



# K. H. GROUP HOLDINGS LIMITED 劍虹集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock code 股份代號 : 01557



2018/19

Annual Report  
年報

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

- Mr. Chen Rongsheng (*Chairman*)  
(appointed on 13 August 2018)
- Mr. Guan Jingdong  
(appointed on 13 August 2018)
- Mr. Yu Shiu Tin, Paul  
(resigned on 13 August 2018)
- Mr. Yeung Sau Ming, Boris  
(resigned on 13 August 2018)
- Ms. Chan Lai Kuen  
(resigned on 13 August 2018)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

- Dr. Luo Tiejian  
(appointed on 13 August 2018)
- Dr. Lu Haitian  
(appointed on 13 August 2018)
- Mr. Liu Xin  
(appointed on 13 August 2018)
- Mr. Chan Kee Huen, Michael  
(resigned on 13 August 2018)
- Mr. Cheng Yan Kee  
(resigned on 13 August 2018)
- Mr. Cheung Chi Fai, Frank  
(resigned on 13 August 2018)
- Professor Chung Hung Kwan, Barnabas  
(resigned on 13 August 2018)

#### COMPANY SECRETARY

- Ms. Hui Wai Yue  
(appointed on 13 August 2018)
- Mr. Shum Hoi Luen  
(resigned on 13 August 2018)

### 董事會

#### 執行董事

- 陳融聖先生(*主席*)  
(於二零一八年八月十三日獲委任)
- 關靜東先生  
(於二零一八年八月十三日獲委任)
- 余嘯天先生  
(於二零一八年八月十三日辭任)
- 楊秀明先生  
(於二零一八年八月十三日辭任)
- 陳麗娟女士  
(於二零一八年八月十三日辭任)

#### 獨立非執行董事

- 羅鐵堅博士  
(於二零一八年八月十三日獲委任)
- 陸海天博士  
(於二零一八年八月十三日獲委任)
- 劉昕先生  
(於二零一八年八月十三日獲委任)
- 陳記煊先生  
(於二零一八年八月十三日辭任)
- 鄭恩基先生  
(於二零一八年八月十三日辭任)
- 張志輝先生  
(於二零一八年八月十三日辭任)
- 鍾鴻鈞教授  
(於二零一八年八月十三日辭任)

#### 公司秘書

- 許慧瑜女士  
(於二零一八年八月十三日獲委任)
- 沈凱聯先生  
(於二零一八年八月十三日辭任)

# CORPORATE INFORMATION

## 公司資料



### AUDIT COMMITTEE

Mr. Liu Xin (*Chairman*)  
(appointed on 13 August 2018)  
Dr. Luo Tiejian  
(appointed on 13 August 2018)  
Dr. Lu Haitian  
(appointed on 13 August 2018)  
Mr. Cheung Chi Fai, Frank  
(resigned on 13 August 2018)  
Mr. Chan Kee Huen, Michael  
(resigned on 13 August 2018)  
Mr. Cheng Yan Kee  
(resigned on 13 August 2018)  
Professor Chung Hung Kwan, Barnabas  
(resigned on 13 August 2018)

### NOMINATION COMMITTEE

Dr. Lu Haitian (*Chairman*)  
(appointed on 13 August 2018)  
Mr. Chen Rongsheng  
(appointed on 13 August 2018)  
Mr. Liu Xin  
(appointed on 13 August 2018)  
Mr. Yu Shiu Tin, Paul  
(resigned on 13 August 2018)  
Mr. Chan Kee Huen, Michael  
(resigned on 13 August 2018)  
Mr. Cheng Yan Kee  
(resigned on 13 August 2018)  
Professor Chung Hung Kwan, Barnabas  
(resigned on 13 August 2018)  
Mr. Yeung Sau Ming, Boris  
(resigned on 13 August 2018)

### 審核委員會

劉昕先生(*主席*)  
(於二零一八年八月十三日獲委任)  
羅鐵堅博士  
(於二零一八年八月十三日獲委任)  
陸海天博士  
(於二零一八年八月十三日獲委任)  
張志輝先生  
(於二零一八年八月十三日辭任)  
陳記煊先生  
(於二零一八年八月十三日辭任)  
鄭恩基先生  
(於二零一八年八月十三日辭任)  
鍾鴻鈞教授  
(於二零一八年八月十三日辭任)

### 提名委員會

陸海天博士(*主席*)  
(於二零一八年八月十三日獲委任)  
陳融聖先生  
(於二零一八年八月十三日獲委任)  
劉昕先生  
(於二零一八年八月十三日獲委任)  
余嘯天先生  
(於二零一八年八月十三日辭任)  
陳記煊先生  
(於二零一八年八月十三日辭任)  
鄭恩基先生  
(於二零一八年八月十三日辭任)  
鍾鴻鈞教授  
(於二零一八年八月十三日辭任)  
楊秀明先生  
(於二零一八年八月十三日辭任)

## CORPORATE INFORMATION

### 公司資料

#### REMUNERATION COMMITTEE

Mr. Liu Xin (*Chairman*)  
(appointed on 13 August 2018)  
Dr. Luo Tiejian  
(appointed on 13 August 2018)  
Dr. Lu Haitian  
(appointed on 13 August 2018)  
Mr. Cheng Yan Kee  
(resigned on 13 August 2018)  
Ms. Chan Lai Kuen  
(resigned on 13 August 2018)  
Mr. Cheung Chi Fai, Frank  
(resigned on 13 August 2018)  
Professor Chung Hung Kwan, Barnabas  
(resigned on 13 August 2018)  
Mr. Yu Shiu Tin, Paul  
(resigned on 13 August 2018)

#### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 01, 82/F  
International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

#### LEGAL ADVISER AS TO HONG KONG LAWS

TC & Co. Solicitors

#### AUDITOR

RSM Hong Kong  
(resigned with effect from 16 April 2019)  
World Link CPA Limited  
(appointed with effect from 16 April 2019)

#### 薪酬委員會

劉昕先生(*主席*)  
(於二零一八年八月十三日獲委任)  
羅鐵堅博士  
(於二零一八年八月十三日獲委任)  
陸海天博士  
(於二零一八年八月十三日獲委任)  
鄭恩基先生  
(於二零一八年八月十三日辭任)  
陳麗娟女士  
(於二零一八年八月十三日辭任)  
張志輝先生  
(於二零一八年八月十三日辭任)  
鍾鴻鈞教授  
(於二零一八年八月十三日辭任)  
余嘯天先生  
(於二零一八年八月十三日辭任)

#### 香港總部及主要營業地點

香港  
九龍  
柯士甸道西1號  
環球貿易廣場  
82樓01室

#### 香港法律之法律顧問

崔曾律師事務所

#### 核數師

羅申美會計師事務所  
(於二零一九年四月十六日辭任)  
華普天健(香港)會計師事務所有限公司  
(自二零一九年四月十六日起獲委任)

# CORPORATE INFORMATION

## 公司資料



### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Ltd.  
P. O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

### PRINCIPAL BANKERS

China CITIC Bank International Limited  
DBS Bank (Hong Kong) Limited  
The Hongkong and Shanghai Banking  
Corporation Limited  
Dah Sing Bank, Limited

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited  
Suites 3301-04, 33/F  
Two Chinachem Exchange Square  
338 King's Road  
North Point  
Hong Kong

### STOCK CODE

01557

### WEBSITE

[www.kh-holdings.com](http://www.kh-holdings.com)

### 主要股份過戶登記處

Estera Trust (Cayman) Ltd.  
P. O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

### 主要往來銀行

中信銀行(國際)有限公司  
星展銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
大新銀行有限公司

### 香港股份過戶登記分處

聯合證券登記有限公司  
香港  
北角  
英皇道338號  
華懋交易廣場2期  
33樓3301-04室

### 股份代號

01557

### 網站

[www.kh-holdings.com](http://www.kh-holdings.com)

# CHAIRMAN'S STATEMENT

## 主席報告

Dear shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of K. H. Group Holdings Limited (the "Company"), I am pleased to present to our shareholders the 2018/19 Annual Report of the Company and its subsidiaries (the "Group") for the year ended 31 March 2019.

The Group's overall revenue decreased by approximately 10.0% to approximately HK\$203,015,000 during the year ended 31 March 2019 (2018: approximately HK\$225,579,000). The loss and total comprehensive income for the year ended 31 March 2019 attributable to owners of the Company amounted to approximately HK\$29,107,000 (2018: approximately HK\$25,190,000).

As mentioned in last year's Chairman Statement, due to the decrease in the number of foundation contracts available from both the public and the private sectors and keen competition among the market players, the foundation industry was tough and challenging during the year. The Group will continue to adjust its tendering strategies by widening its customer base and implementing a tight cost control so as to maintain its competitiveness and protect its shareholders' interests.

As supported by the latest 2018 Policy Address of the Hong Kong Special Administrative Region (the "2018 Policy Address") by the Chief Executive of the Hong Kong Special Administrative Region, land and housing is still one of the most important agendas in the 2018 Policy Address. The Group believes that there will be more opportunities in the foundation industry in Hong Kong as a result of the boosting of land supply for housing developments for both the private and the public sectors as well as fostering infrastructure development plans in the long term.

