不包含購買選擇權的租賃物業。本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款根據租期按直線法或另一系統性基準確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 在開始日期或之前作出的任何租賃付款，扣減收訖的任何租賃優惠；
- 本集團產生的任何初始直接成本；及

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.23 Leases (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities other than adjustments to lease liabilities resulting from Covid-19-related rent concessions in which the Group applied the practical expedient.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

2. 重大會計政策資料概要 (續)

2.23 租賃 (續)

作為承租人 (續)

使用權資產 (續)

- 本集團在拆卸並拆除相關資產、修復該資產所在地盤或將相關資產修復至租賃條款及條件所規定狀況時將產生的估計成本。

本集團於租賃開始日期(即相關資產可供使用之日)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整，惟本集團對Covid-19相關租金優惠產生的租賃負債的調整應用可行權宜方法除外。

本集團合理確定能於租期屆滿時獲得相關租賃資產所有權的使用權資產於開始日期至可使用年期屆滿期間折舊。否則，使用權資產根據估計其可使用年期與租期兩者中的較短期間按直線法折舊。

本集團於合併財務狀況表內將使用權資產呈列為獨立項目。

可退還租賃按金

已支付的可退還租賃按金根據香港財務報告準則第9號列賬，並初步按公平值計量。初始確認時對公平值的調整被視為額外租賃付款並計入使用權資產的成本。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.23 Leases (Continued)

As a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

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, initially measured using the index or rate as at the commencement date;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

2. 重大會計政策資料概要 (續)

2.23 租賃 (續)

作為承租人 (續)

租賃負債

於租賃開始日期，本集團確認按於該日期未付的租賃付款現值計量的租賃負債。在計算租賃付款的現值時，倘租賃中隱含的利率不易確定，則本集團在租賃開始日使用增量借款利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減去任何應收租賃獎勵；
- 取決於指數或比率的可變租賃付款，使用開始日期的指數或比率進行初始計量；
- 預期根據剩餘價值擔保支付的金額；
- 本集團合理確定將予行使的購買選擇權的行使價；及
- 終止租賃的罰款，倘租賃期限反映本集團行使選擇權終止租賃。

於開始日期後，租賃負債通過利息增加及租賃付款進行調整。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.23 Leases (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review or expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

Except for Covid-19 related rent concessions in which the Group applied the practical expedient, the Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2. 重大會計政策資料概要 (續)

2.23 租賃 (續)

作為承租人 (續)

租賃負債 (續)

倘出現以下情況，本集團重新計量租賃負債(並就相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在該情況下，相關租賃負債透過使用重新評估的日期經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因市場租金審查或根據經保證剩餘價值的預期付款後市場租金變動發生變化，在該情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於合併財務狀況表內將租賃負債呈列為獨立項目。

租賃修訂

除了本集團應用可行權宜方法的Covid-19相關租金優惠外，倘出現以下情況，本集團將租賃修訂列賬為獨立租賃：

- 有關修訂透過增加使用一項或多項相關資產的權利增加租賃範圍；及
- 增加租賃的代價，增加的金額相當於範圍增加涉及的單獨價格及可反映特定合約情況對該單獨價格作出的任何適當調整。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.23 Leases (Continued)

As a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform

For changes in the basis for determining the future lease payments as a result of interest rate benchmark reform, the Group applies the practical expedient to remeasure the lease liabilities by discounting the revised lease payments using the unchanged discount rate and makes a corresponding adjustment to the related right-of-use assets. A lease modification is required by interest rate benchmark reform if, and only if, both of these conditions are met:

- the modification is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the lease payments is economically equivalent to the previous basis (i.e. the basis immediately preceding the modification).

2. 重大會計政策資料概要 (續)

2.23 租賃 (續)

作為承租人 (續)

租賃修訂 (續)

就並非列賬為獨立租賃的租賃修訂而言，本集團基於經修訂租賃的租期，透過在修訂生效日期使用經修訂貼現率貼現經修訂租賃付款，重新計量租賃負債。

本集團透過對相關使用權資產進行相應調整，將租賃負債重新計量方法入賬。當經修訂合約包含租賃組成部分以及一個或多個額外租賃或非租賃組成部分時，本集團根據有關租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總額，將經修訂合約中的代價分配至各租賃組成部分。

因利率基準改革而導致釐定未來租賃付款基準的變動

就因利率基準改革而導致釐定未來租賃付款基準的變動而言，本集團應用可行權宜方法，透過使用原來的貼現率將經修訂租賃付款貼現的方式重新計量租賃負債，並對相關使用權資產作出相應調整。當且僅當符合下述兩個條件時，租賃修訂須因應利率基準改革而作出：

- 該修訂實屬必要，作為利率基準改革的直接後果；及
- 釐定租賃付款的新基準在經濟上等同於先前基準（即緊接修訂前的基準）。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.24 Dividend distribution

Dividend distribution to the Company's Shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2.25 Financial guarantees

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees issued are initially recognised at fair value, which is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

2. 重大會計政策資料概要(續)

2.24 股息分派

向本公司股東作出的股息分派於本集團股息獲本公司股東或董事(倘適用)批准的期間合併財務報表確認為負債。

2.25 財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時還款而蒙受的損失，而向持有人支付特定款項以作賠償的合約。

所發出的財務擔保初始按公平值確認，乃參照類似服務在公平磋商交易的過程中所收取的費用(如可獲得該等資料)而釐定，或參照息差釐定，方法是以貸款人在接受擔保的情況下實際收取的利率與不接受擔保的情況下貸款人將會收取的估計利率作比較(如該等資料能可靠地估計)。倘就發出擔保收取或可收取代價，代價則根據適用於該類資產的本集團政策而予確認。倘並無收取或應收代價，則於損益確認即時開支。

初始確認後，初始確認為遞延收入的款項於擔保期內作為所發出財務擔保的收入於損益內攤銷。

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.26 Related parties

- (a) 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);

2. 重大會計政策資料概要(續)

2.26 關聯方

- (a) 一名人士或該人士之關係密切家庭成員及該人士：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；或
- (b) 該方為符合下列任何條件的一間實體：
 - (i) 該實體及本集團屬同一集團的成員公司；
 - (ii) 一間實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；
 - (iii) 實體及本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關聯的實體就僱員利益設立的離職後福利計劃；
 - (vi) 該實體受(a)項所識別人控制或受共同控制；

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.26 Related parties (Continued)

(b) (Continued)

- (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.

2.27 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2. 重大會計政策資料概要 (續)

2.26 關聯方 (續)

(b) (續)

- (vii) (a)(i)所識別對實體有重大影響力或為實體(或實體母公司)的主要管理層人員的人士；及
- (viii) 該實體或集團內任何成員公司為本集團或本集團母公司提供主要管理人員服務。

2.27 政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助乃應收補償已產生的支出或虧損的收入或旨在給予本集團的即時財務支援(而無未來有關成本)，於有關補助成為應收款項的期間在損益中確認。有關補助呈列於「其他收入」。

以低於市場利率撥出的政府貸款的收益視為政府補助，按已收所得款項與按現行市場利率計算的貸款的公平值之間的差額計量。

3. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

3.1 Market risk

(a) Foreign exchange risk

The Company mainly operates in Hong Kong and Japan with transactions mainly settled in HK\$ and Japanese Yen ("JPY"). Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group entity's functional currency.

As the assets and liabilities of each company within the Group are mainly denominated in the respective company's functional currency, the directors are of the opinion that the Group's volatility of its profits against reasonably possible changes in exchange rates of foreign currencies would not be significant.

3. 財務風險管理

本集團的活動令其面對各類財務風險：市場風險（包括外匯風險及現金流量利率風險）、信貸風險及流動資金風險。本集團的整體風險管理政策主要針對金融市場不可預測的特性，並務求將對本集團財務表現構成的潛在不利影響降至最低。

3.1 市場風險

(a) 外匯風險

本公司主要在香港及日本營運，交易主要以港元及日圓（「日圓」）結付。當未來商業交易或已確認資產或負債以本集團實體的功能貨幣以外的貨幣計值時，將產生外匯風險。

由於本集團各公司的資產及負債均主要以其功能貨幣計值，董事認為外幣匯率的合理可能變動對本集團之溢利不穩定性並無嚴重的影響。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.1 Market risk (Continued)

(b) Cash flow interest rate risk

The Group's interest rate risk arises from bank borrowings. The Group's bank borrowings which are carried at floating rates expose the Group to cash flow interest rate risk. The Group has not entered into any interest rate swaps to hedge its exposure to interest rate risk.

As at 31 March 2024, if the interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, the post-tax loss for the year would have been approximately HK\$86,000 higher/lower (2023: post-tax loss HK\$123,000 lower/higher), mainly as a result of higher/lower interest expense on floating-rate borrowings.

3.2 Credit risk

The carrying amounts of cash and cash equivalents, bank deposits, trade and other receivables and deposits and prepayments included in the consolidated financial statements represent the Group's maximum exposure to credit risk in relation to its financial assets. A Company's subsidiary had given guarantees to financial institutions in connection with the banking facilities granted to the Company as set out in Note 32, which would expose the Group or the Company to credit risk. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem.

(a) Risk management

Cash and cash equivalents and bank deposits were deposited in the major financial institutions in Hong Kong, Japan, Taiwan and the PRC, which the directors believe are of high credit quality.

3. 財務風險管理(續)

3.1 市場風險(續)

(b) 現金流量利率風險

本集團的利率風險來自銀行借款。本集團以浮動利率計息的銀行借款令本集團面對現金流量利率風險。本集團並無訂立任何利率掉期以對沖所承受的利率風險。

於2024年3月31日，假設所有其他變數維持不變，倘借款利率上升/下跌100個基點，年度除稅後虧損將增加/減少約86,000港元(2023年：除稅後虧損減少/增加123,000港元)，主要由於浮動利率借款的利息開支增加/減少。

3.2 信貸風險

合併財務報表內的現金及現金等價物、銀行存款、貿易及其他應收款項以及按金及預付款項之賬面值，代表本集團就其金融資產承受的最高信貸風險。本公司一間附屬公司就本公司獲授銀行融資向金融機構作出擔保(載於附註32)，因而令本集團或本公司面臨信貸風險。本集團管理信貸風險措施的目的為控制可收回性問題的潛在風險。

(a) 風險管理

現金及現金等價物及銀行存款存放於董事認為擁有高信貸質素之香港、日本、台灣及中國之大型金融機構。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(a) Risk management (Continued)

The Group established policies to ensure that revenue from art auction and related business and artwork sales, consignor advance and prepayment to sellers for auctioned artwork are made to customers with an appropriate credit history and the Group assesses the credit worthiness and financial strength of its customers as well as considering prior transaction history with the customers and volume of sales. Refer to Note 23 for ageing analysis of trade receivables. Management makes periodic collective assessment as well as individual assessment on the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any disputes with the debtors. If the other receivables from buyers in respect of auction and related business has not been received, the Group is not obligated to pay the corresponding other payables to sellers in respect of auction and related business. If the buyer defaults on payment, the sale may be cancelled, and the auction lots will be returned to the seller. Both of the other receivables and other payables in respect of auction and related business in relation to such cancelled sales shall be derecognised simultaneously. As such, management believes the credit risk relating to other receivables in respect of auction and related business is not significant.

3. 財務風險管理(續)

3.2 信貸風險(續)

(a) 風險管理(續)

本集團訂有政策以確保來自藝術品拍賣及相關業務以及藝術品銷售的收益、委託人預付款項及就已拍賣藝術品向賣家預付的款項乃向信貸記錄恰當的客戶作出，而本集團評估客戶的信譽度及財務實力，並考慮客戶的交易往績及銷售量。有關貿易應收款項的賬齡分析，請參閱附註23。管理層根據債務人的過往付款記錄、逾期期間長短、財務實力以及與債務人可能存在的任何爭議，對貿易及其他應收款項的可收回性定期進行集體評估及個別評估。倘其他應收買家拍賣及相關業務款項尚未收取，本集團毋須就拍賣及相關業務向賣家支付相關其他應付款項。倘買家未能支付，銷售可能會取消，而拍賣品將退回予賣家。就該等已取消銷售而言，其他應收及應付拍賣及相關業務款項須同時取消確認。因此，管理層相信與其他應收拍賣及相關業務款項有關的信貸風險並不重大。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(a) Risk management (Continued)

For consignor advance, the Group provides certain collectors and art dealers with advances with artwork held under the Group's custody. If the consigned artwork is sold in auction, the proceeds received from the buyer, after deducting commission, consignor advances, interest and relevant taxes, will be paid to the consignor. If the under custody artwork remains unsold, the consignor will be required to repay the advance together with interest, where applicable, before the artwork under custody is returned to the consignor. As such, management believes the credit risk relating to consignor advance is not significant.

Prepayments to sellers for auctioned artwork represent the amounts advanced to sellers of artwork before receiving full payments from relevant buyers. Amounts may be advanced to sellers prior to receiving full payment of the auction purchase prices from the relevant buyers using the related auctioned artwork as collateral. Prior to receiving full payment of the auction purchase prices from the relevant buyers, the Group reserves the right to request repayment from sellers for the prepayments advanced to them, or request the sellers to replace another artwork with estimated value no less than the prepayments to the Group. As such, management believes the credit risk relating to prepayments to sellers is not significant.