各位股東：

本人謹代表劍虹集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然向股東提呈本公司連同其附屬公司(「本集團」)截至二零一九年三月三十一日止年度之二零一八／一九年年報。

本集團截至二零一九年三月三十一日止年度之整體收益減少約10.0%至約203,015,000港元(二零一八年：約225,579,000港元)。本公司擁有人應佔截至二零一九年三月三十一日止年度之虧損及全面收益總額約為29,107,000港元(二零一八年：約25,190,000港元)。

誠如上一年度之主席報告所提及，由於本年度公營及私營領域可供參與的地基合約數目有所下降，市場參與者之間的競爭激烈，地基行業仍然困難且充滿挑戰。本集團將繼續調整其投標策略，拓寬我們的客戶群，並實施嚴格的成本控制，以保持其競爭力及保障股東權益。

在香港特別行政區行政長官最近一期之香港特別行政區二零一八年施政報告(「二零一八年施政報告」)的支持下，土地及房屋仍為二零一八年施政報告中最重要之議題之一。本集團相信，由於政府就私營及公營領域的房屋發展增加土地供應以及推動長遠基建發展計劃，香港地基行業將出現更多機遇。



# CHAIRMAN'S STATEMENT

## 主席報告



Other than the keen competition in the foundation market in Hong Kong, the uncertainties in the execution of foundation works, conservative approach to certification and approval for foundation works valuation by the customers; and the continuous increase in the direct labour and material costs have undoubtedly increased the overall operational risks of the market players.

Looking ahead, the Board still remains prudently optimistic about the prospects of the foundation industry in Hong Kong. The Group will continue to exercise due care in pursuing its existing core business and promoting its development plans so as to balance the risks and opportunities in the foundation industry in Hong Kong. The Group will also closely and carefully monitor the latest development in the global economy and foundation industry in Hong Kong and adjust its business strategies from time to time if required.

Apart from foundation services and leasing of machinery, the Group will also try to explore and identify any suitable investment opportunities in order to broaden our revenue base for maximisation of return to our shareholders.

On behalf of the Board, I would like to take this opportunity to extend my sincere appreciation to our shareholders, customers and suppliers for their continuous support, as well as our management team and staff for their hard work and contributions.

**Mr. Chen Rongsheng**  
*Chairman*

Hong Kong, 28 June 2019

除香港地基市場之激烈競爭外，進行地基工程之不確定性、客戶對地基工程估值採取審慎之認證及審批方式及直接勞工及建材成本持續上漲等種種因素均毫無疑問地增加了市場參與者的整體營運風險。

展望未來，董事會仍對香港地基行業的前景保持審慎樂觀。本集團將繼續審慎從事其現有核心業務並改進其開發計劃，以平衡香港地基行業的風險與機遇。本集團亦將密切謹慎地監察全球經濟及香港地基行業的最新發展，並不時於有需要時調整其業務策略。

除地基服務及機械租賃外，本集團亦將盡力尋求及物色任何適合投資機遇，以拓寬我們的收益基礎，從而最大程度地提高股東回報。

本人謹代表董事會藉此機會向我們的股東、客戶及供應商的持續支持，以及向管理團隊及員工的努力及貢獻衷心致謝。

主席  
**陳融聖先生**

香港，二零一九年六月二十八日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

During the year ended 31 March 2019, the Group was principally engaged in the provision of foundation services (the "Foundation") and the leasing of machinery (the "Leasing") in Hong Kong.

There were 8 active projects as at 31 March 2018. As at 31 March 2019, one of these projects has been practically completed while the other 7 projects remain in progress.

During the year ended 31 March 2019, 7 new projects have been awarded to the Group and all of them remain in progress as at 31 March 2019. As such, there were a total of 14 projects in progress as at 31 March 2019.

### FINANCIAL REVIEW

#### REVENUE

The Group's overall revenue decreased by 10.0% from approximately HK\$225,579,000 during the year ended 31 March 2018 to approximately HK\$203,015,000 during the year ended 31 March 2019. The decrease in Group's overall revenue was mainly due to the net effect of:

1. one large foundation project has reached the finalisation stage, by which it contributed revenue of approximately HK\$6,211,000 during the year ended 31 March 2019 as compared to approximately HK\$96,809,000 during the corresponding year of 2018; and
2. increase in progress for active projects during the year ended 31 March 2019.

#### GROSS PROFIT/GROSS PROFIT MARGIN

The overall gross profit decreased by 35.2% from approximately HK\$2,820,000 during the year ended 31 March 2018 to approximately HK\$1,827,000 during the year ended 31 March 2019. Such decrease was in line with the decrease in the Group's overall revenue as explained above.

The Group's gross profit margin decreased from approximately 1.3% during the year ended 31 March 2018 to approximately 0.9% during the year ended 31 March 2019. The decrease in gross profit margin was mainly due to the unexpected additional construction costs incurred towards the completion stage of certain foundation projects.

### 業務回顧

截至二零一九年三月三十一日止年度，本集團主要在香港從事提供地基服務（「地基」）及機械租賃（「租賃」）。

於二零一八年三月三十一日有8個活躍項目。於二零一九年三月三十一日，其中一個項目已實際竣工，而其他7個項目仍在進行中。

截至二零一九年三月三十一日止年度，本集團獲授7個新項目，於二零一九年三月三十一日，全部項目均仍在進行中。因此，於二零一九年三月三十一日，共有14個進行中項目。

### 財務回顧

#### 收益

本集團的整體收益由截至二零一八年三月三十一日止年度約225,579,000港元減少10.0%至截至二零一九年三月三十一日止年度約203,015,000港元。本集團整體收益的減少乃主要由於以下淨影響：

1. 一個大型地基項目已進行至收尾階段所致，於截至二零一九年三月三十一日止年度，其貢獻收益約6,211,000港元，而於二零一八年同期則貢獻約96,809,000港元；及
2. 截至二零一九年三月三十一日止年度進行中活躍項目增加。

#### 毛利／毛利率

整體毛利由截至二零一八年三月三十一日止年度約2,820,000港元減少35.2%至截至二零一九年三月三十一日止年度約1,827,000港元。有關減少與上述本集團的整體收益減少一致。

本集團之毛利率由截至二零一八年三月三十一日止年度之約1.3%減少至截至二零一九年三月三十一日止年度之約0.9%。毛利率減少乃主要由於若干地基項目於邁向完成階段時產生意料之外的額外建築成本。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



### OTHER INCOME

The Group's other income increased from approximately HK\$137,000 during the year ended 31 March 2018 to approximately HK\$15,921,000 during the year ended 31 March 2019. Such increase was mainly due to a non-recurring imputed interest income of approximately HK\$14,610,000 arising from the unsecured and interest-free borrowing amounting to HK\$100,000,000 obtained from New Grace Gain Limited (the former controlling shareholder of the Company) ("New Grace Gain") in May 2018.

### ADMINISTRATIVE AND OTHER OPERATING EXPENSES

The Group's administrative and other operating expenses increased by 32.5% from approximately HK\$30,624,000 during the year ended 31 March 2018 to approximately HK\$40,589,000 during the year ended 31 March 2019. The increase in administrative and other operating expenses was mainly due to the payments of consulting and professional fees of approximately HK\$7,917,000 and written off of contract assets of approximately HK\$2,998,000 during the year ended 31 March 2019.

### FINANCE COSTS

The Group's finance costs increased from approximately HK\$1,430,000 during the year ended 31 March 2018 to approximately HK\$6,266,000 during the year ended 31 March 2019. Such increase was mainly due to the imputed interest expenses of approximately HK\$4,616,000 arising from the unsecured and interest-free borrowing amounting to HK\$100,000,000 obtained from New Grace Gain in May 2018.

### NET LOSS

As a result of the abovementioned, during the year under review, the Group reported a net loss of approximately HK\$29,107,000 (2018: approximately HK\$25,190,000).

### DEBTS AND CHARGE ON ASSETS

The total interest-bearing borrowings of the Group, including bank borrowings and finance lease payables, decreased from approximately HK\$58,272,000 as at 31 March 2018 to approximately HK\$44,134,000 as at 31 March 2019. As at 31 March 2019, these banking facilities were secured by (i) the Group's trade receivables and retention receivables under contract assets or contract liabilities of approximately HK\$10,097,000 (31 March 2018: trade and retention receivables of approximately HK\$16,992,000); (ii) the Group's pledged bank deposits of approximately HK\$10,214,000 (31 March 2018: approximately HK\$10,138,000); (iii) the Group's property, plant and equipment with total net carrying amounts of approximately HK\$41,530,000 (31 March 2018: approximately HK\$53,312,000); and (iv) corporate guarantee executed by the Company.

### 其他收入

本集團的其他收入由截至二零一八年三月三十一日止年度約137,000港元增至截至二零一九年三月三十一日止年度約15,921,000港元。有關升幅主要由於二零一八年五月獲得New Grace Gain Limited (本公司前任控股股東)(「New Grace Gain」)的無抵押及免息借款100,000,000港元中產生非經常性推算利息收入約14,610,000港元。

### 行政及其他經營開支

本集團的行政及其他經營開支由截至二零一八年三月三十一日止年度約30,624,000港元增加32.5%至截至二零一九年三月三十一日止年度約40,589,000港元。截至二零一九年三月三十一日止年度的行政及其他經營開支增加乃主要由於支付諮詢及專業費用約7,917,000港元及撇銷合約資產約2,998,000港元。

### 融資成本

本集團的融資成本由截至二零一八年三月三十一日止年度約1,430,000港元增至截至二零一九年三月三十一日止年度約6,266,000港元。有關升幅主要由於於二零一八年五月獲得New Grace Gain的無抵押及免息借款100,000,000港元中產生推算利息開支約4,616,000港元。

### 淨虧損

基於上文所述，於回顧年度，本集團錄得淨虧損約29,107,000港元(二零一八年：約25,190,000港元)。

### 債務及資產押記

本集團的計息借款總額(包括銀行借款及融資租賃應付款項)由二零一八年三月三十一日約58,272,000港元減至二零一九年三月三十一日約44,134,000港元。於二零一九年三月三十一日，該等銀行融資以(i)本集團約10,097,000港元(二零一八年三月三十一日：貿易應收款項及應收保固金約16,992,000港元)合約資產或合約負債項下之貿易應收款項及應收保固金；(ii)本集團約10,214,000港元(二零一八年三月三十一日：約10,138,000港元)之已抵押銀行存款；(iii)本集團賬面淨值總額約41,530,000港元(二零一八年三月三十一日：約53,312,000港元)之物業、機器及設備；及(iv)本公司簽立之公司擔保作抵押。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Save as disclosed above, pursuant to the Sale and Purchase Agreement (as defined in the section “Corporate Governance Report – Deed of Non-Competition” below) entered between Blessing Well Enterprise Limited (“Blessing Well”) (the existing controlling shareholder of the Company) and New Grace Gain, New Grace Gain has provided to the Company an unsecured loan of HK\$100,000,000 (“Unsecured Loan”) on 25 May 2018. The Unsecured Loan is interest-free and repayable on 25 November 2020. New Grace Gain shall not be entitled to demand early repayment and the Company has no right to make early repayment of the Unsecured Loan.