3. 財務風險管理(續)

3.2 信貸風險(續)

(a) 風險管理(續)

就委託人預付款項而言，本集團就本集團託管持有的藝術品向若干藏家及藝術代理人提供預付款項。如果受委託之藝術品於拍賣中售出，從買家所得之所得款項(經扣除佣金、委託人預付款項、利息及相關稅項)將會支付予委託人。如果所託管之藝術品仍未售出，委託人在所託管藝術品交回委託人前，將須償還預付款項(連同利息，如有)。因此，管理層相信有關委託人預付款項的信貸風險並不重大。

就已拍賣藝術品向賣家預付的款項指未向相關買家收取全數款項前，就藝術品預付予賣家之金額。在相關買家全數支付拍賣購買價前，可使用相關已拍賣藝術品作為抵押品，向賣家預付款項。收到相關買家悉數支付拍賣購買價的款項前，本集團保留權利要求賣家償還已預付於彼等的預付款項，或要求賣家取代另一項藝術品作為抵押品，其估計價值不少於向本集團的預付款項。因此，管理層相信有關向賣家預付的款項的信貸風險並不重大。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(a) Risk management (Continued)

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

(b) Impairment of financial assets

The Group's trade receivables and other financial assets carried at amortised cost are subject to the expected credit loss model.

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring provision for allowance for ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure the provision for allowance for ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

3. 財務風險管理(續)

3.2 信貸風險(續)

(a) 風險管理(續)

為釐定預期信貸虧損，本集團將考慮自發行擔保以來特定債務人違約風險之變動。本集團將計量十二個月預期信貸虧損，除非自發行擔保以來特定債務人違約之風險大幅增加，則在這種情況下，將計量全期預期信貸虧損。由於本集團僅在特定債務人違約之情況下根據所擔保工具之條款進行付款，因此，根據預期付款以償還持有人之信貸虧損，再減去本集團預期從擔保持有人、特定債務人或任何其他方獲得之任何數額，藉以估計預期信貸虧損。相關數額其後使用就現金流量特定風險已作出調整之當前無風險利率貼現計算。

(b) 金融資產減值

本集團的貿易應收款項及其他按攤銷成本列賬的金融資產須應用預期信貸虧損模式。

貿易應收款項

本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損撥備計提，該方法就所有貿易應收款項使用全期預期虧損撥備。

為計量預期信貸虧損撥備計提，貿易應收款項根據共同信貸風險特徵及逾期日數分類。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Trade receivables (Continued)

The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance was determined for the years ended 31 March 2024 and 2023 as follows for trade receivables:

3. 財務風險管理 (續)

3.2 信貸風險 (續)

(b) 金融資產減值 (續)

貿易應收款項 (續)

預期虧損率乃根據銷售付款情況及期間經歷之相應過往信貸虧損計算。過往虧損率乃經調整以反映影響客戶結清應收款項能力的宏觀經濟因素之現時及前瞻性資料。本集團已將其銷售貨品及服務所在國家的國內生產總值識別為最相關因素，因此根據該等因素的預期變化調整過往虧損率。

故此，貿易應收款項於截至2024年及2023年3月31日止年度的虧損撥備釐定如下：

		Past due	Past due	Past due	Past due	Past due	Past due	Individual assessment	Total
		Within 30 days	1 to 3 months	3 to 6 months	6 to 12 months	12 to 18 months	over 18 months		
		Current	逾期	逾期	逾期	逾期	逾期	個別評估	總計
		即期	少於30日	1至3個月	3至6個月	6至12個月	12至18個月	超過18個月	
As at 31 March 2024	於2024年3月31日								
Expected loss rate	預期虧損率	—	3.3%	4.0%	5.9%	10.0%	15.2%	—	100.00%
Gross carrying amount	賬面總值								
— Trade receivables (HK\$'000)	— 貿易應收款項 (千港元)	—	5,677	25	1,036	10	1,087	—	3,279 11,114
Allowance for ECL (HK\$'000)	預期信貸虧損撥備 (千港元)	—	(190)	(1)	(61)	(1)	(165)	—	(3,279) (3,697)
As at 31 March 2023	於2023年3月31日								
Expected loss rate	預期虧損率	—	4.4%	7.4%	9.3%	13.9%	—	—	100.00%
Gross carrying amount	賬面總值								
— Trade receivables (HK\$'000)	— 貿易應收款項 (千港元)	—	11,369	122	377	411	—	—	4,228 16,507
Allowance for ECL (HK\$'000)	預期信貸虧損撥備 (千港元)	—	(495)	(9)	(35)	(57)	—	—	(4,228) (4,824)

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Trade receivables (Continued)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 360 days past due.

Allowance for ECL on trade receivables are presented as net allowance for ECL within the consolidated statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets

Other financial assets carried at amortised cost, including receivables from buyers in respect of auction and related business, prepayments to sellers for auctioned artwork, consignor advance and others, the management make periodic individual assessment on the recoverability of other financial assets based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there is no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 March 2024, the Group assessed the ECL for other financial assets amounted to HK\$38,000 (2023: HK\$38,000).

3. 財務風險管理(續)

3.2 信貸風險(續)

(b) 金融資產減值(續)

貿易應收款項(續)

當合理預期無法收回時撇銷貿易應收款項。合理預期無法收回的指標(其中)包括債務人未能與本集團訂立還款計劃,以及逾期超過360日未能作出合約付款。

貿易應收款項預期信貸虧損撥備於合併損益及其他綜合收益表中呈列作預期信貸虧損撥備淨額。其後收回先前撇銷的款項於同一欄目入賬。

其他金融資產

按攤銷成本列賬的其他金融資產(包括應收買家拍賣及相關業務款項、就已拍賣藝術品向賣家預付的款項、委託人預付款項及其他)方面,管理層根據歷史結算記錄、過往經驗,以及屬合理及具理據前瞻性資料的定量及定質資料,對其他金融資產的可收回性定期進行個別評估。管理層相信,自初步確認以來,此等金額的信貸風險並無大幅增加,而本集團按12個月預期信貸虧損作出減值撥備。截至2024年3月31日止年度,本集團就其他金融資產評估的預期信貸虧損金額為38,000港元(2023年:38,000港元)。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Pledged bank deposits and cash and cash equivalents

Credit risk on pledged bank deposits and cash and cash equivalent is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL of pledged bank deposits and cash and cash equivalent.

3.3 Liquidity risk

The Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet its operational needs and the Group expects to fund the future cash flow needs through internally generated cash flows from operations and borrowings from financial institutions. The current liabilities of the Group will be settled in the coming twelve months in accordance with their payment terms. Amongst the others, the majority of the current liabilities were payables to sellers in respect of auction and related business, amounting to HK\$93,962,000 (2023:HK\$135,313,000). Regarding other payables to sellers in respect of auction and related business, the Group is not obligated to pay the seller until the other receivables from buyers in respect of auction and related business are collected. If the buyer defaults on payment, the sale may be cancelled, and the auction lots will be returned to the seller, and both of the other receivables and payables in respect of auction and related business in relation to such cancelled sales shall be derecognised simultaneously.

3. 財務風險管理(續)

3.2 信貸風險(續)

(b) 金融資產減值(續)

已抵押銀行存款以及現金及現金等價物

由於對手方為具信譽並獲國際信貸機構授予高信貸評級的銀行，因此已抵押銀行存款及現金以及現金等價物的信貸風險有限。本集團已評估已抵押銀行存款以及現金及現金等價物的12個月預期信貸虧損。

3.3 流動資金風險

本集團對流動資金需求的滾動預測進行監控，確保有足夠現金滿足經營需求及本集團預計以內部產生的經營所得現金流量及金融機構借款為未來現金流量需求提供資金。根據付款條款，本集團的流動負債將於未來十二個月結付。當中包括大部分流動負債為就拍賣及相關業務應付予賣方的款項，金額為93,962,000港元(2023年：135,313,000港元)。就其他應付賣家拍賣及相關業務款項而言，本集團毋須向賣家付款，直至收取其他應收買家拍賣及相關業務款項為止。倘買家未能支付，銷售可能會取消，而拍賣品將退回予賣家。就該等已取消銷售而言，其他應收及應付拍賣及相關業務款項須同時取消確認。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Liquidity risk (Continued)

The directors of the Company have reviewed the Group's cash flows projections, which cover a period of twelve months from 1 April 2024. The directors are of the opinion that, taking into account the anticipated cash flows generated from the Group's operations, the possible changes in its operating performance, the Group will have sufficient working capital to fulfill its financial obligations as and when they fall due in the coming twelve months from 31 March 2024.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at each of the consolidated statement of financial position dates to the respective contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

3. 財務風險管理(續)

3.3 流動資金風險(續)

本公司董事已審閱本集團的現金流量預測，涵蓋自2024年4月1日起計十二個月期間。董事認為，經計及本集團營運產生的預期現金流量及營運表現的可能變動，本集團將有充足營運資金，滿足其自2024年3月31日起計未來十二個月到期的財務責任。

下表為根據於各合併財務狀況表日期至相關合約到期日為止的剩餘期間按相關到期組別對本集團按淨額結算的金融負債所作的分析。表內披露的金額為訂約未貼現現金流量。

		Weighted Average effective interest rate 加權平均 實際利率	On demand 按要求	Less than 1 year 少於1年	Between 1 and 2 years 1至2年	Between 2 and 5 years 2至5年	Over 5 years 超過5年	Undiscounted cash flows 未貼現 現金流量	Carrying amount 賬面值
			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	
As at 31 March 2024	於2024年3月31日								
Other payables and accruals	其他應付款項及應計費用	—	—	101,557	—	1,200	—	102,757	102,757
Borrowings and interest payments	借款及利息款項	0.86%	—	15,002	4,603	13,330	10,239	43,174	41,598
Lease liabilities	租賃負債	3.99%	—	4,478	4,080	2,683	—	11,241	10,652
			—	121,037	8,683	17,213	10,239	157,172	155,007
As at 31 March 2023	於2023年3月31日								
Other payables and accruals	其他應付款項及應計費用	—	—	146,596	—	—	—	146,596	146,596
Borrowings and interest payments	借款及利息款項	1.04%	2,957	15,938	4,211	12,398	17,412	52,916	49,332
Lease liabilities	租賃負債	4.17%	—	2,688	487	1,130	—	4,305	4,110
			2,957	165,222	4,698	13,528	17,412	203,817	200,038

3. FINANCIAL RISK MANAGEMENT (Continued)

3.3 Liquidity risk (Continued)

Bank borrowings with a repayment on demand clause are included in the “on demand” time band in the above maturity analysis. As at 31 March 2024, the aggregate carrying amounts of these bank borrowings amounted to HK\$Nil (2023: HK\$2,957,000). Taking into account the Group’s financial position, the management does not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The management believes that such bank borrowings will be repaid two years after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

Maturity Analysis — Bank borrowings with a repayment on demand clause based on scheduled repayments

		Less than 1 Year	1–2 years	2–5 years	Over 5 years	Total undiscounted cash outflows 未貼現 現金流出總額	Carrying amount 賬面值
		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
31 March 2023	2023年3月31日	3,040	—	—	—	3,040	2,957

3. 財務風險管理 (續)

3.3 流動資金風險 (續)

於上文的到期分析中，訂有按要求的償還條款的銀行借款列入「按需求」時間範圍內。於2024年3月31日，此等銀行借款的總賬面值為零港元（2023年：2,957,000港元）。經考慮本集團的財務狀況，管理層不認為銀行可能行使其酌情權要求即時償還款項。管理層認為有關銀行借款將根據貸款協議載列的原定還款日期，於報告期間結束後兩年內償還，其詳情載列於下表：

到期分析 — 根據原定還款期訂有按要求的償還條款的銀行借款

3. FINANCIAL RISK MANAGEMENT (Continued)

3.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in long term.

The Group's monitors capital by regularly reviewing the capital structure. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with the issued share capital. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on basis of the gearing ratio. This ratio is calculated as total debts divided by total capital. Total debts are calculated as total borrowings and lease liabilities. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus debts.

The gearing ratio at 31 March 2024 and 2023 is as follows:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings (Note 28)	借款(附註28)	41,598	49,332
Lease liabilities (Note 16)	租賃負債(附註16)	10,652	4,110
Total debt	債務總額	52,250	53,442
Total capital	總資本	291,196	316,530
Gearing ratio	資產負債比率	17.9%	16.9%

3. 財務風險管理(續)

3.4 資本風險管理

本集團管理資本旨在保障本集團持續經營的能力，藉以回報股東及為其他持份者提供利益，同時維持最佳資本架構以長期提升股東價值。

本集團通過定期檢討資本架構藉以監管資本。作為該項檢討的一環，本公司董事會考慮資本成本及與已發行股本有關的風險。本集團或會調整向股東派付的股息金額、向股東返還資本、發行新股份或出售資產以降低債務。

與業內其他公司一樣，本集團利用資產負債比率監察其資本。該比率按照債務總額除以總資本計算所得。債務總額按總借款及租賃負債計算。總資本為合併財務狀況表所列的「權益」另加債務計算。

於2024年及2023年3月31日的資產負債比率如下：

3. FINANCIAL RISK MANAGEMENT (Continued)

3.5 Fair value estimation

(a) Financial assets and liabilities

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

3. 財務風險管理(續)

3.5 公平值估計

(a) 金融資產及負債

(i) 公平值層級架構

本節闡述釐定金融工具公平值所作出的判斷及估計，該等金融工具於財務報表中按公平值確認並計量。為得出釐定公平值所用輸入數據的可信程度指標，本集團根據會計準則將其金融工具分為三層。各層級之說明載於下表。

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2024	於2024年3月31日				
Financial assets at FVTPL	按公平值計入損益之金融資產				
— Put option	— 認沽期權	—	—	2,500	2,500
		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 March 2023	於2023年3月31日				
Financial assets at FVTPL	按公平值計入損益之金融資產				
— Put option	— 認沽期權	—	—	850	850

3. FINANCIAL RISK MANAGEMENT (Continued)

3.5 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

3. 財務風險管理(續)

3.5 公平值估計(續)

(a) 金融資產及負債(續)

(i) 公平值層級架構(續)

第1層：於活躍市場買賣金融工具的公平值(例如公開買賣之衍生工具及股本證券)，是按報告期末所報市價釐定。本集團所持金融資產所用之市場報價為當時買入價。該等工具會列入第1層。

第2層：並非於活躍市場買賣的金融工具(例如場外交易衍生工具)公平值乃利用估值方法釐定，該估值方法盡量利用可觀察市場數據，盡量少依賴實體的特定估計。如計算有關工具的公平值所需的所有重大輸入數據為可觀察數據，則該工具列入第2層。

第3層：如一項或多項重大輸入數據並非根據可觀察市場數據而定，則該工具列入第3層。此即非上市股本證券所屬層級。

3. FINANCIAL RISK MANAGEMENT (Continued)

3.5 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Specific valuation techniques used to value financial instrument include:

The fair value of the put option is calculated by Monte Carlo simulation. The significant unobservable inputs include volatility and dividend payout ratio.