Borrowings were denominated in Hong Kong dollars (“HK\$”) and interests on certain borrowings were charged at floating rates. The Group currently does not have any interest rate hedging policy while the Group pays vigilant attention to and monitors interest rate risks continuously and cautiously.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group normally meets its liquidity and capital requirements primarily through capital contributions from the shareholders and bank and other borrowings.

As at 31 March 2019, the Group had pledged bank deposits, and bank and cash balances of approximately HK\$82,014,000 (31 March 2018: approximately HK\$22,728,000). The gearing ratio of the Group as at 31 March 2019 (defined as the total borrowings divided by total equity) was approximately 146.8% (31 March 2018: approximately 46.6%). As at 31 March 2019, the current ratio of the Group was approximately 1.8 (31 March 2018: approximately 1.6).

During the year ended 31 March 2019, the Group did not employ any financial instruments for hedging purpose.

## FOREIGN EXCHANGE EXPOSURE

The Group has a minimal exposure to foreign currency risk as most of its business transactions and assets and liabilities are principally denominated in the functional currencies of the Group, i.e. HK\$. As such, the Group currently does not have any foreign currency hedging policy in respect of foreign currency transactions and assets and liabilities as the Group’s risk in foreign exchange is insignificant. The Group monitors its foreign currency exposure closely and will consider adopting hedging policy should the need arise.

除上文所披露者外，根據福信企業有限公司（「福信」，本公司現有控股股東）與New Grace Gain訂立之買賣協議（定義見下文「企業管治報告—不競爭契據」一節），New Grace Gain於二零一八年五月二十五日向本公司提供100,000,000港元之無抵押貸款（「無抵押貸款」）。無抵押貸款為免息及須於二零二零年十一月二十五日償還。New Grace Gain無權要求提前還款及本公司無權提前償還無抵押貸款。

借款以港元（「港元」）計值，而若干借款以浮動利率計息。本集團目前並無任何利率對沖政策，而本集團會密切留意及持續謹慎地監察利率風險。

## 流動資金、財務資源及資本架構

本集團一般以股東注資以及銀行及其他借款滿足自身流動資金及資本需求。

於二零一九年三月三十一日，本集團持有已抵押銀行存款以及銀行及現金結餘約82,014,000港元（二零一八年三月三十一日：約22,728,000港元）。於二零一九年三月三十一日，本集團的資產負債比率（定義為借款總額除以權益總額）約為146.8%（二零一八年三月三十一日：約46.6%）。於二零一九年三月三十一日，本集團的流動比率約為1.8（二零一八年三月三十一日：約1.6）。

截至二零一九年三月三十一日止年度，本集團並無採用任何作對沖用途的金融工具。

## 外匯風險

由於大部分業務交易以及資產及負債主要以本集團的功能貨幣（即港元）計值，因此，本集團承受的外匯風險已減至最低。由於本集團之外匯風險並不重大，本集團目前並無就外幣交易以及資產及負債設立任何外匯對沖政策。本集團嚴密監察其外匯風險，並將於有需要時考慮採納對沖政策。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析



### SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS

Save as those disclosed in note 17 to the consolidated financial statements, the Group did not have any other significant investments, material acquisitions or disposals during the year ended 31 March 2019.

There was no formal plan authorised by the Board for any significant investments, material acquisitions or disposals as at 31 March 2019 and up to the date of this annual report.

Despite the Event of the Change of Substantial Shareholders (as defined in the section “Corporate Governance Report – Deed of Non-Competition” below), Blessing Well has no definitive intention and plans for any acquisition or disposal of assets and/or business of the Group as disclosed in the joint announcement made by the Company and Blessing Well on 7 May 2018 (the “Joint Announcement 1”).

### CAPITAL COMMITMENTS

As at 31 March 2019, the Group did not have any significant capital commitments (31 March 2018: Nil).

### CONTINGENT LIABILITIES

Save as disclosed in note 34 to the consolidated financial statements, the Group did not have any significant contingent liabilities as at 31 March 2019.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2019, the Group had 137 employees (31 March 2018: 119 employees). Most of the Group’s employees are foundation workers in Hong Kong. The remuneration policy and package of the Group’s employees are periodically reviewed. Apart from the Mandatory Provident Fund and in-house training programmes, salary increments and discretionary bonuses may be awarded to employees according to the assessment of individual performance. The total staff costs incurred by the Group during the year ended 31 March 2019 were approximately HK\$52,521,000 (2018: approximately HK\$46,844,000).

### 重大投資、重大收購或出售

除綜合財務報表附註17所披露者外，截至二零一九年三月三十一日止年度，本集團並無任何其他重大投資、重大收購或出售。

於二零一九年三月三十一日及截至本年報日期，董事會並無授權任何重大投資、重大收購或出售之正式計劃。

雖然發生主要股東變動事件(定義見下文「企業管治報告 – 不競爭契據」一節)，但誠如本公司與福信於二零一八年五月七日作出的聯合公告(「聯合公告1」)所披露，福信並無收購或出售本集團資產及／或業務的明確意向及計劃。

### 資本承擔

於二零一九年三月三十一日，本集團並無任何重大資本承擔(二零一八年三月三十一日：無)。

### 或然負債

除綜合財務報表附註34所披露者外，本集團於二零一九年三月三十一日並無任何重大或然負債。

### 僱員及薪酬政策

於二零一九年三月三十一日，本集團擁有137名僱員(二零一八年三月三十一日：119名僱員)。本集團大多數僱員為香港的地基工人。本集團僱員的薪酬政策及待遇已經定期檢討。除強制性公積金及內部培訓計劃外，本集團可根據個人表現評估授予僱員薪酬增幅及酌情花紅。截至二零一九年三月三十一日止年度內，本集團產生的員工成本總額約52,521,000港元(二零一八年：約46,844,000港元)。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

To create a long term value for the interests of the shareholders of the Company (the “Shareholders”) is the Board’s main objective. As such, the Board is highly committed to achieving a high standard of corporate governance and striving to maintain the management practices in a transparent and responsible way. The Board reviews and improves the Group’s corporate governance practices and business ethics on an ongoing basis.

During the year ended 31 March 2019 and up to the date of this annual report, save as disclosed in the following paragraph, the Company has complied with all the code provisions, where applicable, as set out in the Corporate Governance Code (the “CG Code”) in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

Under the code provision A.2.1 of the CG Code, the roles of the chairman of the board and chief executive (“CE”) should be separate and should not be performed by the same individual.

Mr. Chen Rongsheng is the Chairman of the Board. There is not a post of the CE in the Company. The responsibilities of the chairman of the Board and the CE of the Company are currently taken up by the Chairman of the Board and the other members of the Board. The Board will continuously review and improve the corporate governance practices and standards of the Group to ensure that business activities and decision-making processes are regulated in a proper and prudent manner.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. All the Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the year ended 31 March 2019.

### 企業管治常規

為本公司股東(「股東」)利益創造長期價值為董事會的主要目標。因此，董事會致力實現高水平的企業管治，並努力保持透明及負責的管理常規。董事會持續檢討及改善本集團的企業管治常規及商業操守。

截至二零一九年三月三十一日止年度及截至本年報日期，除以下段落所披露者外，本公司已遵守聯交所證券上市規則(「上市規則」)附錄14所載企業管治守則(「企業管治守則」)的所有守則條文(如適用)。

根據企業管治守則守則條文第A.2.1條，董事會主席及行政總裁(「行政總裁」)的角色應有所區分且不應由同一人士擔任。

陳融聖先生為董事會主席。本公司並無行政總裁職位。本公司董事會主席及行政總裁之職責現由董事會主席及董事會其他成員擔任。董事會將持續審閱及完善本集團企業管治常規及準則，以確保業務活動及決策過程按照適當及審慎方式規範。

### 董事進行的證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行本公司證券交易之行為守則。經本公司作出具體查詢後，全體董事確認，彼等於截至二零一九年三月三十一日止年度一直遵守標準守則所載的規定準則。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



## THE BOARD

### RESPONSIBILITIES

The Board is responsible for the leadership and control of the Group, and oversees the Group's businesses, strategic decisions and performance. The Board has delegated to the senior management the authority and responsibility for the day-to-day management and operation of the Group. Besides, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Board is also responsible for performing corporate governance duties of the Group and will assign relevant functions to other board committees, namely the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee") and the audit committee (the "Audit Committee") (collectively, the "Board Committees") as and when appropriate.

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

### COMPOSITION

The Board currently comprises five members, consisting of two Executive Directors and three Independent Non-executive Directors. Details of the composition of the Board and biographies of the Directors are set out on pages 2 to 5 of this annual report in the section of "Corporate Information" and on pages 49 to 54 of this annual report in the section of "Profile of Directors and Senior Management", respectively.