There were no transfers of financial assets or liabilities between level 1, level 2 and level 3 fair value hierarchy classifications.

The following table presents the changes in level 3 items for the years ended 31 March 2024 and 2023:

		Put option at 認沽期權 HK\$'000 按千港元
As at 1 April 2022	於2022年4月1日	2,500
Fair value loss recognised in the consolidated statement of profit or loss and other comprehensive income	已於合併損益及其他綜合收益表確認之公平值虧損	(1,650)
As at 31 March 2023 and 1 April 2023	於2023年3月31日及2023年4月1日	850
Fair value gain recognised in the consolidated statement of profit or loss and other comprehensive income	已於合併損益及其他綜合收益表確認之公平值收益	1,650
As at 31 March 2024	於2024年3月31日	2,500

3. 財務風險管理 (續)

3.5 公平值估計 (續)

(a) 金融資產及負債 (續)

(i) 公平值層級架構 (續)

用以估值金融工具之特定估值技術包括：

認沽期權之公平值乃使用蒙地卡羅模擬模式。重大不可觀察輸入數據包括波幅及派息比率。

金融資產或負債之第1層、第2層及第3層公平值層級架構之分層之間並無轉移。

下表呈列截至2024年及2023年3月31日止年度第3層項目之變動：

3. FINANCIAL RISK MANAGEMENT (Continued)

3.5 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Sensitivity analysis of observable and unobservable inputs

As described, the fair values of financial asset that is classified in level 3 of the fair value hierarchy are determined using valuation techniques that make use of significant inputs that are not based on observable market data. These fair values could be sensitive to changes in the assumptions used to derive the inputs. Volatility and dividend payout ratio are the main significant unobservable inputs. The table below illustrates the sensitivity of the significant inputs when they are changed to reasonably possible alternative inputs:

3. 財務風險管理(續)

3.5 公平值估計(續)

(a) 金融資產及負債(續)

(i) 公平值層級架構(續)

可觀察及不可觀察輸入數據敏感度分析

如上文所述，分類為第3層公平值層級之金融資產公平值乃使用並非依據可觀察市場數據之重大輸入數據之估值法釐定。該等公平值可能對用作產生輸入數據之假設變動較為敏感。波幅及派息比率乃主要重大不可觀察輸入數據。下表說明重大輸入數據於變為合理可行輸入數據時之敏感度：

Description	Fair value at 31 March		Valuation techniques	Significant unobservable inputs	Range of inputs	Favourable/ (unfavourable)/ changes in profit or loss		
概述	於3月31日之公平值		估值法	重大不可觀察輸入數據	輸入數據範圍	損益有利/(不利)變動		
	2024	2023				2024	2023	
	2024年	2023年				2024年	2023年	
	HK\$'000	HK\$'000				HK\$'000	HK\$'000	
	千港元	千港元				千港元	千港元	
Financial assets at FVTPL								
按公平值計入損益之金融資產								
Put option	2,500	850	Monte Carlo simulation	Volatility	+5%	132	180	
認沽期權					波幅	-5%	(114)	(139)
					Dividend payout ratio	+5%	(57)	(53)
					派息比率	-5%	39	65

3. FINANCIAL RISK MANAGEMENT (Continued)

3.6 Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset as at 31 March 2024 and 2023:

3. 財務風險管理(續)

3.6 抵銷金融資產及金融負債

下表呈列於2024年及2023年3月31日的抵銷已確認金融工具：

Effects of offsetting on the consolidated statement of Financial position 抵銷對合併財務狀況表的影響

		Gross amounts	Net amounts	
		set off in the consolidated statement of financial position	presented in the consolidated statement of financial position	
		於合併財務狀況表抵銷的總額	呈列於合併財務狀況表的淨額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 31 March 2024	於2024年3月31日			
Financial assets	金融資產			
Trade receivables	貿易應收款項	15,736	(4,622)	11,114
Financial liabilities	金融負債			
Payables to sellers in respect of auction and related business	就拍賣及相關業務應付賣家的款項	(98,584)	4,622	(93,962)
As at 31 March 2023	於2023年3月31日			
Financial assets	金融資產			
Trade receivables	貿易應收款項	25,481	(8,974)	16,507
Financial liabilities	金融負債			
Payables to sellers in respect of auction and related business	就拍賣及相關業務應付賣家的款項	(144,287)	8,974	(135,313)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

4.1 Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. Write-downs of inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the period in which such estimate has been changed. Management reassesses these estimates at each reporting date.

4. 重大會計估計及判斷

本集團持續評估及根據過往經驗及其他因素作出估計及判斷，包括在有關情況下對未來事件的合理預期。

本集團就未來作出估計及假設，而按照定義所得會計估計與相關實際結果相等的機會不大。下文論述可能會有較大風險導致於下個財政年度內對資產及負債之賬面值作出重大調整的估計及假設：

4.1 存貨之可變現淨值

存貨之可變現淨值乃根據於日常業務過程中之估計售價減估計銷售開支計算。該等估計乃以現行市況及銷售相若性質產品的過往經驗為依據。倘發生事件或情況變動顯示結餘可能無法變現時，將記錄存貨撇減。識別撇減情況時須作出判斷及估計。當預期之金額與原定估計有差異時，則有關差異將影響於該估計出現變動期間內存貨之賬面值及存貨之撇減。管理層於各報告日期重新評估該等估計。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.2 Current and deferred income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

4.3 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period, including the consideration of the global health issues. Details of the key assumptions and inputs used are disclosed in the tables in note 3.2.

4. 重大會計估計及判斷 (續)

4.2 當期及遞延所得稅

本集團於多個司法權區須繳付所得稅，並於釐定各有關司法權區的所得稅撥備時須作出重大判斷。日常業務過程中會有不能明確作最終稅項釐定的交易及計算。倘有關事宜的最終評稅結果有別於初步記錄的數額，則有關差額會影響作出有關決定期間的所得稅及遞延所得稅撥備。

倘管理層認為可能有未來應課稅溢利抵銷暫時差額或稅項虧損，則會確認有關若干暫時差額及稅項虧損的遞延所得稅資產。倘預期與原先估計不同，則有關差額將影響有關估計更改期間的遞延所得稅資產及稅項費用確認。

4.3 金融資產減值

金融資產虧損撥備乃根據違約風險及預期虧損率的假設計量。本集團於各報告期末根據本集團過往經驗、當前市況以及前瞻性估計(包括考慮全球健康議題後)，使用判斷作出該等假設及挑選輸入數據，以計算減值。所用主要假設及輸入數據的詳情於附註3.2的表格披露。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

4.4 Fair value measurement of financial instruments

As at 31 March 2024, certain of the Group's financial assets, put option in relation to acquisition of investment accounted for using equity method amounting to HK\$2,500,000 (2023: HK\$850,000) are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments.

5. SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the executive directors of the Group that make strategic decisions. The CODM assesses the performance of the operating segments based on a measure of gross profit for the purpose of allocating resources.

The management has identified two operating segments based on the types of revenues, namely (i) operation of art auction and related business; and (ii) artwork sales.

4. 重大會計估計及判斷 (續)

4.4 金融工具公平值計量

於2024年3月31日，本集團若干金融資產(即金額為2,500,000港元(2023年：850,000港元)並與收購使用權益會計法列賬的投資有關的認沽期權)，乃以公平值計量，而公平值乃使用估值方法，按重大不可觀察輸入數據釐定。於訂立相關估值方法及相關輸入數據時，須作出判斷及估計。與此等因素有關的假設出現變動，可導致此等工具的公平值出現重大調整。

5. 分部資料

本集團執行董事被視為作出策略決策的主要經營決策者(「主要經營決策者」)。主要經營決策者根據毛利計量評估經營分部的表現，以分配資源。

管理層已基於收益類別識別兩個經營分部，分別為(i)藝術品拍賣及相關業務經營；及(ii)藝術品銷售。

5. SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the years ended 31 March 2024 and 2023 are as follows:

5. 分部資料 (續)

於截至2024年及2023年3月31日止年度，呈交主要經營決策者的分部資料如下：

		Operation of art auction and related business 藝術品拍賣及 相關業務經營 HK\$'000 千港元	Artwork sales 藝術品銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 March 2024	截至2024年3月31日止年度			
Segment revenue from external customers	來自外部客戶的分部收益	48,671	9,181	57,852
Costs of services/sales	服務／銷售成本	(4,175)	(6,898)	(11,073)
Segment results	分部業績	44,496	2,283	46,779
Other gains or losses, net	其他收益或虧損淨額			7
Other income	其他收入			1,380
Provision for allowance for expected credit losses ("ECL") on financial assets	金融資產預期信貸虧損 〔預期信貸虧損〕 撥備計提	(6,778)	—	(6,778)
Selling and distribution expenses	銷售及分銷開支			(23,803)
Administrative expenses	行政開支			(43,498)
Operation loss	經營虧損			(25,913)
Finance income, net	財務收入淨額			(819)
Share of result on investment accounted for using the equity method	應佔使用權益會計法列賬之 投資業績			343
Loss before income tax	除所得稅前虧損			(26,389)
Income tax expense	所得稅開支			(537)
Loss for the year	年度虧損			(26,926)

5. SEGMENT INFORMATION (Continued)

5. 分部資料 (續)

		Operation of art auction and related business 藝術品拍賣及 相關業務經營 HK\$'000 千港元	Artwork sales 藝術品銷售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 March 2023	截至2023年3月31日止年度			
Segment revenue from external customers	來自外部客戶的分部收益	59,838	12,924	72,762
Costs of services/sales	服務/銷售成本	(7,851)	(11,590)	(19,441)
Segment results	分部業績	51,987	1,334	53,321
Other losses, net	其他虧損淨額			(1,712)
Other income	其他收入			1,470
Provision for allowance for ECL on financial assets	金融資產預期信貸虧損撥備計提	(2,382)	—	(2,382)
Selling and distribution expenses	銷售及分銷開支			(24,937)
Administrative expenses	行政開支			(34,250)
Operation loss	經營虧損			(8,490)
Finance income, net	財務收入淨額			(861)
Share of result on investment accounted for using the equity method	應佔使用權益會計法列賬之投資業績			872
Loss before income tax	除所得稅前虧損			(8,479)
Income tax credit	所得稅抵免			197
Loss for the year	年度虧損			(8,282)

5. SEGMENT INFORMATION (Continued)

Revenue from external customers, by geographical area, is as follows:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	19,459	19,368
Japan	日本	38,393	53,394
		57,852	72,762

All customers individually accounted for less than 10% of the Group's revenue for the year ended 31 March 2024 (2023: less than 10%).

Information on segment assets and segment liabilities of the Group are not reviewed by CODM for the purpose of resource allocation and performance assessment nor otherwise regularly provided to the CODM. As a result, no analysis of segment assets and segment liabilities is presented.

Non-current assets, other than deferred income tax assets, by geographical area are as follows:

5. 分部資料(續)

按地理區域劃分的來自外部客戶收益如下：

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	19,459	19,368
Japan	日本	38,393	53,394
		57,852	72,762

所有客戶個別佔本集團截至2024年3月31日止年度的收益不足10% (2023年：不足10%)。

由於本集團的分部資產及分部負債資料並未由主要經營決策者審閱以分配資源及評核表現，亦未有定期呈交予主要經營決策者，故並無呈列分部資產及分部負債的分析。

按地理區域劃分的非流動資產(遞延所得稅資產除外)如下：

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	12,765	2,237
Japan	日本	9,386	10,933
Taiwan	台灣	5,010	6,696
		27,161	19,866

6. REVENUE

6. 收益

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Revenue from art auction and related business	藝術品拍賣及相關業務收益	48,671	59,838
Artwork sales	藝術品銷售	9,181	12,924
		57,852	72,762

All revenue of the Group are recognised at a point in time.

本集團所有收益均於某時間點確認。

7. OTHER GAINS OR LOSSES, NET

7. 其他收益或虧損淨額

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Exchange loss	匯兌虧損	(1,643)	(62)
Fair value gain/(loss) on financial asset at FVTPL	按公平值計入損益之金融資產公平值收益/(虧損)	1,650	(1,650)
		7	(1,712)

8. OTHER INCOME

8. 其他收入

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Government grants (Note (i))	政府補助(附註(i))	163	620
Compensation received	已收補償	528	244
Other (Note (ii))	其他(附註(ii))	689	606
		1,380	1,470

Notes:

- (i) During the year ended 31 March 2024, the Group recognised government grants of approximately HK\$163,000 (2023: Nil), which mainly represented the benefit of a government loan at a below-market rate of interest.