The Board possesses the skills, experience and expertise either in the same industry or relevant to the management of the business of the Group which brings a good balance of relevant skills and experience to the Company. The Independent Non-executive Directors also provide their independent professional judgments on the assessment of the development, performance and risk management of the Group.

### BOARD DIVERSITY POLICY

The Company has adopted a Board Diversity Policy of which the diversity of the Board is considered in terms of factors such as gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are based on merit, and candidates are considered against various objective criteria, with due regard to the benefits of diversity of the Board.

## 董事會

### 職責

董事會之職責為領導及監控本集團，以及監察本集團之業務、決策及表現。董事會已將本集團之日常管理及營運的權力及責任轉授予高級管理層。此外，董事會亦成立董事委員會並已向該等董事委員會授予載於其各自職權範圍內之各項職責。

董事會亦負責履行本集團之企業管治職能，並將相關職能適時指派其他董事委員會，即薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）及審核委員會（「審核委員會」）（統稱「董事委員會」）。

本公司已作出適當投保安排，就其董事及高級管理層因從事公司業務而面臨之法律訴訟，為董事及高級人員之責任投保。

### 組成

董事會現由五名成員組成，包括兩名執行董事及三名獨立非執行董事。董事會組成及董事履歷詳情分別載於本年報第2至5頁「公司資料」一節及本年報第49至54頁「董事及高級管理層履歷」一節。

董事會具備同一行業或與管理本集團業務相關之技能、經驗及專業知識，為本公司帶來相關技能及經驗之良好平衡。獨立非執行董事亦就評估本集團之發展、表現及風險管理提供彼等之獨立專業判斷。

### 董事會多元化政策

本公司已採納董事會多元化政策，董事會多元化考慮多方面因素，如性別、年齡、文化及教育背景、種族、專業經驗、技術、知識及服務任期。董事會成員一律按用人唯才原則獲委任，而在考慮人選時會以各種客觀標準充分顧及董事會多元化的裨益。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

As at the date of this annual report, the Board comprises five Directors. The following tables illustrate the diversity of the Board Members as of the date of this annual report:

於本年報日期，董事會由五名董事組成。下表說明截至本年報日期董事會成員的多元化：

Name of Directors	董事姓名	Age Group 年齡組別		
		Below 40 40歲以下	40 to 50 40歲至50歲	50-60 50歲至60歲
Mr. Chen Rongsheng ( <i>Chairman</i> )	陳融聖先生(主席)		√	
Mr. Guan Jingdong	關靜東先生			√
Dr. Luo Tiejian	羅鐵堅博士			√
Dr. Lu Haitian	陸海天博士	√		
Mr. Liu Xin	劉昕先生		√	

Name of Directors	董事姓名	Professional Experience 專業經驗			
		Information technology/ computing engineering 信息技術/ 電腦工程	Banking and finance 銀行及融資	Accounting and law 會計及法律	Investment consultancy and accounting 投資諮詢及 會計
Mr. Chen Rongsheng ( <i>Chairman</i> )	陳融聖先生(主席)	√			
Mr. Guan Jingdong	關靜東先生		√		
Dr. Luo Tiejian	羅鐵堅博士	√			
Dr. Lu Haitian	陸海天博士			√	
Mr. Liu Xin	劉昕先生				√

### Measurable Objectives and Selection

The Board will take opportunity to invite female members over time to join the Board when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

### Implementation and Monitoring

The Nomination Committee will monitor the implementation of the Board Diversity Policy and report to the Board annually.

### 可計量目標及甄選

董事會將在選擇合適的董事會成員候選人並提出建議時，把握機會邀請女性成員加入董事會。董事會將確保經參照持份者的期望以及國際及當地推薦的最佳做法後取得適當的多元性別平衡，從而實現帶領董事會走向性別均等的最終目標。董事會亦期望於本集團核心市場擁有直接經驗並來自不同種族背景的董事佔有適當的比例，從而反映本集團的策略。

### 實施及監控

提名委員會將監察董事會多元化政策的實施情況，並每年向董事會匯報。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### MEETINGS AND ATTENDANCE

The attendance of individual members of the Board at various meetings during the year ended 31 March 2019, as well as the number of such meetings held, are set out below:

### 會議及出席情況

截至二零一九年三月三十一日止年度，個別董事會成員於不同會議之出席情況及有關會議之舉行次數載列如下：

		Number of meetings attended/held				
		出席／舉行之會議數目				
	Board Meeting	Audit Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	Annual General Meeting	
	董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	股東週年大會	
<b>Executive Directors</b>		<b>執行董事</b>				
Mr. Chen Rongsheng <sup>(1&amp;3)</sup>	陳融聖先生 <sup>(1&amp;3)</sup>	3/11	N/A不適用	0/1	N/A不適用	1/1
Mr. Guan Jingdong <sup>(1)</sup>	關靜東先生 <sup>(1)</sup>	3/11	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Yu Shiu Tin, Paul <sup>(2)</sup>	余嘯天先生 <sup>(2)</sup>	9/11	N/A不適用	1/1	1/1	N/A不適用
Mr. Yeung Sau Ming, Boris <sup>(2)</sup>	楊秀明先生 <sup>(2)</sup>	9/11	N/A不適用	1/1	N/A不適用	N/A不適用
Ms. Chan Lai Kuen <sup>(2)</sup>	陳麗娟女士 <sup>(2)</sup>	9/11	N/A不適用	N/A不適用	1/1	N/A不適用
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>				
Dr. Luo Tiejian <sup>(1)</sup>	羅鐵堅博士 <sup>(1)</sup>	3/11	1/2	N/A不適用	0/1	1/1
Dr. Lu Haitian <sup>(1&amp;4)</sup>	陸海天博士 <sup>(1&amp;4)</sup>	3/11	1/2	0/1	0/1	1/1
Mr. Liu Xin <sup>(1, 5&amp;6)</sup>	劉昕先生 <sup>(1, 5&amp;6)</sup>	3/11	1/2	0/1	0/1	1/1
Mr. Chan Kee Huen, Michael <sup>(2)</sup>	陳記煊先生 <sup>(2)</sup>	8/11	1/2	1/1	N/A不適用	N/A不適用
Mr. Cheng Yan Kee <sup>(2)</sup>	鄭恩基先生 <sup>(2)</sup>	9/11	1/2	1/1	1/1	N/A不適用
Mr. Cheung Chi Fai, Frank <sup>(2)</sup>	張志輝先生 <sup>(2)</sup>	9/11	1/2	N/A不適用	1/1	N/A不適用
Professor Chung Hung Kwan, Barnabas <sup>(2)</sup>	鍾鴻鈞教授 <sup>(2)</sup>	7/11	1/2	1/1	1/1	N/A不適用

1. Appointed on 13 August 2018.
2. Resigned on 13 August 2018.
3. Chairman of the Board.
4. Chairman of the Nomination Committee.
5. Chairman of the Remuneration Committee.
6. Chairman of the Audit Committee.

1. 於二零一八年八月十三日獲委任。
2. 於二零一八年八月十三日辭任。
3. 董事會主席。
4. 提名委員會主席。
5. 薪酬委員會主席。
6. 審核委員會主席。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RELATIONSHIP

None of the members of the Board has any relationship (including financial, business, family or other material/relevant relationships) between each other.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied with Rules 3.10(1) and (2), and Rule 3.10A of the Listing Rules during the year ended 31 March 2019.

Pursuant to the requirements of the Listing Rules, the Company has received written confirmation from each of the Independent Non-executive Directors confirming his independence from the Company, and considers all of the Independent Non-executive Directors to be independent in accordance with the independence guidelines as set out in Rule 3.13 of the Listing Rules.

### DIRECTORS' INDUCTION AND DEVELOPMENT

During the year ended 31 March 2019, the Company has arranged seminars for Directors as continuing professional trainings for corporate governance and compliance purposes. Some Directors also participated in other seminars according to their own preferences.

### CHAIRMAN

Mr. Chen Rongsheng is the chairman of the Board who is responsible for overseeing the overall management of the Group, including the daily operations, business development and strategic planning. The chairman of the Board ensures that all the Directors are properly briefed on issues raised during the Board meetings and receive adequate, complete and reliable information in a timely manner.

### BOARD COMMITTEES

The Board has established Board Committees to oversee specific aspects of the Company's affairs and help it in the execution of its responsibilities. Specific written terms of reference of these committees clearly outline each committee's authority and duty.

Each committee is required to report back on its decisions or recommendations to the Board on a timely basis, unless there are any legal or regulatory restrictions imposed on it.

### 關係

董事會成員之間概無任何關係(包括財務、業務、家屬或其他重大／相關關係)。

### 獨立非執行董事

截至二零一九年三月三十一日止年度，本公司已遵守上市規則第3.10(1)及(2)條以及第3.10A條。

根據上市規則的規定，本公司已獲各獨立非執行董事發出書面確認，確認其獨立於本公司。故根據上市規則第3.13條所載之獨立性指引，本公司認為，所有獨立非執行董事均為獨立於本公司的人士。

### 董事就任及發展

截至二零一九年三月三十一日止年度，本公司為董事安排研討會，作為企業管治及合規之持續專業培訓。部分董事亦按照彼等自身的喜好參與其他研討會。

### 主席

陳融聖先生為董事會主席，負責監督本集團的全面管理，包括日常營運、業務發展及策略計劃。董事會主席確保所有董事均獲提供董事會會議所討論事項的有關資料，且及時獲得充足及完整可靠的資料。

### 董事委員會

董事會已成立董事委員會，監察本公司事務特定範疇，並協助其履行職責。該等委員會各自訂有特定的書面職權範圍，當中清晰界定各委員會的權力及職務。

各委員會須及時向董事會匯報其決策或建議，惟已受任何法律或監管限制則除外。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### AUDIT COMMITTEE

The Audit Committee is mainly responsible for (a) maintaining the relationship with the Company's auditor; (b) reviewing the Company's financial information; (c) overseeing the Company's financial reporting system, risk management and internal control systems; and (d) assessing the Group's corporate governance functions. The full version of the terms of reference of the Audit Committee is available on the Stock Exchange's website and the Company's website at [www.kh-holdings.com](http://www.kh-holdings.com).