During the year ended 31 March 2023, the Group recognised government grants of approximately HK\$620,000, which mainly represented COVID-19-related subsidies in Employment Support Scheme provided by the Hong Kong government and Japan government.

- (ii) Others mainly represented sales tax refunded, bidding deposits forfeited and penalties from the buyers.

附註：

- (i) 截至2024年3月31日止年度，本集團確認政府補助約163,000港元(2023年：無)，主要指受惠於低於市場利率的政府貸款。

截至2023年3月31日止年度，本集團確認政府補助約620,000港元，主要指香港政府「保就業」計劃及日本政府所提供的COVID-19相關補貼。

- (ii) 其他主要指已退回銷售稅、沒收買家的競投保證金及罰款。

9. LOSS BEFORE INCOME TAX

9. 除所得稅前虧損

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of inventories sold	已售存貨成本	6,898	11,590
Rental and setup costs for auction and preview exhibition venues	拍賣及預展場地租用及設置費用	1,617	3,167
Expenses relating to short term lease	有關短期租賃的開支	2,482	825
Employee benefit expenses (Note 13)	僱員福利開支(附註13)	29,815	23,442
Equity-settled share-based payment	以權益結算的股份基礎付款	9,367	—
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備折舊(附註15)	1,696	632
Depreciation of right-of-use assets (Note 16)	使用權資產折舊(附註16)	3,973	5,969
Amortisation of intangible assets (Note 17)	無形資產攤銷(附註17)	1,078	1,172
Provision for allowance for ECL on financial assets	金融資產預期信貸虧損撥備計提	6,778	2,382
Auditor's remuneration	核數師薪酬		
— Audit services	— 審計服務	1,400	1,650
— Non-audit services	— 非審計服務	—	—

10. FINANCE COSTS, NET

10. 財務成本淨額

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Finance income:	財務收入：		
— Interest income on bank deposits	— 銀行存款利息收入	163	74
— Interest income from consignor advance	— 委託人預付款項利息收入	63	102
		226	176
Finance costs:	財務成本：		
— Imputed interest of provision for reinstatement cost	— 復原成本撥備之推算利息	(39)	(145)
— Interest expense on lease liabilities	— 租賃負債利息開支	(254)	(206)
— Interest expense on bank and other borrowings	— 銀行及其他借款利息開支	(752)	(686)
		(1,045)	(1,037)
Finance cost, net	財務成本淨額	(819)	(861)

11. INCOME TAX EXPENSE/(CREDIT)

The amounts of income tax expense/(credit) charged to the consolidated statements of profit or loss and other comprehensive income represent:

11. 所得稅開支／(抵免)

於合併損益及其他綜合收益表扣除的所得稅開支／(抵免)款項指：

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	當期所得稅		
— Hong Kong	— 香港	—	—
— Japan	— 日本	330	—
— Taiwan	— 台灣	12	28
Total current income tax	當期所得稅總額	342	28
Under-provision in prior years	過往年度撥備不足		
— Hong Kong	— 香港	216	—
Deferred income tax (Note 21)	遞延所得稅(附註21)	(21)	(225)
Income tax expense/(credit)	所得稅開支／(抵免)	537	(197)

11. INCOME TAX EXPENSE/(CREDIT) (Continued)

(a) Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for both years.

No Hong Kong profits tax was provided for the year ended 31 March 2024 and 2023 as the Group did not derive any estimated assessable profits.

(b) Japan corporate income tax

Japan corporate income tax has been calculated on the estimated assessable profit for the year ended 31 March 2024 and 2023 at the rates of taxations prevailing in Japan in which the Group operates. The Group is subject to national corporate income tax, inhabitant tax, and enterprise tax in Japan, which in aggregate, results in effective statutory income tax rates of approximately 36.2% for the year ended 31 March 2024 (2023: No Japan corporate income tax was provided for the year ended 31 March 2023 as the Group did not derive any estimated assessable profits).

(c) Taiwan income tax

Taiwan income tax is calculated at 20% of the estimated assessable profits for both years.

11. 所得稅開支／(抵免)(續)

(a) 香港利得稅

於兩個年度，香港利得稅均按估計應課稅溢利的16.5%計算。

由於本集團並無產生任何估計應課稅溢利，故截至2024年及2023年3月31日止年度並無就香港利得稅計提撥備。

(b) 日本公司所得稅

日本公司所得稅按照截至2024年及2023年3月31日止年度估計應課稅溢利依日本(本集團經營業務所在地)之現行稅率計算。在日本，本集團須繳納國家公司所得稅、居民稅及企業稅，截至2024年3月31日止年度的合計實際法定所得稅率約為36.2%(2023年：由於本集團並無產生任何估計應課稅溢利，故截至2023年3月31日止年度並無就日本公司所得稅計提撥備)。

(c) 台灣所得稅

於兩個年度，台灣所得稅均按估計應課稅溢利的20%計算。

11. INCOME TAX EXPENSE/(CREDIT) (Continued)

The tax on the Group's loss before income tax differs from the theoretical amount that could arise using the weighted average tax rates applicable to profits of the consolidated entities during the respective years is as follows:

11. 所得稅開支／(抵免)(續)

於相關年度，本集團除所得稅前虧損之稅項有別於採用適用於合併實體溢利之加權平均稅率計算之理論稅額，詳情如下：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(26,389)	(8,479)
Tax calculated at a taxation rate of 16.5%	以16.5%稅率計算的稅項	(4,354)	(1,399)
Difference arising from tax rate in respect of other jurisdiction	其他司法權區稅率的差異	81	(73)
Tax effect of:	以下各項之稅務影響：		
— Expenses not deductible for tax purpose	— 不可扣稅開支	255	515
— Income not subject to income tax	— 毋須繳納所得稅之收入	(272)	(112)
— Tax losses not recognised	— 未確認稅項虧損	4,583	982
— Withholding tax on unremitted earnings (Note 21)	— 未匯出盈利之預扣稅(附註21)	28	(110)
— Under-provision in prior years	— 過往年度撥備不足	216	—
Income tax expense/(credit)	所得稅開支／(抵免)	537	(197)

12. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 March 2024 and 2023.

		2024 2024年	2023 2023年
Loss attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔虧損 (千港元)	(26,890)	(8,286)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數 (千股)	500,000	500,000
Basic loss per share (HK cents)	每股基本虧損 (港仙)	(5.38)	(1.66)

(b) Diluted loss per share

Diluted loss per share for the year ended 31 March 2024 was the same as basic loss per share because the exercise of the Company's outstanding share options would have anti-dilutive effect (2023: diluted loss per share for the year ended 31 March 2023 was same as basic loss per share because there was no potential ordinary shares in issue for the year ended 31 March 2023).

12. 每股虧損

(a) 每股基本虧損

每股基本虧損按截至2024年及2023年3月31日止年度，本公司擁有人應佔溢利除以已發行普通股的加權平均數計算。

(b) 每股攤薄虧損

截至2024年3月31日止年度，由於行使本公司尚未行使的購股權具反攤薄影響，故每股攤薄虧損與每股基本虧損相同(2023年：由於截至2023年3月31日止年度並無已發行潛在普通股，故截至2023年3月31日止年度，每股攤薄虧損與每股基本虧損相同)。

13. EMPLOYEE BENEFIT EXPENSES (INCLUDING EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT)

13. 僱員福利開支(包括董事及高級管理層酬金)

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, wages and bonuses	薪金、工資及花紅	18,972	21,294
Pension, medical insurance and other social insurances	退休金、醫療保險及其他社會保險	1,430	1,535
Equity-settled share-base payment	以權益結算的股份基礎付款	9,367	—
Staff welfare and other benefits	員工福利及其他利益	46	613
		29,815	23,442

Five highest paid individuals

The five highest paid employees of the Group during the year included three directors (2023: three directors), details of whose remuneration are set out in note 38. Details of the remuneration for the year of the remaining two (2023: two) highest paid employee who is neither a director nor chief executive of the Company is as follows:

五名最高薪人士

年內，本集團五名最高薪僱員包括三名董事(2023年：三名董事)，彼等薪酬詳情載列於附註38。其餘兩名(2023年：兩名)既非本公司董事亦非最高行政人員的最高薪僱員於年內薪酬詳情如下：

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,654	1,959
Retirement benefits	退休福利	36	35
Equity-settled share-based payment	以權益結算的股份基礎付款	777	—
		2,467	1,994

13. EMPLOYEE BENEFIT EXPENSES (INCLUDING EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT) (Continued)

Five highest paid individuals (Continued)

The number of the highest paid employee who is not the director of the Company whose remuneration fell within the following band is as follow:

		Number of employee 僱員人數	
		2024 2024年	2023 2023年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,000 to HK\$1,500,000	1,000,000港元至 1,500,000港元	1	1
		2	2

During the years ended 31 March 2024 and 2023, neither the director nor other members of the five highest paid individuals received any emoluments from the Group as an inducement to join, upon joining the Group, to leave the Group or as compensation for loss of office.

13. 僱員福利開支(包括董事及高級管理層酬金)(續)

五名最高薪人士(續)

薪酬在以下範圍內的非本公司董事最高薪僱員人數如下：

截至2024年及2023年3月31日止年度，董事或其他五名最高薪人士的成員概無收取本集團任何酬金作為加入本集團、於加入本集團後、離開本集團的獎勵或離職補償。

14. DIVIDEND

Proposed dividend

The Board did not recommend the payment of any dividend for the year ended 31 March 2024 (2023: Nil).

Final dividend paid

Dividends paid and payable to equity shareholders of the Company attributable to the previous financial year, paid and payable during the year.

14. 股息

建議股息

董事會並不建議就截至2024年3月31日止年度派付任何股息(2023年：無)。

已付末期股息

歸屬於上一個財政年度已付及應付本公司權益持有人之股息已於及須於年內支付。

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
No final dividend in respect of the previous financial year ended 31 March 2023, approved and payable (31 March 2022: HK\$1 cents per share)	截至2023年3月31日止上一個財政年度概無末期股息獲批准及應付(2022年3月31日：每股1港仙)	—	5,000

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Freehold land	Buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
		永久業權土地	樓宇	租賃物業裝修	傢俬、固定裝置及辦公設備	汽車	總計
		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
Cost	成本						
At 1 April 2022	於2022年4月1日	464	5,471	9,736	2,838	2,018	20,527
Additions	添置	—	—	—	725	—	725
Exchange realignment	匯兌調整	(39)	(458)	(401)	(155)	(103)	(1,156)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	425	5,013	9,335	3,408	1,915	20,096
Additions	添置	—	70	2,959	1,730	—	4,759
Written-off	撇銷	—	—	(1,776)	—	—	(1,776)
Exchange realignment	匯兌調整	(53)	(631)	(473)	(295)	(141)	(1,593)
At 31 March 2024	於2024年3月31日	372	4,452	10,045	4,843	1,774	21,486
Accumulated depreciation	累計折舊						
At 1 April 2022	於2022年4月1日	—	1,669	8,894	1,532	2,018	14,113
Depreciation charge for the year	年度折舊支出	—	156	218	258	—	632
Exchange realignment	匯兌調整	—	(137)	(327)	(66)	(103)	(633)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	—	1,688	8,785	1,724	1,915	14,112
Depreciation charge for the year	年度折舊支出	—	141	857	698	—	1,696
Written-off	撇銷	—	—	(1,776)	—	—	(1,776)
Exchange realignment	匯兌調整	—	(218)	(411)	(117)	(141)	(887)
At 31 March 2024	於2024年3月31日	—	1,611	7,455	2,305	1,774	13,145
Carrying amount	賬面值						
At 31 March 2024	於2024年3月31日	372	2,841	2,590	2,538	—	8,341
At 31 March 2023	於2023年3月31日	425	3,325	550	1,684	—	5,984

Note:

All depreciation expenses have been charged to administrative expenses for the years ended 31 March 2024 and 2023.

附註：

截至2024年及2023年3月31日止年度，所有折舊開支已於行政開支內扣除。

16. LEASES

This note provides information for leases where the Group is a lessee.

The Group's right-of-use assets and lease liabilities mainly arise from lease of offices, warehouses and motor vehicles with lease terms of 2 to 5 years, but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The consolidated statement of financial position shows the following amounts relating to leases:

16. 租賃

本附註就本集團為承租人下的租賃提供資料。

本集團的使用權資產及租賃負債主要自辦公室、倉庫及汽車租賃產生，租期介乎2至5年，但可能有下列之延期選擇權。租期按個別基準磋商及包含多種不同條款及條件。租賃協議不施加任何契諾。

本集團內的多項物業租賃包含延期及終止選擇權。就管理本集團的營運中的資產而言，該等選擇權用以讓營運具有最高靈活性。大部分持有的延期及終止選擇權只可由本集團而非相關出租人行使。

合併財務狀況表列示下列有關租賃的金額：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Right-of-use assets	使用權資產		
Leased properties	租賃物業	8,991	1,849
Motor vehicles	汽車	987	1,515
		9,978	3,364
Lease liabilities	租賃負債		
Non-current	非流動	6,519	1,513
Current	流動	4,133	2,597
		10,652	4,110

16. LEASES (Continued)

16. 租賃(續)

		Motor vehicle 汽車 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Right-of-use assets	使用權資產			
Cost	成本			
At 1 April 2022	於2022年4月1日	557	26,137	26,694
Additions	添置	1,477	—	1,477
Exchange realignment	匯兌調整	(19)	(1,199)	(1,218)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	2,015	24,938	26,953
Additions	添置	—	10,794	10,794
Written off	撇銷	—	(23,852)	(23,852)
Exchange realignment	匯兌調整	(252)	(1,139)	(1,391)
At 31 March 2024	於2024年3月31日	1,763	10,741	12,504
Accumulated depreciation	累計折舊			
At 1 April 2022	於2022年4月1日	278	18,266	18,544
Depreciation charge for the year	年度折舊支出	241	5,728	5,969
Exchange realignment	匯兌調整	(19)	(905)	(924)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	500	23,089	23,589
Depreciation charge for the year	年度折舊支出	355	3,618	3,973
Written off	撇銷	—	(23,852)	(23,852)
Exchange realignment	匯兌調整	(79)	(1,105)	(1,184)
At 31 March 2024	於2024年3月31日	776	1,750	2,526
Carrying amount	賬面值			
At 31 March 2024	於2024年3月31日	987	8,991	9,978
At 31 March 2023	於2023年3月31日	1,515	1,849	3,364

16. LEASES (Continued)

16. 租賃(續)

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Lease liabilities	租賃負債		
Lease liabilities payable:	應付租賃負債：		
Within one year	於一年內	4,133	2,597
More than one year but not exceed two years	超過一年但不超過兩年	3,887	441
More than two year but not exceed five years	超過兩年但不超過五年	2,632	1,072
		10,652	4,110
Less: Amount due for settlement within 12 months shown under current liabilities	減：流動負債所示於12個月內到期結付的款項	(4,133)	(2,597)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債所示於12個月後到期結付的款項	6,519	1,513

The total cash outflow for leases, including the payments made in relation to lease liabilities and expenses relating to short-term lease payments in 2024 was HK\$6,734,000 (2023: HK\$7,383,000).

於2024年的租賃現金流出總額(包括有關租賃負債作出的付款及有關短期租賃付款的開支)為6,734,000港元(2023年：7,383,000港元)。

17. INTANGIBLE ASSETS

17. 無形資產

		Goodwill 商譽 HK\$'000 千港元	Club membership 俱樂部會籍 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本				
As at 1 April 2022	於2022年4月1日	430	645	7,418	8,493
Exchange realignment	匯兌調整	—	(54)	(612)	(666)
As at 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	430	591	6,806	7,827
Addition	添置	—	—	15	15
Exchange realignment	匯兌調整	—	(74)	(840)	(914)
As at 31 March 2024	於2024年3月31日	430	517	5,981	6,928
Accumulated amortisation and impairment	累計攤銷及減值				
As at 1 April 2022	於2022年4月1日	430	308	2,271	3,009
Change for the year	年度支出	—	28	1,144	1,172
Exchange realignment	匯兌調整	—	(25)	(121)	(146)
As at 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	430	311	3,294	4,035
Change for the year	年度支出	—	25	1,053	1,078
Exchange realignment	匯兌調整	—	(40)	(391)	(431)
As at 31 March 2024	於2024年3月31日	430	296	3,956	4,682
Carrying amount: As at 31 March 2024	賬面值： 於2024年3月31日	—	221	2,025	2,246
As at 31 March 2023	於2023年3月31日	—	280	3,512	3,792

Amortisation of HK\$1,078,000 (2023: HK\$1,172,000) has been recognised in administrative expenses.

攤銷1,078,000港元(2023年: 1,172,000港元)已於行政開支確認。

Club membership and computer software have finite useful lives and are amortised on a straight-line basis over 20 years and 3 to 5 years, respectively.

限定使用年期的俱樂部會籍及電腦軟件按直線法，分別於20年及3至5年內攤銷。

18. SUBSIDIARIES

The Group's principal subsidiaries as at 31 March 2024 and 2023 are set out below:

Name	Place of incorporation/ establishment (Note (i))	Principal activities	Particulars of issued share capital/ registered capital	Interest held by the Company		Interest held by the Company	
				Directly	indirectly	Directly	indirectly
名稱	註冊成立／成立地點 (附註(i))	主要業務	已發行股本／註冊資本詳情	本公司持有之權益		本公司持有之權益	
				直接	間接	直接	間接
				2024	2024	2023	2023
				2024年	2024年	2023年	2023年
Tokyo Chuo Auction Co., ("TCA Japan")	Japan	Provision of auction related services and artwork sales	Paid-in capital of JPY 50,000,000	95%	—	95%	—
株式會社東京中央オークション (「TCA日本」)	日本	提供拍賣相關服務及藝術品銷售	實繳資本50,000,000日圓				
Tokyo Chuo Auction Hong Kong Company Limited	Hong Kong	Provision of auction related services and artwork sales	Paid-in capital of HK\$1	100%	—	100%	—
東京中央拍賣香港有限公司	香港	提供拍賣相關服務及藝術品銷售	實繳資本1港元				
Tokyo Chuo Taiwan Auction Company Limited	Taiwan	Investment holding	Paid-in capital of TWD1,000,000	100%	—	100%	—
東京中央台灣拍賣股份有限公司	台灣	投資控股	實繳資本新台幣1,000,000元				
CGU Enterprises Limited	Hong Kong	Provision of money lending	Paid-in capital of HK\$10,000	100%	—	100%	—
	香港	提供放債	實繳資本10,000港元				
Art Life Co., Ltd	Japan	Online trading and information platform	Paid-in capital of JPY 10,000,000	—	100%	—	100%
	日本	線上交易及資訊平台	實繳資本10,000,000日圓				

Note:

- (i) These subsidiaries principally operate in their places of incorporation/establishment.

The above list includes the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the years formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would in the opinion of the directors, result in particulars of excessive length.

18. 附屬公司

於2024年及2023年3月31日，本集團的主要附屬公司載列如下：

附註：

- (i) 該等附屬公司主要在其註冊成立／成立地點經營業務。

上表包括董事認為主要影響年度業績或組成本集團資產淨值重大部分的本公司附屬公司。董事認為，提供其他附屬公司的詳情將導致資料過度冗長。

19. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD

19. 使用權益會計法列賬之投資

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
At the beginning of the year	年初	5,846	6,089
Share of result from an associate	應佔一間聯營公司的業績	343	872
Dividend paid	已付股息	(710)	(756)
Exchange realignment	匯兌調整	(469)	(359)
At the end of the year	年末	5,010	5,846

Investment in an associate

On 1 April 2019, the Company entered into a non-legally binding memorandum of understanding with an independent third party in relation to the proposed acquisition by the Group of 34% of the entire issued shares in Mu Chun Tang Auction Co., Ltd (“**Mou Chun Tang**”) (沐春堂拍賣股份有限公司), a Taiwan-based auction house. The Proposed Acquisition was completed on 16 August 2019 at a consideration of HK\$8,500,000.

As set out in the share purchase agreement, the Company shall be entitled to require the seller of Mou Chun Tang to repurchase the equity interest held by the Company at original purchase price at HK\$8,500,000 if the net profit after tax of Mou Chun Tang during the period from 1 January 2019 to 31 December 2021 does not exceed HK\$7,500,000 in aggregate. The fair value of such put option has been accounted for as a financial asset at fair value through profit or loss. The fair value of the put option as of date of acquisition amounted to HK\$875,000.

During the year ended 31 March 2022, the Company and the seller of Mou Chun Tang has signed a supplementary agreement to extend the terms that the seller of Mou Chun Tang should repurchase the equity interest held by the Company at original purchase price at HK\$8,500,000 if the net profit after tax of Mou Chun Tang during the period from 1 January 2022 to 31 December 2024 does not exceed HK\$7,500,000 in aggregate.

於一間聯營公司的投資

於2019年4月1日，本公司與獨立第三方訂立無法律約束力的諒解備忘錄，內容有關本集團擬收購一間台灣拍賣行沐春堂拍賣股份有限公司（「沐春堂」）的全部已發行股份的34%。擬進行的收購於2019年8月16日完成，代價為8,500,000港元。

誠如股份購買協議所載，倘沐春堂於2019年1月1日至2021年12月31日期間之除稅後淨溢利合共不超過7,500,000港元，本公司有權要求沐春堂的賣家以原先購買價8,500,000港元購回本公司持有之股權。該認沽期權的公平值以按公平值計入損益之金融資產列賬。認沽期權的公平值截至收購當日為875,000港元。

於截至2022年3月31日止年度，本公司與沐春堂的賣家簽署補充協議以延長期限，倘沐春堂於2022年1月1日至2024年12月31日期間之除稅後淨溢利合共不超過7,500,000港元，沐春堂的賣家應以原先購買價8,500,000港元購回本公司持有之股權。

19. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD (Continued)

Investment in an associate (Continued)

Set out below are the summarised financial information for an associate for the year/period ended 31 March 2024 and 2023:

19. 使用權益會計法列賬之投資 (續)

於一間聯營公司的投資 (續)

下文載列截至2024年及2023年3月31日止年度/期間一間聯營公司的財務資料概要：

		Mu Chun Tang Auction Co., Ltd 沐春堂拍賣股份有限公司	
		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Assets and liabilities as at 31 March	於3月31日的資產及負債		
Current assets	流動資產	14,040	14,311
Non-current assets	非流動資產	947	970
Current liabilities	流動負債	(3,908)	(1,527)
Non-current liabilities	非流動負債	(3,913)	(5,125)
Profit or loss for the year ended 31 March	截至3月31日止年度的損益		
Revenue	收益	9,169	9,513
Profit and total comprehensive income for the year	年度溢利及綜合收入總額	1,008	2,566
Reconciliation to carrying amounts:	賬面值對賬：		
Opening net assets at book value	按賬面值之年初資產淨值	8,629	8,112
Profit and total comprehensive income for the year	年度溢利及綜合收入總額	1,008	2,566
Dividend paid	已付股息	(2,089)	(2,224)
Exchange realignment	匯兌調整	(382)	175
Closing net assets at book value	按賬面值之年末資產淨值	7,166	8,629
Interest in associate (34%)	於一間聯營公司之權益(34%)	2,436	2,934
Fair value adjustment upon acquisition, net of tax	收購後公平值調整(扣除稅項)	4,419	4,650
Impairment loss	減值虧損	(2,058)	(2,166)
Exchange realignment	匯兌調整	213	428
Carrying value as at 31 March	於3月31日的賬面值	5,010	5,846

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

20. 按公平值計入損益之金融資產

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Non-current portion:	非流動部分：		
Put option in relation to acquisition of investment accounted for using equity method	有關收購使用權益會計法列賬之投資的認沽期權	—	850
Current portion:	流動部分：		
Put option in relation to acquisition of Investment accounted for using equity method	有關收購使用權益會計法列賬之投資的認沽期權	2,500	—
		2,500	850

The fair value of this put option as at 31 March 2024 and 2023 was determined by using Monte Carlo simulation with the following key assumptions:

於2024年及2023年3月31日，本認沽期權的公平值通過使用蒙地卡羅模擬模式及下列主要假設而釐定：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Dividend payout ratio	派息比率	90%	90%
Volatility	波幅	46.98%	56.10%

For the details of put option, please refer to note 19.

有關認沽期權的詳情，請參閱附註19。

21. DEFERRED INCOME TAX ASSETS AND LIABILITIES

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

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	1,337	1,363
Deferred income tax liabilities	遞延所得稅負債	(1,959)	(2,210)
		(622)	(847)

Movements in net deferred income tax (liabilities)/assets are as follows:

21. 遞延所得稅資產及負債

當有法定可執行權利將可收回之當期所得稅與當期所得稅負債抵銷，以及當遞延所得稅資產和負債與同一稅務機關就該應課稅實體或不同應課稅實體徵收之所得稅有關，而有意按淨額基準結算結餘時，遞延所得稅資產與負債將會抵銷。抵銷金額如下：

遞延所得稅(負債)/資產淨額的變動如下：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
At the beginning of the year	年初	(847)	(1,174)
Credited to profit or loss (Note 11)	於損益計入(附註11)	21	225
Exchange realignment	匯兌調整	204	102
At the end of the year	年末	(622)	(847)

21. DEFERRED INCOME TAX ASSETS AND LIABILITIES (Continued)

Movements in deferred income tax assets and liabilities during the years ended 31 March 2024 and 2023, without taking into consideration the offsetting of balance within the same tax jurisdiction, are as follows:

Deferred income tax assets

		Property plant and equipment 物業、廠房 及設備 HK\$'000 千港元	Inventories 存貨 HK\$'000 千港元	Other payables and accruals 其他 應付款項及 應計費用 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2022	於2022年4月1日	388	739	73	2,188	509	3,897
Credited/(charged) to profit or loss	於損益計入/(扣除)	186	(212)	(409)	(1,219)	108	(1,546)
Exchange realignment	匯兌調整	(29)	(66)	(14)	(117)	(41)	(267)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	545	461	(350)	852	576	2,084
Credited/(charged) to profit or loss	於損益計入/(扣除)	50	66	566	1,374	(123)	1,933
Exchange realignment	匯兌調整	(71)	(61)	18	(72)	(66)	(252)
At 31 March 2024	於2024年3月31日	524	466	234	2,154	387	3,765

21. 遞延所得稅資產及負債(續)

遞延所得稅資產及負債於截至2024年及2023年3月31日止年度的變動(不考慮在同一稅務司法權區內抵銷結餘)如下:

遞延所得稅資產

21. DEFERRED INCOME TAX ASSETS AND LIABILITIES (Continued)

Deferred income tax liabilities

21. 遞延所得稅資產及負債(續)

遞延所得稅負債

		Withholding tax on unremitted earnings 未匯出盈利之 預扣稅 HK\$'000 千港元	Right-of-use assets 使用權資產 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2022	於2022年4月1日	2,534	2,008	529	5,071
Credited to profit or loss	於損益計入	(110)	(1,216)	(445)	(1,771)
Exchange realignment	匯兌調整	(214)	(102)	(53)	(369)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	2,210	690	31	2,931
Charged to profit or loss	於損益扣除	28	1,439	445	1,912
Exchange realignment	匯兌調整	(279)	(152)	(25)	(456)
At 31 March 2024	於2024年3月31日	1,959	1,977	451	4,387

The directors do not have an intention to distribute the retained earnings of certain subsidiary of the Group such that deferred income tax liabilities of HK\$947,000 (2023: HK\$947,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of the subsidiary. Such unremitted earnings totaled HK\$18,939,000 as at 31 March 2024 (2023: HK\$18,939,000).