The Audit Committee is currently made up of three Independent Non-executive Directors, including Mr. Liu Xin (chairman of the Audit Committee), Dr. Luo Tiejian and Dr. Lu Haitian. Both Mr. Liu Xin (chairman of the Audit Committee) and Dr. Lu Haitian possess the appropriate professional qualifications or accounting or related financial management expertise as required.

The Audit Committee held 2 committee meetings during the year ended 31 March 2019.

### SUMMARY OF WORK DURING THE YEAR ENDED 31 MARCH 2019

The Audit Committee held one meeting with the preceding auditor, RSM Hong Kong, (without the presence of the Executive Directors) to discuss and review the Group's results for the year ended 31 March 2018 and recommended the same to the Board for approval. The Audit Committee also held another meeting (without the presence of the Executive Directors) to discuss and review the Group's results for the six months ended 30 September 2018 and recommended the same to the Board for approval.

Other than the above, the Audit Committee has also reviewed the terms of the Group's continuing connected transactions that are fully exempted from independent Shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.76(1) of the Listing Rules, and reviewed and discuss the Group's risk management and internal control function and its effectiveness, the existing terms of reference of the Audit Committee and the Group's overall corporate governance functions.

### 審核委員會

審核委員會主要負責(a)維繫與本公司核數師之關係；(b)審閱本公司之財務資料；(c)監管本公司之財務報告制度、風險管理及內部監控制度；及(d)評估本集團之企業管治職能。審核委員會職權範圍之完整版本可於聯交所網頁及本公司網頁[www.kh-holdings.com](http://www.kh-holdings.com)查閱。

審核委員會現時由三名獨立非執行董事組成，包括劉昕先生(審核委員會主席)、羅鐵堅博士及陸海天博士。劉昕先生(審核委員會主席)及陸海天博士均具備所需的合適專業資格或會計或相關財務管理專業知識。

截至二零一九年三月三十一日止年度，審核委員會曾舉行兩次委員會會議。

### 截至二零一九年三月三十一日止年度之工作概要

審核委員會曾與前任核數師羅申美會計師事務所舉行一次會議(並無執行董事列席)，以討論及審閱本集團截至二零一八年三月三十一日止年度之業績，並向董事會建議審批。審核委員會亦舉行另一次會議(並無執行董事列席)，以討論及審閱本集團截至二零一八年九月三十日止六個月之業績，並向董事會建議審批。

除上述者外，審核委員會亦已審閱本集團持續關連交易(根據上市規則第14A.76(1)條獲全面豁免遵守獨立股東批准、年度審閱及所有披露規定)之條款，並審閱及討論本集團風險管理及內部監控職能及其成效、審核委員會現有之職權範圍及本集團之整體企業管治職能。

### NOMINATION COMMITTEE

The Nomination Committee is mainly responsible for (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (b) identifying individuals suitably qualified to become Board members 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 re-appointment of the Directors and succession planning for Directors in particular the chairman of the Board and the chief executive. The full version of the terms of reference of the Nomination Committee is available on the Stock Exchange's website and the Company's website at [www.kh-holdings.com](http://www.kh-holdings.com).

The Nomination Committee is currently made up of three members including Dr. Lu Haitian (chairman of the Nomination Committee), Mr. Cheng Rongsheng and Mr. Lui Xin.

The Nomination Committee held one committee meeting during the year ended 31 March 2019.

### SUMMARY OF WORK DURING THE YEAR ENDED 31 MARCH 2019

The Nomination Committee held one committee meeting to review and consider the composition of the Board, the independence of the Independent Non-executive Directors and the existing terms of reference of the Nomination Committee.

### 提名委員會

提名委員會主要負責(a)至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面),並就對補充本公司的企業策略的任何建議變動向董事會提出建議;(b)物色具備合適資格可擔任董事會成員的人士,並挑選提名有關人士出任董事或就此向董事會提供意見;(c)評估獨立非執行董事的獨立性;及(d)就董事委任或重新委任以及董事(尤其是董事會主席及行政總裁)繼任計劃的有關事宜向董事會提出建議。提名委員會職權範圍之完整版本可於聯交所網頁及本公司網頁 [www.kh-holdings.com](http://www.kh-holdings.com) 查閱。

提名委員會現時由三名成員組成,包括陸海天博士(提名委員會主席)、陳融聖先生及劉昕先生。

提名委員會於截至二零一九年三月三十一日止年度曾舉行1次委員會會議。

### 截至二零一九年三月三十一日止年度之工作概要

提名委員會曾舉行一次委員會會議,以檢討及考慮董事會組成、獨立非執行董事之獨立性及提名委員會現有之職權範圍。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### BOARD NOMINATION POLICY

The Company has adopted a Board Nomination Policy for the Nomination Committee to consider and make recommendations to Shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies.

#### Selection Criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
- (5) qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (6) the number of existing directorships and other commitments that may demand the attention of the candidate;
- (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 3.13 of the Listing Rules;
- (8) Board Diversity Policy of the Company and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and
- (9) such other perspectives appropriate to the Company's business.

### 董事會提名政策

本公司已就提名委員會採納董事會提名政策，以供考慮及向股東推薦於股東大會上選舉為董事或委任為董事以填補空缺。

#### 甄選標準

於評估建議候選人適合與否時，提名委員會將使用下列因素作為參考：

- (1) 誠信聲譽；
- (2) 於本集團所從事業務方面的成就及經驗；
- (3) 可投入的時間及相關利益；
- (4) 各方面的多元化，包括但不限於種族、性別、年齡(18歲或以上)、教育背景、專業經驗、技能及服務年限；
- (5) 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；
- (6) 現有董事人數及其他可能需要候選人關注的承擔；
- (7) 上市規則關於董事會須設有獨立非執行董事的規定，及候選人參照上市規則第3.13條所載的獨立性指引是否屬獨立人士；
- (8) 本公司的董事會多元化政策及提名委員會為達到董事會多元化而採納的任何可計量目標；及
- (9) 對本公司業務而言屬適當的其他方面。

### Director Nomination Procedure

Subject to the provisions in the Articles of Association of the Company and the Listing Rules, if the Board recognises the need for an additional Director or a member of senior management, the following procedure will be followed:

- (1) The Nomination Committee and/or Board will identify potential candidates based on the criteria as set out in the selection criteria, possibly with assistance from external agencies and/or advisors;
- (2) The Nomination Committee and/or the Company Secretary of the Company will then provide the Board with the biographical details and details of the relationship between the candidate and the Company and/or Directors, directorships held, skills and experience, other positions which involve significant time commitment and any other particulars required by the Listing Rules, the Companies Law of the Cayman Islands and other regulatory requirements for any candidate for appointment to the Board;
- (3) The Nomination Committee would then make recommendation to the Board on the proposed candidate(s) and the terms and conditions of the appointment;
- (4) The Nomination Committee should ensure that the proposed candidate(s) will enhance the diversity of the Board, being particularly mindful of gender balance;
- (5) In the case of the appointment of an Independent Non-executive Director, the Nomination Committee and/or the Board should obtain all information in relation to the proposed Director to allow the Board to adequately assess the independence of the Director in accordance with the factors set out in Rules 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time; and
- (6) The Board will then deliberate and decide on the appointment based upon the recommendation of the Nomination Committee.

### 董事提名程序

在本公司組織章程細則及上市規則條文的規限下，如董事會認定需要新增董事或高級管理人員，則須遵循以下程序：

- (1) 提名委員會及／或董事會將根據甄選標準所載標準確定潛在候選人(可能在外部機構及／或顧問協助下進行)；
- (2) 提名委員會及／或本公司的公司秘書其後將向董事會提供候選人個人履歷詳情，及候選人與本公司及／或董事之間關係的詳情、所擔任董事職務、技能與經驗，投入大量時間的其他職位，及上市規則、開曼群島公司法及其他監管規定董事會任命任何候選人須提供的其他詳情；
- (3) 提名委員會其後將就建議候選人及委任的條款及條件向委員會提出推薦建議；
- (4) 提名委員會應確保建議候選人將能加強董事會的多元化，尤其要關注性別平衡；
- (5) 就委任獨立非執行董事而言，提名委員會及／或董事會應獲取有關建議董事的所有資料，使董事會根據上市規則第3.13條(經聯交所可能不時作出的任何修訂)所載因素充分評估董事的獨立性；及
- (6) 董事會其後將根據提名委員會的推薦建議進行商討並決定是否委任。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### REMUNERATION COMMITTEE

The Remuneration Committee is mainly responsible for (a) making recommendations to the Board on the Company's policy and the structure for all the Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; (c) determining, making recommendations to the Board, considering and approving the remuneration package of all the Directors and senior management and the compensation arrangements relating to loss or termination of office and dismissal or removal of the Directors; and (d) deciding the remunerations with independence. The full version of the terms of reference of the Remuneration Committee is available on the Stock Exchange's website and the Company's website at [www.kh-holdings.com](http://www.kh-holdings.com).

The Remuneration Committee is currently made up of three members including Mr. Liu Xin (chairman of the Remuneration Committee), Dr. Luo Tiejian and Dr. Lu Haitian.

The Remuneration Committee held one committee meeting during the year ended 31 March 2019.

### SUMMARY OF WORK DURING THE YEAR ENDED 31 MARCH 2019

The Remuneration Committee held one committee meeting to review and approve the remuneration package and structure of all the Directors and senior management independently and the terms of reference of the Remuneration Committee.

Details of the five highest paid individuals in the Group and the Directors' emoluments are set out in notes 13 and 14 to the consolidated financial statements.

### 薪酬委員會

薪酬委員會主要負責(a)就本公司全體董事及高級管理層的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；(b)因應董事會的企業方針及目標檢討及批准管理層的薪酬建議；(c)釐定及向董事會建議，考慮及批准全體董事及高級管理層的薪酬待遇及有關喪失或終止職務及解僱或罷免董事之賠償安排；及(d)獨立釐定薪酬。薪酬委員會職權範圍之完整版本可於聯交所網頁及本公司網頁 [www.kh-holdings.com](http://www.kh-holdings.com) 查閱。

薪酬委員會現時由三名成員組成，包括劉昕先生(薪酬委員會主席)、羅鐵堅博士及陸海天博士。

薪酬委員會曾於截至二零一九年三月三十一日止年度舉行1次委員會會議。

### 截至二零一九年三月三十一日止年度之工作概要

薪酬委員會曾舉行一次委員會會議，獨立檢討及批准全體董事及高級管理層之薪酬待遇及架構以及薪酬委員會之職權範圍。

本集團五位最高薪酬人士及董事酬金詳情載於綜合財務報表附註13及14。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### SENIOR MANAGEMENT'S REMUNERATION

Pursuant to code provision B.1.5 of the CG Code, the remuneration paid to the members of the senior management by band during the year ended 31 March 2019 is set out below:

Remuneration bands (HK\$)	薪酬範圍(港元)	Number of person(s) 人數
500,001 to 1,000,000	500,001至1,000,000	1
1,500,001 to 2,000,000	1,500,001至2,000,000	1
2,000,001 to 2,500,000	2,000,001至2,500,000	1

### 高級管理層薪酬

根據企業管治守則之守則條文第B.1.5條，截至二零一九年三月三十一日止年度向高級管理層成員支付之薪酬範圍載列如下：

### CORPORATE GOVERNANCE FUNCTION

The Board, through the Audit Committee, is responsible for performing the corporate governance functions, and it accordingly reviews and monitors the training and continuing professional development of Directors and the senior management, and ensures its policies and practices in compliance with relevant laws and regulatory requirements. During the year ended 31 March 2019, the Board has reviewed the Company's policies and practices on corporate governance.

### 企業管治職能

董事會透過審核委員會負責執行企業管治職能，及相應檢討及監察董事及高級管理層之培訓及持續專業發展，以及確保其政策及常規符合相關法例及監管規定等。截至二零一九年三月三十一日止年度，董事會已檢討本公司企業管治政策及常規。

### AUDITOR'S REMUNERATION

During the year ended 31 March 2019, the auditor, World Link CPA Limited, received HK\$650,000 for provision of audit service and HK\$50,000 for provision of tax filing service.

### 核數師薪酬

截至二零一九年三月三十一日止年度，核數師華普天健(香港)會計師事務所有限公司就提供核數服務及提供報稅服務分別收取650,000港元及50,000港元。

### DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

All the Directors acknowledge their responsibility for preparing the financial statements of the Group.

The statement of the auditor, World Link CPA Limited, about its reporting responsibilities on the financial statements of the Group is set out in the independent auditor's report on pages 65 to 72 of this annual report.

There are no material uncertainties relating to any events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

### 董事及核數師就財務報表須承擔之責任

全體董事確認彼等須就編製本集團財務報表承擔責任。

核數師華普天健(香港)會計師事務所有限公司就本集團財務報表所作之申報責任聲明載於本年報第65至72頁之獨立核數師報告內。

概無任何事件或情況之重大不明朗因素會對本公司持續經營之能力構成重大不確定影響。



## RISK MANAGEMENT AND INTERNAL CONTROLS

In respect of code provision C.2.5 of the CG Code, the Company should have an internal audit (the “IA Function”). Although the Company did not establish a standalone IA department during the year ended 31 March 2019, the Board has put in place adequate measures to perform the IA Function at different aspects of the Group as the Company considers that close and regular supervision by the Executive Directors and senior management, and the maintenance of internal control guidance and procedures on the Group’s critical operational cycles could provide sufficient and effective internal control and risk management functions.

The Group’s risk management and internal control procedures include a management structure with clearly defined lines of responsibility and limits of authority. It primarily aims to provide a reasonable, but not absolute, assurance that assets are properly safeguarded against misappropriations, transactions are executed in accordance with the management’s authorisation, and accounting records are reliable and proper for preparing financial information and are not materially misstated. The procedure is designed to identify, evaluate and manage risks effectively rather than to eliminate all risks of failure.

There are also regular meetings held between the Directors and senior management to review and monitor the business and financial performance against the targets, the progress of certification and progress payments from the customers, the efficiency in the use of the Group’s resources in comparison to the budgets, and the operational matters to ensure the Group has complied with the regulations that have material impact to the Group’s business. The aim is to enhance the communication and accountability of the Directors and senior management so that significant strategic, financial, operational and compliance risks or potential deviations are timely and properly identified and dealt with in a proper manner.

## 風險管理及內部監控

就企業管治守則之守則條文第C.2.5條而言，本公司應設有內部審核（「內部審核職能」）。儘管本公司於截至二零一九年三月三十一日止年度並無設立獨立內部審核部門，由於本公司認為由執行董事及高級管理層進行密切定期監察及對本集團之重大營運週期維持內部監控指引及程序，可提供充足有效內部監控及風險管理職能，故董事會已實施充足的措施，從本集團不同方面履行內部審核職能。

本集團之風險管理及內部監控程序包括明確界定權責之管理架構。其主要旨在對防止資產不被濫用、交易乃根據管理層授權而執行，以及備有可靠及合適的會計記錄以供編製財務資料且無重大錯誤陳述，而提供合理（但非絕對）之保證。該程序旨在有效地識別、評估及管理風險，而非排除所有失誤風險。

董事亦會與高級管理層舉行定期會議，以審閱及監察業務及財務表現對比預期目標、自客戶獲得審批及進度付款的進度、本集團資源的運用效率與預算作對比，以及營運方面的事務，以確保遵守對本集團業務有重大影響的監管規定。此舉旨在增強董事與高級管理層的溝通與問責，從而令重大策略、財政、營運及合規風險或潛在偏離狀況得以及時並妥善辨識，並以適當方式處理。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Board is responsible for maintaining adequate procedures of risk management and internal control for the Group and the Board had conducted an annual review of its effectiveness during the year ended 31 March 2019 through the Audit Committee. Same as last year's practice, the Company has engaged an external independent internal control adviser to conduct a review on the internal control procedures of the Group at both corporate level and business level (as agreed by the Audit Committee). The review covered material controls, including financial, operational and compliance controls and risk management functions during the year ended 31 March 2019. The internal control report has been circulated to the Audit Committee for review and discussion. No significant areas of improvement which are required to be brought to the attention of the Audit Committee have been revealed.

As such, the Board is satisfied that the Group's internal control procedures including financial, operational and compliance controls and risk management functions as appropriate to the Group have been put in place and considers that the Group's internal control procedures and risk management functions are both effective and adequate.

The Board will review the need for the IA Function on an annual basis.

### INSIDE INFORMATION

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is aware of its obligations under the Securities and Futures Ordinance (Cap. 571) (the "SFO") and the Listing Rules and is required, as soon as reasonably practicable after any inside information has come to its knowledge, to disclose the information to the public;
- has included in its staff manual a strict prohibition on the unauthorised use of confidential or inside information; and
- has established and implemented procedures for responding to external enquiries about the Group's affairs.

Senior management is identified and authorised to act as the Company's spokespersons and respond to enquiries in allocated areas of issues.

Training on inside information disclosure is provided to the Board to enhance corporate governance.

董事會負責為本集團維持足夠的風險管理及內部監控程序，而董事會亦已於截至二零一九年三月三十一日止年度透過審核委員會就其成效進行年度檢討。與去年慣例相同，本公司委聘外部獨立內部監控顧問，在審核委員會同意下於公司層面及業務層面就本集團內部監控程序進行檢討。截至二零一九年三月三十一日止年度，有關檢討覆蓋重大監控範疇，包括財務、營運、合規監控以及風險管理職能。內部監控報告已傳閱至審核委員會以供審閱及討論。並無重大改善事項需要提請審核委員會垂注。

因此，董事會信納適用於本集團之內部監控程序(包括財務、營運及合規監控以及風險管理職能)現已實施，並認為本集團之內部監控程序及風險管理職能均為有效及足夠。

董事會將每年檢討內部審核職能之需要。

### 內幕消息

就處理及散播內幕消息的程序及內部監控而言，本公司：

- 深明其於第571章證券及期貨條例(「證券及期貨條例」)以及上市規則項下之責任，並須在得悉任何內幕消息後，在合理切實可行情況下盡快將消息向公眾人士披露；
- 於其員工手冊內已載有嚴禁未經授權使用保密資料或內幕消息之條款；及
- 已制定及實施應對有關本集團事務的外來查詢之程序。

高級管理層獲確認並被授權為本公司的發言人，以回應指定範疇內的查詢。

為提升企業管治，已向董事會提供有關內幕消息披露之培訓。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### COMPANY SECRETARY

During the year ended 31 March 2019, Ms. Hui Wai Yue, the company secretary of the Company (the "Company Secretary") undertook no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules. Her biography is set out on page 54 of this annual report in the section of "Profile of Directors and Senior Management".

### INVESTOR RELATIONS

During the year ended 31 March 2019, there were no changes in the Company's constitutional documents.