At the end of the reporting period, the Group has unused tax losses of approximately HK\$21,509,000 (2023: HK\$6,905,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams. The losses may be carried forward indefinitely.

董事無意分派本集團若干附屬公司的保留盈利，因此並無就附屬公司未匯出盈利應付的預扣稅及其他稅項確認遞延所得稅負債947,000港元(2023年：947,000港元)。於2024年3月31日，有關未匯出盈利合共為18,939,000港元(2023年：18,939,000港元)。

於報告期末，本集團有約21,509,000港元(2023年：6,905,000港元)的未動用稅項虧損可用作抵銷未來溢利。由於未來溢利流的不可預測性，並無就未動用稅項虧損確認遞延稅項資產。虧損可無限期結轉。

22. INVENTORIES

22. 存貨

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Artwork	藝術品	128,588	129,248

The cost of inventories recognised as expenses and included in "costs of sales of goods" amounted to approximately HK\$6,898,000 for the year ended 31 March 2024 (2023: HK\$11,590,000).

截至2024年3月31日止年度，確認為開支並計入「貨品銷售成本」之存貨成本約為6,898,000港元(2023年：11,590,000港元)。

23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Trade receivables	貿易應收款項	11,114	16,507
Less: Allowance for ECL	減：預期信貸虧損撥備	(3,697)	(4,824)
Trade receivables — net	貿易應收款項淨額	7,417	11,683
Other receivables	其他應收款項		
— Receivables from buyers in respect of auction and related business (Note (i))	— 應收買家拍賣及相關業務款項(附註(i))	83,835	113,843
— Consignor advance (Note (ii))	— 委託人預付款項(附註(ii))	63,021	51,699
— Input value-added tax recoverable	— 可收回進項增值稅	227	1,081
— Others	— 其他	3,660	3,501
Trade and other receivables	貿易及其他應收款項	158,160	181,807

As at 31 March 2024, the fair value of trade and other receivables of the Group were approximately the same as their carrying amounts (2023: same).

於2024年3月31日，本集團貿易及其他應收款項的公平值與賬面值大致相同(2023年：情況相同)。

23. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (i) Other receivables from buyers in respect of auction and related business represent the purchase price of the auction articles receivable on behalf of sellers.
- (ii) Included in other receivables are advances of approximately HK\$63,021,000 made to certain consignors as at 31 March 2024 (2023: HK\$51,699,000) upon consignment of auction articles to the Group. As at 31 March 2024, these advances bore interest at 0% to 12% per annum (2023: interest at 0% to 1% per annum).

The Group recognised provision for allowance for ECL for trade and other receivables as follows:

23. 貿易及其他應收款項 (續)

附註：

- (i) 其他應收買家拍賣及相關業務款項指代表賣家應收的拍賣品購買價。
- (ii) 於2024年3月31日計入其他應收款項的預付款項約63,021,000港元(2023年：51,699,000港元)，為向本集團委託拍賣品後向若干委託人作出。於2024年3月31日，該等預付款項按年利率0%至12%計息(2023年：年利率0%至1%)。

本集團確認貿易及其他應收款項的預期信貸虧損撥備計提如下：

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Provision for allowance for ECL on	下列各項預期信貸虧損撥備計提		
— Trade receivables	— 貿易應收款項	6,778	2,360
— Other receivables	— 其他應收款項	—	22
Provision for allowance for ECL on trade and other receivables	貿易及其他應收款項的預期信貸虧損撥備計提	6,778	2,382

The above allowance for ECL have been separately disclosed as “provision for allowance for ECL on financial assets” in the consolidated statement of profit or loss and other comprehensive income.

上述的預期信貸虧損撥備已另行於合併損益及其他綜合收益表披露為「金融資產預期信貸虧損撥備計提」。

23. TRADE AND OTHER RECEIVABLES (Continued)

As at 31 March 2024 and 2023, the carrying amounts of trade and other receivables are denominated in the following currencies:

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
HK\$	港元	76,487	86,248
JPY	日圓	80,920	94,723
Other	其他	753	836
		158,160	181,807

The Group grants credit period of 7 days for commission receivables and 30 days for receivables from artwork sales. The ageing analysis of trade receivables based on invoice date, before allowance for ECL of trade receivables, as at 31 March 2024 and 2023, was as follows:

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
— Within 30 days	— 30天內	5,677	11,369
— 1 to 3 months	— 1至3個月	25	122
— 3 to 6 months	— 3至6個月	1,036	377
— 6 to 12 months	— 6至12個月	10	411
— Over 1 year	— 1年以上	4,366	4,228
		11,114	16,507

23. 貿易及其他應收款項(續)

於2024年及2023年3月31日，貿易及其他應收款項的賬面值以下列貨幣計值：

本集團分別就應收佣金及應收藝術品銷售款項授出7天及30天的信貸期。於2024年及2023年3月31日，貿易應收款項基於發票日期(未計貿易應收款項預期信貸虧損撥備前)的賬齡分析如下：

23. TRADE AND OTHER RECEIVABLES (Continued)

Movements of the Group's allowance for ECL of trade receivables are as follows:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	年初	4,824	2,469
Allowance for ECL	預期信貸虧損撥備	6,778	2,360
Written-off	撇銷	(7,800)	—
Exchange realignment	匯兌調整	(105)	(5)
At end of the year	年末	3,697	4,824

23. 貿易及其他應收款項 (續)

本集團貿易應收款項預期信貸虧損撥備之變動如下：

Movements of the Group's allowance for ECL of other receivables are as follows:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	年初	38	19
Allowance for ECL	預期信貸虧損撥備	—	22
Exchange realignment	匯兌調整	—	(3)
At end of the year	年末	38	38

本集團其他應收款項預期信貸虧損撥備之變動如下：

24. DEPOSITS AND PREPAYMENTS

24. 按金及預付款項

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Current portion:	流動部分：		
Prepayments to sellers for auctioned artwork (Note (i))	就已拍賣藝術品向賣家預付的款項(附註(i))	5,837	36,584
Deposits and prepayments	按金及預付款項	20,310	24,301
		26,147	60,885
Non-current portion:	非流動部分：		
Rental and other deposits	租金及其他按金	1,586	30
		27,733	60,915

As at 31 March 2024 and 2023, the fair value of deposits of the Group approximated their carrying amounts.

於2024年及2023年3月31日，本集團按金的公平值與其賬面值相若。

As at 31 March 2024 and 2023, the carrying amounts of deposits and prepayments are denominated in the following currencies:

於2024年及2023年3月31日，按金及預付款項的賬面值以下列貨幣計值：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
HK\$	港元	16,900	31,360
JPY	日圓	10,833	29,555
		27,733	60,915

Notes:

附註：

(i) As at 31 March 2024, prepayments to sellers for auctioned artwork represent the amounts advanced to sellers of artwork of HK\$5,837,000 (2023: HK\$36,584,000). Amounts may be advanced to sellers prior to receiving full payment of the auction purchase prices from the relevant buyers and the Group will keep the related auctioned artwork under its custody. As at 31 March 2024 and 2023, such prepayments were interest-free and the respective auctioned artwork was kept under the Group's custody.

(i) 於2024年3月31日，就已拍賣藝術品向賣家預付的款項指就藝術品預付予賣家之款項5,837,000港元(2023年：36,584,000港元)。金額可於收到相關買家悉數支付拍賣購買價的款項前預付予賣家，而本集團將保留相關拍賣藝術品由其託管。於2024年及2023年3月31日，有關預付款項為免息及相關已拍賣藝術品將保留由本集團託管。

25. CASH AND CASH EQUIVALENTS

Pledge bank deposits represent deposits pledged to a bank to secure general banking facilities granted to the Group. Deposits amounting to HK\$4,000,000 (2023: HK\$4,000,000) have been pledged to secure short-term bank borrowings, and are therefore classified as current assets (Note 28).

Cash and cash equivalents represent cash and short-term bank deposits with an original maturity of three months or less.

25. 現金及現金等價物

已抵押銀行存款指抵押予銀行以取得授予本集團一般銀行融資的存款。4,000,000港元(2023年：4,000,000港元)的存款已抵押作短期銀行借款的擔保，因而被分類為流動資產(附註28)。

現金及現金等價物指現金及原到期日為三個月或更短時間的短期銀行存款。

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	48,744	67,280

The carrying amounts of the pledged bank deposits and cash and cash equivalents are denominated in the following currencies:

已抵押銀行存款及現金及現金等價物的賬面值以下列貨幣計值：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
HK\$	港元	32,122	33,520
JPY	日圓	19,433	36,987
USD	美元	380	136
RMB	人民幣	274	315
Others	其他	535	322
		52,744	71,280

As at 31 March 2024, the Group's bank balances of approximately HK\$202,000 (2023: HK\$220,000) were deposited with a bank in the PRC. The remittance of these funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於2024年3月31日，本集團的銀行結餘約202,000港元(2023年：220,000港元)已存於中國一間銀行。將該等資金匯出中國須遵守中國政府頒佈之外匯管制規則及法規。

26. SHARE CAPITAL

26. 股本

		Number of shares 股份數目		Share capital 股本	
		2024 2024年	2023 2023年	2024 2024年	2023 2023年
Ordinary shares	普通股				
Issued and fully paid: As at 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	已發行及繳足： 於2022年4月1日、 2023年3月31日、 2023年4月1日及 2024年3月31日	500,000,000	500,000,000	169,730	169,730

27. RESERVES

27. 儲備

		Other reserves 其他儲備					
		Share option reserve (Note (ii)) 購股權 儲備 (附註(ii)) HK\$'000 千港元	Merger reserves (Note (i)) 合併儲備 (附註(i)) HK\$'000 千港元	Currency translation differences 外幣折算 差額 HK\$'000 千港元	Sub-total	Retained earnings	Total
					小計	保留盈利	總計
		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
At 1 April 2022	於2022年4月1日	—	(38,358)	(14,557)	(52,915)	163,125	110,210
Loss for the year	年度虧損	—	—	—	—	(8,286)	(8,286)
Exchange difference on translating foreign operation	換算海外業務產生的 匯兌差額	—	—	(7,337)	(7,337)	—	(7,337)
Final dividend declared and paid	已宣派及支付的末期股息	—	—	—	—	(5,000)	(5,000)
At 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	—	(38,358)	(21,894)	(60,252)	149,839	89,587
Loss for the year	年度虧損	—	—	—	—	(26,890)	(26,890)
Exchange difference on translating foreign operation	換算海外業務產生的 匯兌差額	—	—	(6,158)	(6,158)	—	(6,158)
Recognition of equity-settled share based payment	已確認的以權益結算的 股份基礎付款	9,367	—	—	9,367	—	9,367
At 31 March 2024	於2024年3月31日	9,367	(38,358)	(28,052)	(57,043)	122,949	65,906

27. RESERVES (Continued)

Notes:

- (i) The consolidation difference that arises under merger accounting is included as “merger reserve”, and computed by comparing the considerations paid and the share capital of the subsidiaries that merged into the Group.
- (ii) The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.22(d) to the financial statements. The amount will be transferred to the share capital/other reserve account when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

27. 儲備(續)

附註：

- (i) 「合併儲備」中包括在合併會計法下產生的合併差額，乃透過比較已付代價和併入本集團的附屬公司股本而計算。
- (ii) 購股權儲備包括已授出但尚未行使的購股權的公平值，詳情請參閱財務報表附註2.22(d)中以股份為基礎的付款的會計政策。倘相關購股權獲行使，該金額將轉撥至股本／其他儲備帳戶，或倘相關購股權屆滿或被沒收，該金額將轉撥至保留溢利。

28. BORROWINGS

28. 借款

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Bank borrowings (Note (a))	銀行借款(附註(a))	41,598	49,332
Secured	有抵押	7,068	12,220
Unsecured	無抵押	34,530	37,112
		41,598	49,332
		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
The carrying amounts of the above borrowings are repayable*:	上述借款的賬面值應於以下期間償還*：		
Within one year	一年內	14,602	15,640
With a period of more than one year but not exceeding two years	超過一年但不超過兩年的期間	4,269	3,845
With a period of more than two years but not exceeding five years	超過兩年但不超過五年的期間	12,655	11,533
With a period of more than five years	超過五年的期間	10,072	15,357
		41,598	46,375

28. BORROWINGS (Continued)

28. 借款(續)

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
The carrying amounts of bank borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:	包含按要求償還條款惟須於以下期間償還之銀行借款(列於流動負債)賬面值：		
Within one year	一年內	—	2,957
		41,598	49,332
Less: Amounts due within one year shown under current liabilities	減：列於流動負債下於一年內到期的金額	(14,602)	(18,597)
Amounts shown under non-current liabilities	列於非流動負債下的金額	26,996	30,735

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期金額乃以貸款協議載列的原定還款日期為基準。

The Group's borrowings are denominated in the following currencies:

本集團借款以下列貨幣計值：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
HK\$	港元	—	2,957
JPY	日圓	41,598	46,375
		41,598	49,332

28. BORROWINGS (Continued)

Notes:

(a) Bank borrowings

- (i) The secured variable-rate bank borrowing of approximately HK\$2,957,000 as at 31 March 2023 was guaranteed by the subsidiary of the Group and pledged by the fixed deposit of approximately HK\$4,000,000. The borrowing is with repayment on demand clause and bearing interest at 2.25% per annum over 1-month HIBOR. The borrowing as fully repaid for the year ended 31 March 2024.
- (ii) The unsecured fixed-rate bank borrowing of approximately HK\$6,531,000 (2023: HK\$8,647,000) as at 31 March 2024 is repayable on 2030 and bearing interest at 0.9% per annum. It was guaranteed by personal guarantee of Mr. Ando, a director of the Company.
- (iii) The secured fixed-rate bank borrowing of approximately HK\$7,068,000 (2023: HK\$9,263,000) as at 31 March 2024 is repayable on 2031 and bearing interest at 0.9% per annum. It was secured by property of Mr. Ando and Mrs. Ando, directors of the Company.
- (iv) The unsecured fixed-rate bank borrowings with principal amount of approximately HK\$20,167,000, equivalent to JPY 390,000,000, (2023: HK\$17,737,000, equivalent to JPY 300,000,000) were received from Japanese bank in which interest were subsidised by Japanese government with lower than market rate and the carrying amounts of approximately HK\$17,656,000 (2023: HK\$16,641,000) as at 31 March 2024 are repayable in full on year 2030. The prevailing market interest rates for equivalent bank borrowings of 1.11% to 1.91%. The difference of between the gross proceeds and the fair value of the bank borrowings are the benefit derived from the interest-free bank borrowings and are recognised as government grant under other income.