### SHAREHOLDERS' RIGHTS

#### 1. THE WAY IN WHICH SHAREHOLDERS OF THE COMPANY (THE "SHAREHOLDERS") CAN CONVENE AN EXTRAORDINARY GENERAL MEETING ("EGM")

Pursuant to Article 64 of the Articles, EGMs shall be convened on the requisition of one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings of the Company, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and lodged to the Company Secretary at the Company's principal place of business at Unit 01, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and may consist of several documents in like form each signed by one or more requisitionists.

### 公司秘書

截至二零一九年三月三十一日止年度，本公司公司秘書（「公司秘書」）許慧瑜女士已根據上市規則第3.29條之規定已接受不少於15小時的相關專業培訓。彼之履歷載於本年報第54頁「董事及高級管理層履歷」一節。

### 投資者關係

截至二零一九年三月三十一日止年度，本公司的章程文件概無變動。

### 股東權利

#### 1. 本公司股東（「股東」）召開股東特別大會（「股東特別大會」）的方式

根據細則第64條，股東特別大會須應一名或多名於遞呈要求日期持有不少於有權於本公司股東大會上投票的本公司實繳股本十分之一的股東要求而予以召開。該項要求須以書面形式向董事會或公司秘書提呈，以要求董事會召開股東特別大會處理該要求中所列明的任何事項，且有關大會須於遞呈要求後兩個月內舉行。倘董事會於該要求遞呈後二十一日內未能召開該大會，則提出請求人士可以同一方式自行召開大會，而本公司則須向提出要求人士償付因董事會未能召開大會而產生的所有合理開支。

有關要求必須述明大會目的及經呈請人簽署，並送交本公司主要營業地點（地址為香港九龍柯士甸道西1號環球貿易廣場82樓01室）以轉交公司秘書。有關要求可由多份格式相近之文件組成，惟每份均須經由一名或以上呈請人簽署。

If the requisition is in order, the Company Secretary will ask the Board to convene an EGM by serving sufficient notice in accordance with the requirements under the Articles to all the registered Shareholders. On the contrary, if the requisition is invalid, the members concerned will be advised of this outcome, and accordingly, an EGM will not be convened as requested.

The notice period to be given to all the Shareholders for consideration of the proposal raised by the Shareholders concerned at an EGM varies, according to the nature of the proposal, as follows:

- at least 14 days' notice (the notice period must include 10 business days) in writing if the proposal constitutes an ordinary resolution of the Company in an EGM.
- at least 21 days' notice (the notice period must include 20 business days) in writing if the proposal constitutes a special resolution of the Company in an EGM.

## 2. THE PROCEDURES SHAREHOLDERS CAN USE TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected including that person's biographical details, shall have been lodged to the Company Secretary at the Company's principal place of business at Unit 01, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, at least 7 days before the date of the general meeting. The lodgement of notice should also be in compliance with the other requirements of the Listing Rules.

## 3. THE PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Any Shareholder(s) of the Company who wish to raise his/their enquiries concerning the Company to the Board may deliver his/their written enquiry(ies) to the principal place of business of the Company in Hong Kong with the address at Unit 01, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong or at any address notified by the Company from time to time and for the attention of the chairman of the Board and the Company Secretary. Upon receipt of the enquiries, the Company would reply as soon as possible.

倘要求適當，公司秘書將要求董事會根據細則項下之規定向全體註冊股東發出足夠通知後召開股東特別大會。相反，倘要求無效，相關股東將獲告知此結果，因此不會應要求召開股東特別大會。

向全體股東發出通知以供考慮相關股東於股東特別大會上所提呈建議的通知期因建議性質而異，詳情如下：

- 倘議案於股東特別大會上構成本公司一項普通決議案，最少14日書面通知(通知期必需包括10個營業日)。
- 倘議案於股東特別大會上構成本公司一項特別決議案，最少21日書面通知(通知期必需包括20個營業日)。

## 2. 股東可提名他人競選董事的程序

除退任董事外，概無任何人士有資格於任何股東大會上參選董事，除非獲董事會推薦參選，且已發出書面通知表明建議提名相關人士參選董事，亦附上獲提名人士簽署表明願意參選及載列該人士個人履歷的書面通知，並須於股東大會舉行前最少7日送交本公司主要營業地點(地址為香港九龍柯士甸道西1號環球貿易廣場82樓01室)以轉交公司秘書。送交通知亦須遵守上市規則之其他規定。

## 3. 向董事會作出查詢的程序

任何本公司股東有意就本公司向董事會提出查詢可向本公司香港主要營業地點(地址為香港九龍柯士甸道西1號環球貿易廣場82樓01室)或本公司不時通知之任何地址遞交其書面查詢，並註明收件人為董事會主席及公司秘書。於收到查詢後，本公司將會盡快作出回覆。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告



### DEED OF NON-COMPETITION

As disclosed in the prospectus issued by the Company dated 8 March 2016 (the “Prospectus”), New Grace Gain and its ultimate beneficial owners, Mr. Yeung Sau Ming, Boris, Mr. Lau Tai Wah, Gilbert and Mr. Yue Suen Leung (together, the “Covenantors”) executed a deed of non-competition dated 19 February 2016 (the “Deed of Non-Competition”) containing certain non-competition undertakings given in favour of the Group with effect from the date of listing of the Company on 18 March 2016 (the “Listing Date”) and for so long as the shares of the Company remain so listed on the Stock Exchange and the Covenantors are regarded as controlling shareholders of the Company (within the meaning of the Listing Rules), details of which are disclosed in the section headed “Relationship with Controlling Shareholders – Non-Competition Undertakings” in the Prospectus.

With reference to the Joint Announcement 1 made by the Company and Blessing Well on 7 May 2018, the Company has been notified by New Grace Gain that after trading hours on 27 April 2018, Blessing Well (as the purchaser), New Grace Gain (as the vendor) and its ultimate beneficial owners, Mr. Yeung Sau Ming, Boris, Mr. Yue Suen Leung and Mr. Lau Tai Wah, Gilbert (as the guarantors), entered into a sale and purchase agreement (the “Sale and Purchase Agreement”) pursuant to which New Grace Gain agreed to sell and Blessing Well agreed to purchase 300,000,000 shares of the Company, representing 75% of the issued shares of the Company as at the date of the Joint Announcement 1, for a total cash consideration of HK\$596,250,000 (the “Event of the Change of Substantial Shareholders”). Completion of the abovementioned transaction took place on 30 April 2018. Details of which are set out in the Joint Announcement 1.

As a result of the Event of the Change of Substantial Shareholders, New Grace Gain, Mr. Yeung Sau Ming, Boris, Mr. Yue Suen Leung and Mr. Lau Tai Wah, Gilbert ceased to be the controlling and substantial shareholders of the Company on 30 April 2018, and accordingly the Deed of Non-Competition ceased to have effect on 30 April 2018.

### 不競爭契據

如本公司刊發的日期為二零一六年三月八日的招股章程(「招股章程」)所披露，New Grace Gain及其最終實益擁有人楊秀明先生、劉泰華先生及余孫良先生(統稱為「契諾人」)簽署日期為二零一六年二月十九日的不競爭契據(「不競爭契據」)，載有以本集團為受益人的若干不競爭承諾，自本公司上市日期二零一六年三月十八日(「上市日期」)起直至本公司股份仍於聯交所上市及契諾人仍被視為本公司控股股東(定義見上市規則)期間生效，其詳情披露於招股章程「與控股股東的關係—不競爭承諾」一節。

茲提述本公司與福信於二零一八年五月七日作出的聯合公告1，本公司獲New Grace Gain告知，於二零一八年四月二十七日交易時段後，福信(作為買方)、New Grace Gain(作為賣方)及其最終實益擁有人楊秀明先生、余孫良先生及劉泰華先生(作為擔保人)訂立買賣協議(「買賣協議」)，據此，New Grace Gain同意出售及福信同意購買本公司300,000,000股股份(相當於本公司於聯合公告1日期已發行股份的75%)，總現金代價為596,250,000港元(「主要股東變動事件」)。完成上述交易已於二零一八年四月三十日發生。其詳情載於聯合公告1。

因主要股東變動事件，於二零一八年四月三十日，New Grace Gain、楊秀明先生、余孫良先生及劉泰華先生不再擔任本公司的控股股東及主要股東，因此，不競爭契據已於二零一八年四月三十日不再有效。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIVIDEND POLICY

The Company has adopted a Dividend Policy that aims to provide guidelines for the Board to determine whether dividends are to be declared and paid to the shareholders and the level of dividend to be paid. Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others:

- (1) the Group's actual and expected financial performance;
- (2) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (3) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (4) the Group's liquidity position;
- (5) interest of shareholder;
- (6) taxation consideration;
- (7) potential effect on creditworthiness;
- (8) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (9) any other factors that the Board deems appropriate.

The declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and is also subject to any restrictions under the Companies Law of the Cayman Islands, the Listing Rules, the laws of Hong Kong and the Company's Memorandum and Articles of Association and any other applicable laws and regulations. The Company does not have any pre-determined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

### 股息政策

本公司已採納一項股息政策，旨在為董事會確定是否向股東派付股息及將予支付的股息水平提供指引。根據股息政策，在決定是否建議派付股息及確定股息金額時，董事會應考慮(其中包括)以下各項：

- (1) 本集團的實際及預期財務表現；
- (2) 本集團的預期營運資金需求、資本支出需求及未來擴充計劃；
- (3) 本公司以及本集團各成員公司的保留盈利及可供分派儲備；
- (4) 本集團的流動資金狀況；
- (5) 股東利益；
- (6) 稅收考量；
- (7) 對信譽的潛在影響；
- (8) 整體經濟狀況以及可能影響本集團業務或財務表現及狀況的其他內部或外部因素；及
- (9) 董事會認為適當的任何其他因素。

本公司宣派及派付股息應由董事會全權酌情釐定，亦須遵守開曼群島公司法、上市規則、香港法例及本公司組織章程大綱及細則以及任何其他適用法律及法規的任何限制。本公司並無任何預定股息分派比率。本公司過往的股息分派記錄不應被用作確定本公司日後可能宣派或支付的股息水平的參考或依據。

本公司將持續檢討股息政策並保留按唯一及絕對酌情權隨時更新、修訂及／或修改股息政策的權利，而股息政策無論如何均不構成本公司作出的關於將會以任何特定金額支付股息的具有法律約束力的承諾，及／或無論如何不為本公司施加於任何時間或不時宣派股息的義務。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



The Group contributes to sustainable development by delivering environmental, social and economic benefits to all stakeholders in a balanced way. This year, the Group is pleased to present our environmental, social and governance report for the year ended 31 March 2019 for the purpose of demonstrating our efforts on sustainable developments to our stakeholders.