28. 借款(續)

附註：

(a) 銀行借款

- (i) 於2023年3月31日，有抵押浮息銀行借款約2,957,000港元由本集團的附屬公司擔保，並以約4,000,000港元的定期存款作抵押。借款設有須按要求償還的條款，並於1個月香港銀行同業拆息之上按年利率2.25%計息。截至2024年3月31日止年度，借款已悉數償還。
- (ii) 於2024年3月31日，無抵押定息銀行借款約6,531,000港元(2023年：8,647,000港元)須於2030年償還，並按0.9%年利率計息。其由本公司董事安藤先生個人擔保作擔保。
- (iii) 於2024年3月31日，有抵押定息銀行借款約7,068,000港元(2023年：9,263,000港元)須於2031年償還，並按0.9%年利率計息。其由本公司董事安藤先生和安藤女士的財產擔保。
- (iv) 本金額約20,167,000港元，相等於390,000,000日圓(2023年：17,737,000港元，相等於300,000,000日圓)的無抵押定息銀行借款乃自日本銀行取得，其利息由日本政府補貼，較市場利率為低，於2024年3月31日的賬面值約為17,656,000港元(2023年：16,641,000港元)須於2030年年度悉數償還。等值銀行借款的現行市場利率為1.11%至1.91%。銀行借款所得款項總額與公平值之間的差額為免息銀行借款產生的利益，並確認為其他收入項下的政府補助。

28. BORROWINGS (Continued)

Notes: (Continued)

(a) Bank borrowings (Continued)

- (v) The unsecured variable-rate bank borrowings of approximately HK\$10,343,000 (2023: HK\$11,824,000) is repayable within one year and bearing interest at 0.35% to 0.45% per annum over 1-month benchmark interest rate.

The interest rates per annum on interest-bearing borrowings are as follows:

28. 借款(續)

附註：(續)

(a) 銀行借款(續)

- (v) 無抵押浮息銀行借款約10,343,000港元(2023年：11,824,000港元)須於一年內償還，於1個月基準利率之上按年利率0.35%至0.45%計息。

計息借款的年利率如下：

		2024 2024年 %	2023 2023年 %
Fixed-rate borrowings	固定利率借款		
— Bank borrowings	— 銀行借款	0.9–1.91	0.9–1.91
Variable-rate borrowings	浮動利率借款		
— Bank borrowings	— 銀行借款	1-month benchmark interest rate +0.35% – 1-month benchmark interest rate +0.45%	1-month HIBOR+2.25% -1-month HIBOR +2.75% and 1-month benchmark interest rate +0.35% – 1-month benchmark interest rate +0.45%
		一個月基準利率 +0.35% 至 一個月基準利率 +0.45%	一個月香港銀行 同業拆息+2.25%至 一個月香港銀行 同業拆息+2.75%及 一個月基準利率 +0.35% 至 一個月基準利率 +0.45%

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Payables to sellers in respect of auction and related business	應付賣家拍賣及相關業務款項	93,962	135,313
Deposits received, other payables and accruals	已收按金、其他應付款項及應計費用	8,795	11,283
		102,757	146,596
Less: Non-current portion: — Other payables	減：非流動部分： — 其他應付款項	(1,200)	—
Current portion	流動部分	101,557	146,596

Payables to sellers in respect of auction and related business represent the purchase price of auction articles payable to sellers less seller commissions and other auction related receivable.

應付賣家拍賣及相關業務款項指應付賣家拍賣品購買價減賣家佣金及其他拍賣相關應收款項。

As at 31 March 2024 and 2023, all deposits received, other payables and accruals of the Group were non-interest bearing, and their fair value approximate to their carrying amounts due to their short maturities.

於2024年及2023年3月31日，本集團所有已收按金、其他應付款項及應計費用均免息，而由於彼等到期日較短，因此彼等公平值與彼等賬面值相若。

As at 31 March 2024 and 2023, the other payable classified as non-current liabilities, which represented the Group's obligation to pay the reinstatement costs to the landlords of the offices in Hong Kong and Japan and was expected to be settled at the end of the leases.

於2024年及2023年3月31日，其他應付款項分類為非流動負債，其指本集團向香港及日本辦事處業主支付復原成本的責任並預期將於租賃結束時結付。

29. OTHER PAYABLES AND ACCRUALS (Continued)

The Group's other payables and accruals are denominated in the following currencies:

29. 其他應付款項及應計費用(續)

本集團其他應付款項及應計費用以下列貨幣計值：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
HK\$	港元	46,862	72,848
JPY	日圓	55,883	73,736
Others	其他	12	12
		102,757	146,596

30. FINANCIAL INSTRUMENTS BY CATEGORY

30. 按類別劃分的金融工具

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Financial assets at amortised cost	按攤銷成本列賬的 金融資產		
— Trade and other receivables	— 貿易及其他應收款項	157,933	180,726
— Prepayments to sellers for auctioned artwork	— 就已拍賣藝術品向 賣家預付之款項	5,837	36,584
— Deposits	— 按金	3,775	4,830
— Pledged bank deposits	— 已抵押銀行存款	4,000	4,000
— Cash and cash equivalents	— 現金及現金等價物	48,744	67,280
		220,289	293,420
Financial liabilities at amortised cost	按攤銷成本列賬的 金融負債		
— Other payables and accruals	— 其他應付款項及 應計費用	102,757	146,596
— Borrowings	— 借款	41,598	49,332
— Lease liabilities	— 租賃負債	10,652	4,110
		155,007	200,038

31. NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Reconciliation of (loss)/profit before income tax to net cash used in operations:

31. 合併現金流量表附註

(a) 除所得稅前(虧損)/溢利與經營業務所用現金淨額之對賬：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(26,389)	(8,479)
Adjustments for:	就以下各項調整：		
— Depreciation of property, plant and equipment	— 物業、廠房及設備折舊	1,696	632
— Amortisation of intangible assets	— 無形資產攤銷	1,078	1,172
— Depreciation of right-of-use assets	— 使用權資產折舊	3,973	5,969
— Share of result of on investment accounted using the equity method	— 應佔使用權益會計法列賬之投資業績	(343)	(872)
— Change in fair value of financial assets at fair value through profit or loss	— 按公平值計入損益之金融資產公平值變動	(1,650)	1,650
— Interest income	— 利息收入	(226)	(176)
— Interest expenses	— 利息開支	1,045	1,037
— Provision for allowance for ECL on financial assets	— 金融資產預期信貸虧損撥備計提	6,778	2,382
— Equity-settled share-based payment	— 以權益結算的股份基礎付款	(9,367)	—
Operating cash flows before movement on working capital	營運資金變動前之經營現金流量	(23,405)	3,315
Changes in working capital:	營運資金變動：		
— (Increase)/decrease in inventories	— 存貨(增加)/減少	(2,055)	4,933
— Decrease in trade and other receivables	— 貿易及其他應收款項減少	5,018	59,065
— Decrease/(increase) in deposits and prepayments	— 按金及預付款項減少/(增加)	30,209	(10,672)
— Decrease in other payables and accruals	— 其他應付款項及應計費用減少	(16,992)	(69,005)
Cash used in operations	經營業務所用現金	(7,225)	(12,364)

32. FINANCIAL GUARANTEES

As at 31 March 2024, the Company's subsidiary had given guarantees totaling approximately HK\$18,500,000 (2023: HK\$18,500,000) to financial institutions in connection with the banking facilities granted to the Company.

33. ASSETS PLEDGED AS SECURITY

At the end of the reporting period, the Group has pledged the following assets to secure certain borrowings granted to the Group:

32. 財務擔保

於2024年3月31日，本公司的附屬公司已就授予本公司的銀行融資向財務機構作出合共約18,500,000港元（2023年：18,500,000港元）的擔保。

33. 已抵押為擔保的資產

於報告期末，本集團已抵押下列資產以擔保若干授予本集團的借款：

		2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Pledged bank deposits	已抵押銀行存款	4,000	4,000

34. RELATED PARTY TRANSACTIONS

(a) Names and relationships with related parties

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control.

The following individuals and companies are related parties of the Group that had balances and/or transactions with the Group during the year ended 31 March 2023 and 2024.

34. 關聯方交易

(a) 關聯方名稱及關係

關聯方指有能力控制、共同控制或在對投資對象持有權力時能對對方施加重大影響力；因參與投資對象的業務而承擔可變回報的風險或權利；且有能力藉對投資對象行使其權力而影響投資者回報金額的人士。倘受限於同一控制或共同控制，亦被視為關聯方。

以下人士及公司為本集團的關聯方，彼等於截至2023年及2024年3月31日止年度與本集團錄得結餘及／或進行交易。

Name of related parties 關聯方姓名／名稱	Relationship with the Group 與本集團的關係
Mr. Ando Shokei 安藤湘桂先生	Controlling Shareholder 控股股東
Bai Sheng Co., Ltd. 株式會社百勝	Controlled by Mr. Ando Shokei 由安藤湘桂先生控制

34. RELATED PARTY TRANSACTIONS

(Continued)

(a) Names and relationships with related parties

(Continued)

- (i) In addition to those disclosed elsewhere in the notes to the consolidated financial statement, the Group had the following transactions with related parties:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Rental expenses to a related party	向關聯方支付的租金開支		
— Bai Sheng Co., Ltd.	— 株式會社百勝	14	190

- (ii) As at 31 March 2024, the Group's bank facilities amounting to HK\$13,599,000 (2023: HK\$17,910,000) were guaranteed by personal guarantee from Mr. Ando.

All the related party transactions were conducted in accordance with terms mutually agreed with related parties and in the ordinary course of business.

Key management includes directors and top management. The compensation paid or payable to key management for employee services is shown below:

		2024	2023
		2024年	2023年
		HK\$'000	HK\$'000
		千港元	千港元
Wages and salaries	工資及薪金	7,194	8,431
Pensions	退休金	397	455
Staff welfare and other benefits	僱員福利及其他利益	—	—
		7,591	8,886

34. 關聯方交易 (續)

(a) 關聯方名稱及關係 (續)

- (i) 除合併財務報表附註其他部分所披露者外，本集團與關聯方之交易如下：

- (ii) 於2024年3月31日，本集團金額為13,599,000港元（2023年：17,910,000港元）的銀行融資由安藤先生作出的個人擔保所擔保。

所有關聯方交易乃根據與關聯方相互協定的條款於日常業務過程中進行。

主要管理層包括董事及最高管理層。就僱員服務而已付或應付主要管理層的薪酬列示如下：

35. SHARE OPTION SCHEME

The Group has adopted the share option scheme on 13 September 2018 under which certain selected classes of participants (including, among others, full-time employees) may be granted options to subscribe for the new shares. On 24 April 2023, 48,000,000 share options were granted to certain Director, senior managements and employees of the Group at an exercise price of HK\$0.80 per share. Approximately HK\$9,367,000 was recognised as equity-settled share-based payment expense for the year ended 31 March 2024.

The Share Options shall be valid for a period of six years from the Date of Grant. Any Share Options not exercised by 23 April 2029 shall lapse.

- (i) 30% of the Share Options granted shall be vested on, and exercisable from, the first anniversary of the Date of Grant (i.e. 24 April 2024);
- (ii) 30% of the Share Options granted shall be vested on, and exercisable from, the second anniversary of the Date of Grant (i.e. 24 April 2025); and
- (iii) the remaining 40% of the Share Options granted shall be vested on, and exercisable from, the third anniversary of the Date of Grant (i.e. 24 April 2026).