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Listing Rules and is divided into two parts, namely environmental and social.

本集團秉持採用均衡的方式為全體持份者創造環境、社會和經濟方面的裨益，從而實踐可持續發展。本年度，本集團欣然提呈截至二零一九年三月三十一日止年度的環境、社會及管治報告，以向持份者展示我們在可持續發展作出的努力。

本報告乃根據上市規則附錄27所載之環境、社會及管治報告指引所編製，並分為環境及社會兩個部分。

## MAJOR RECENT AWARDS AND RECOGNITIONS

### ENVIRONMENTAL

## 近期主要獎項及認可

### 環境



**ISO 50001 : 2011\***  
**Energy Management System**  
**能源管理體系**



**ISO 14001 : 2015\***  
**Environmental Management System**  
**環境管理體系**

\* upgraded in May 2017 於二零一七年五月升級  
# renewed in May 2017 於二零一七年五月更新

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Social

#### Family-Friendly Employer 家庭友善僱主



### 社會

#### Happy Company 開心企業



#### OHSAS 18001 : 2007\* Occupational Health and Safety Management System 職業健康及安全管理體系



#### ISO 9001 : 2015\* Quality Management System 質量管理體系



#### Green Organisation 綠色機構



#### Manpower Developer 人才企業



\* upgrade in May 2017 於二零一七年五月升級  
# renewed in May 2017 於二零一七年五月更新

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### A. ENVIRONMENTAL

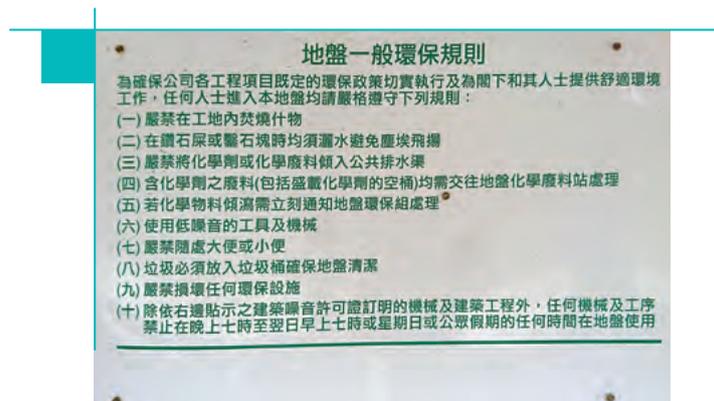
#### ENVIRONMENTAL MANAGEMENT POLICY

The Group is committed to carrying out construction works in a manner with minimal impact to the environment resulting from our business activities.

### A. 環境

#### 環境管理政策

本集團致力於施工進行過程中將我們的業務活動對環境所造成的影響減至最低。



To minimise environmental impacts concerning our site activities, we shall:

- Comply with all the applicable legal requirements and the environmental aspects of the contractual obligations to which the Group subscribes.
- Prevent, reduce and eliminate pollution or any other degradation of environment resulting from the production process or from the use of goods and services.
- Reduce waste and minimise the consumption of resources.
- Try our endeavor to recycle practicable construction material in our design and construction process.
- Educate, train and motivate employees to carry out tasks in an environmentally responsible manner.
- Provide sufficient resources and facilities for the implementation of environmental nuisance abatement and waste management.
- Obtain and renew the necessary environmental licenses, registrations and permits.
- Encourage environmental protection among suppliers and subcontractors.

為減輕地盤工程對環境造成的影響，我們會：

- 遵守所有適用法律規定及本集團所承擔於對環境方面的合約責任。
- 防止、減少及杜絕於生產過程中或使用貨品及服務時所造成的污染或以任何其他形式令環境惡化。
- 減少廢棄物及資源消耗。
- 在我們的設計及施工過程中，我們竭力回收可再用的建築材料。
- 教育、培訓及鼓勵員工以對環境負責任的態度下履行職務。
- 為實施減少對環境所造成滋擾及廢棄物管理而提供充足的資源及設施。
- 取得及重續必需的環保牌照、註冊登記及許可。
- 鼓勵供應商及分包商提高環保意識。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

- Collect energy usage data for analysis and future planning and implementation.
- Commit to continual improvement of environmental performance.

The Group's environmental management system was accredited by Accredited Certification International Limited with ISO 14001 : 2015 and ISO 50001 : 2011 certifications.

### REGULATORY COMPLIANCE:

The Group is committed to ensuring its businesses are operated in compliance with the following laws and regulations:

- a. Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong)
- b. Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong)
- c. Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong)
- d. Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong)
- e. Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong)
- f. Environmental Impact Assessment Ordinance (Chapter 499 of the Laws of Hong Kong)
- g. Public Health and Municipal Services Ordinance (Chapter 132 of the Laws of Hong Kong)

- 收集能源用量數據以進行分析並用於未來規劃及施行。

- 承諾持續改進環境績效。

本集團的環境管理體系獲國際認可認證有限公司頒授 ISO 14001 : 2015 證書及 ISO 50001 : 2011 證書。

### 監管合規：

本集團致力於確保其業務營運遵守以下法律及規例：

- a. 空氣污染管制條例(香港法例第311章)
- b. 空氣污染管制(非道路移動機械)排放規例(香港法例第311Z章)
- c. 噪音管制條例(香港法例第400章)
- d. 水污染管制條例(香港法例第358章)
- e. 廢棄物處置條例(香港法例第354章)
- f. 環境影響評估條例(香港法例第499章)
- g. 公眾衛生及市政條例(香港法例第132章)

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### A(I) EMISSIONS

#### EMISSIONS

- (i) Since the Group did not have town gas fuel and town gas consumption during the year, therefore no emission data is available.
- (ii) During the year ended 31 March 2019, the Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Particulate Matter (PM) emitted from the consumption of town gas and the Group's motor vehicles are shown as below:

Types of Emissions	排放物之種類	2019 emission 二零一九年 排放量 (approximately in gram) (約克)	2018 emission 二零一八年 排放量 (approximately in gram) (約克)	Decrease 減少 Percentage 百分比
NOx	氮氧化物	663.6	672.3	(1.3)
SOx	硫氧化物	11,472.0	11,612.1	(1.2)
PM	懸浮物	48.9	49.5	(1.2)

The greenhouse gas (the "GHG") emissions of the Group were mainly generated from scope 3. The Group always aims to reduce waste and minimise the consumption of electricity in order to tackle GHG emissions issue.

### A(I) 排放物

#### 排放物

- (i) 由於年內本集團並無城市燃料及燃氣消耗，故無可用排放數據。
- (ii) 於截至二零一九年三月三十一日止年度，城市燃氣消耗及本集團汽車排放的氮氧化物、硫氧化物及懸浮物列示如下：

本集團的溫室氣體（「溫室氣體」）排放主要產生自第三範圍。本集團一貫致力減少廢棄物及盡量削減用電，以解決溫室氣體排放問題。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The table below highlights our carbon footprint during the year ended 31 March 2019.

下表列示我們於截至二零一九年三月三十一日止年度的碳足跡。

Scope of GHG	溫室氣體之範圍	2019 Emission 二零一九年 排放量 (approximately in tonnes of CO <sub>2</sub> ) (二氧化碳 概約噸數)	2018 Emission 二零一八年 排放量 (approximately in tonnes of CO <sub>2</sub> ) (二氧化碳 概約噸數)	Increase/ (decrease) 增加/(減少)  Percentage 百分比
Scope 1 – direct emission	第一範圍—直接排放物	1,551.2	1,575.7	(1.6)
Scope 2 – indirect emission	第二範圍—間接排放物	181.0	175.1	3.4
Scope 3 – other indirect emission	第三範圍—其他間接排放物	144,219.8	130,787.9	10.3
Total (a)	總計(a)	145,952.0	132,538.7	10.1
Total average floor area (approximately in m <sup>2</sup> ) (b)	總平均佔地面積 (平方米約數) (b)	20,295.0	22,231.9	(8.7)
Intensity (tonnes of CO <sub>2</sub> /m <sup>2</sup> ) (d)=(a)/(b)	密度(二氧化碳噸數/平方米) (d)=(a)/(b)	7.2	6.0	20.0

### HAZARDOUS WASTE

To the best of our Directors' knowledge, we believe that our business does not generate any material amount of hazardous waste during our construction process.

### 有害廢棄物

據董事所深知，我們相信我們的業務於施工過程中並沒有產生任何重大有害廢棄物。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### NON-HAZARDOUS WASTE

Due to the business nature of our Group, certain construction waste is generated in our construction process. The construction waste is disposed of at landfills or sold for recycling purposes. During the year ended 31 March 2019, the total construction waste disposed of at landfills and sold for recycling was approximately 30,046 tonnes (2018: 72,214 tonnes) and approximately 227,936 kg (2018: 33,580 kg) respectively. Our Group always tries our best endeavor to recycle practicable construction material in our design and construction process.

### 無害廢棄物

鑒於本集團的業務性質，在我們施工過程中會產生若干建築廢