35. 購股權計劃

本集團於2018年9月13日採納購股權計劃，據此，若干獲甄選類別的參與者（其中包括全職僱員等）可獲授予購股權以認購新股。於2023年4月24日，48,000,000份購股權以行使價每股0.80港元已授予本集團若干董事、高級管理層及僱員。截至2024年3月31日止年度，約9,367,000港元確認為以權益結算的股份基礎付款開支。

購股權將自授出日期起計為期六年有效。任何於2029年4月23日前尚未行使的購股權將告失效。

- (i) 已授出購股權的30%將於授出日期第一個週年（即2024年4月24日）歸屬並自該日起可予行使；
- (ii) 已授出購股權的30%將於授出日期第二個週年（即2025年4月24日）歸屬並自該日起可予行使；及
- (iii) 已授出購股權的剩餘40%將於授出日期第三個週年（即2026年4月24日）歸屬並自該日起可予行使。

	Date of grant	Exercise price	At 1 April 2022/ 31 March 2023/ 1 April 2023 於2022年4月1日/ 2023年3月31日/ 2023年4月1日	Granted during the year 年內已授出	Outstanding as at 31 March 2024 於2024年3月31日 尚未行使
	授出日期	行使價 HK\$ 港元	'000 千份	'000 千份	'000 千份
Directors 董事	24 April 2023 2023年4月24日	0.80	—	5,000	5,000
Employees 僱員	24 April 2023 2023年4月24日	0.80	—	43,000	43,000
Total 總計			—	48,000	48,000
Exercisable at the end of the year 年末可予行使					—

35. SHARE OPTION SCHEME (Continued)

During the year ended 31 March 2024, no share options granted under the Scheme lapsed upon the resignation of the employees of the Group and no share options was exercised or cancelled.

The fair value of equity-settled share options during the year was estimated as at the date of grant, using a binomial model, taking into account the terms and conditions upon which the options were granted. The significant assumption and inputs used in the estimation of fair value are as follows:

35. 購股權計劃(續)

截至2024年3月31日止年度，計劃項下授出的購股權並無因本集團僱員離職而失效，亦無購股權獲行使或註銷。

以二項式模型估計年內以權益結算的購股權於授出日期的公平值，並考慮購股權授出的條款及條件。估計公平值時使用的重要假設及輸入數據如下：

	Grant date on 24 April 2023 授予日期 於2023年 4月24日
Exercise price of share option (HK\$ per share option)	購股權行使價 (每份購股權港元) 0.8
Dividend yield (%)	股息率(%) 1.3158
Expected volatility (%)	預期波幅(%) 60.874
Risk-free interest rate (%)	無風險利率(%) 3.172
Expected life of options (years)	購股權預期年期(年) 6.0
Weighted average share price (HK\$ per share)	加權平均股份價格 (每股港元) 0.76
Fair value of share option (HK\$ per share option)	購股權公平值 (每份購股權港元) 0.364

Expected volatility was determined by using the historical volatility of the Company's share price over the previous years. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. Changes in the subjective input assumptions could materially affect the fair value estimate.

預期波幅乃根據本公司過往年度股價的歷史波幅釐定。計算購股權公平值所用的變量及假設乃根據董事的最佳估計。主觀輸入假設的變動可能會對公平值估計造成重大影響。

The group recognised the total expense of HK\$9,367,000 for the year ended 31 March 2024 in relation to share options granted by the Company under the Scheme.

截至2024年3月31日止年度，本集團確認為有關本公司根據計劃授出的購股權的總開支為9,367,000港元。

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cashflows will be classified in the Group's consolidated statement of cash flows from financing activities.

36. 來自融資活動負債的對賬

下表詳述本集團來自融資活動負債的變動，包括現金及非現金變動。來自融資活動的負債指現金流量已經或未來現金流量將於本集團合併現金流量表分類為來自融資活動者。

		Borrowings 借款 HK\$'000 千港元 (Note 28) (附註28)	Lease liabilities 租賃負債 HK\$'000 千港元 (Note 16) (附註16)	Total 總計 HK\$'000 千港元
As at 1 April 2022	於2022年4月1日	59,945	9,048	68,993
New bank loan raised	新籌措銀行貸款	14,561	—	14,561
Repayment of bank loan	償還銀行貸款	(20,965)	—	(20,965)
Interest elements on lease liabilities	租賃負債的利息元素	—	206	206
Repayment of lease liabilities	償還租賃負債	—	(6,558)	(6,558)
Modification	修訂	—	1,477	1,477
Exchange realignment	匯兌調整	(4,209)	(63)	(4,272)
As at 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	49,332	4,110	53,442
New bank loan raised	新籌措銀行貸款	15,428	—	15,428
Repayment of bank loan	償還銀行貸款	(17,301)	—	(17,301)
Interest elements on lease liabilities	租賃負債的利息元素	—	254	254
Repayment of lease liabilities	償還租賃負債	—	(4,252)	(4,252)
Addition of lease	添置租賃	—	10,794	10,794
Exchange realignment	匯兌調整	(5,861)	(254)	(6,115)
As at 31 March 2024	於2024年3月31日	41,598	10,652	52,250

37. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 37. 本公司財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司財務狀況表

	Note	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
	附註		
Assets			
Non-current assets			
Investment in subsidiaries		47,063	47,063
Property, plant and equipment		—	3
Right-of-use assets		8,306	1,833
Deferred tax assets		56	51
Deposits and prepayments		1,008	—
		56,433	48,950
Current assets			
Inventories		2,279	2,279
Deposits and prepayments		9,868	11,207
Amount due from subsidiaries		121,659	126,854
Pledged bank deposits		4,000	4,000
Cash and cash equivalents		5,219	7,579
		143,025	151,919
Total assets		199,458	200,869

37. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY
(Continued)

(a) Statement of financial position of the Company *(Continued)*

37. 本公司財務狀況表及儲備變動
(續)

(a) 本公司財務狀況表 *(續)*

	Note 附註	2024 2024年 HK\$'000 千港元	2023 2023年 HK\$'000 千港元
Equity attributable to owners of the Company			
Share capital		169,730	169,730
Reserves	37(b)	17,466	19,524
Total equity		187,196	189,254
Liabilities			
Non-current liabilities			
Other payables		1,200	—
Lease liabilities		5,444	—
		6,644	—
Current liabilities			
Other payables and accruals		1,709	3,213
Amounts due to subsidiaries		710	3,302
Lease liabilities		3,199	2,143
Borrowings		—	2,957
		5,618	11,615
Total liabilities		12,262	11,615
Total equity and liabilities		199,458	200,869

The statement of financial position of the Company was approved by the Board of Directors on 25 June 2024 and was signed on its behalf.

本公司財務狀況表已由董事會於2024年6月25日批准並由下列董事代表簽署。

Ando Shokei
 安藤湘桂
 Director
 董事

Ando Eri
 安藤惠理
 Director
 董事

**37. STATEMENT OF FINANCIAL POSITION AND
 RESERVE MOVEMENT OF THE COMPANY**

(Continued)

(b) Reserve movement of the Company

**37. 本公司財務狀況表及儲備變動
 (續)**

(b) 本公司儲備變動

		Share option reserve 購股權儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 April 2022	於2022年4月1日	—	25,502	25,502
Loss and total comprehensive loss for the year	年度虧損及綜合虧損 總額	—	(978)	(978)
Final dividend declared and paid	已宣派及支付的末期 股息	—	(5,000)	(5,000)
As at 31 March 2023 and 1 April 2023	於2023年3月31日及 2023年4月1日	—	19,524	19,524
Loss and total comprehensive loss for the year	年度虧損及綜合虧損 總額	—	(11,425)	(11,425)
Recognition of equity-settled share based payment	已確認的以權益結算的 股份基礎付款	9,367	—	9,367
As at 31 March 2024	於2024年3月31日	9,367	8,099	17,466

38. BENEFITS AND INTEREST OF DIRECTORS

(a) Directors and chief executive's emoluments

The remuneration of each director of the Company paid/payable by the Group for the years ended 31 March 2024 and 2023 are set out as follows:

38. 董事福利及利益

(a) 董事及最高行政人員酬金

截至2024年及2023年3月31日止年度，本集團已付／應付本公司各董事的薪酬載列如下：

For the year ended		Director's Fee	Salaries and wages	Pension, medical insurance, other social insurances and other benefits 退休金、 醫療保險、 其他社會保險	Equity- settled share based payment 以權益 結算的 股份基礎 付款	Total
截至以下日期止年度		董事袍金 HK\$'000 千港元	薪金及工資 HK\$'000 千港元	及其他福利 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
31 March 2024	2024年3月31日					
Executive directors	執行董事					
— Mr. Ando	— 安藤先生	—	2,622	112	1,021	3,755
— Mrs. Ando Eri	— 安藤惠理女士	—	1,691	73	—	1,764
— Mr. Katsu Bunkai	— 葛文海先生	—	1,009	94	—	1,103
— Mr. Sun Hongyue	— 孫鴻月先生	—	—	—	—	—
Non-executive directors	非執行董事					
— Mr. Chung Kwok Mo John	— 鍾國武先生	240	—	—	—	240
— Ms. Lam Suk Ling Shirley	— 林淑玲女士	240	—	—	—	240
— Mr. Chun Chi Man	— 秦治民先生	240	—	—	—	240
		720	5,322	279	1,021	7,342

38. BENEFITS AND INTEREST OF DIRECTORS (Continued)

(a) Directors and chief executive's emoluments (Continued)

For the year ended	Director's Fee	Salaries and wages	Pension, medical insurance, other social insurances and other benefits 退休金、 醫療保險、 其他社會保險 及其他福利	Total
截至以下日期止年度	董事袍金 HK\$'000 千港元	薪金及工資 HK\$'000 千港元	及其他福利 HK\$'000 千港元	總計 HK\$'000 千港元
31 March 2023				
Executive directors				
— Mr. Ando	—	2,955	109	3,064
— Mrs. Ando Eri	—	1,053	98	1,151
— Mr. Katsu Bunkai	—	983	94	1,077
— Mr. Sun Hongyue	—	—	—	—
Non-executive directors				
— Mr. Chung Kwok Mo John	240	—	—	240
— Ms. Lam Suk Ling Shirley	240	—	—	240
— Mr. Chun Chi Man	240	—	—	240
	720	4,991	301	6,012

The remuneration shown above represents remuneration paid and payable by the Group for these directors in their capacity as employees to the Group and/or in their capacity as directors of the Company during the years ended 31 March 2024 and 2023. No directors waived or agreed to waive any emoluments during the years ended 31 March 2024 and 2023.

上表所載薪酬指該等董事於截至2024年及2023年3月31日止年度以本集團僱員身份及/或本公司董事身份由本集團已付及應付的薪酬。概無董事於截至2024年及2023年3月31日止年度放棄或同意放棄任何酬金。

38. BENEFITS AND INTEREST OF DIRECTORS

(Continued)

(b) Directors' retirement benefits

During the year ended 31 March 2024, no retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertaking (2023: Nil).

(c) Directors' termination benefits

No payment was made to directors as compensation for early termination of the appointment during the year ended 31 March 2024 (2023: Nil).

(d) Consideration provided to third parties for making available directors' services

No payment was made to third parties for making available directors' services during the year ended 31 March 2024 (2023: Nil).

(e) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

Save as disclosed in Note 34, there are no other loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors during the year ended 31 March 2024 (2023: Nil).

(f) Directors' material interests in transactions, arrangements or contracts

There are no significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 March 2024 (2023: Nil).

38. 董事福利及利益 (續)

(b) 董事退休福利

截至2024年3月31日止年度，概無任何董事已就管理本公司事務或其附屬公司業務所提供的其他服務而獲付或應收取任何退休福利(2023年：無)。

(c) 董事離職福利

截至2024年3月31日止年度，並無向董事作出任何付款作為提早終止委聘的補償(2023年：無)。

(d) 就提供董事服務向第三方撥付的代價

截至2024年3月31日止年度，並無就提供董事服務向第三方作出任何付款(2023年：無)。

(e) 關於以董事、有關董事的受控法團及與有關董事關連的實體為受益人的貸款、準貸款及其他交易的資料

除附註34所披露者外，截至2024年3月31日止年度，並無以董事、有關董事的受控法團及與有關董事關連的實體為受益人的其他貸款、準貸款及其他交易(2023年：無)。

(f) 董事於交易、安排或合約的重大權益

本公司概無簽訂於年末或截至2024年3月31日止年度內的任何時間存續且涉及本公司業務而本公司董事直接或間接在其中擁有重大權益之重要交易、安排及合約(2023年：無)。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements.

本集團於過去五個財政年度之業績以及資產、負債與非控股權益概要，摘錄自己刊發經審核財務報表。

FINANCIAL HIGHLIGHTS

財務摘要

		2020	2021	2022	2023	2024
		2020年	2021年	2022年	2023年	2024年
		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
Revenue	收益	107,589	80,753	79,597	72,762	57,852
Gross profit	毛利	75,937	70,023	68,969	53,321	46,779
Profit/(loss) before income tax	除所得稅前溢利／ (虧損)	10,461	11,698	12,031	(8,479)	(26,389)
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔 溢利／(虧損)	8,444	8,363	8,434	(8,286)	(26,890)
Total assets	總資產	512,085	594,653	581,081	466,001	396,637
Total liabilities	負債總額	228,016	308,188	297,060	202,913	157,691
Net Assets	資產淨值	284,069	286,465	284,021	263,088	238,946
Equity attributable to:	以下人士應佔權益：					
— Equity shareholders of the Company	— 本公司權益 持有人	279,909	282,241	279,940	259,317	235,636
— Non-controlling interests	— 非控股權益	4,160	4,224	4,081	3,771	3,310
		284,069	286,465	284,021	263,088	238,946

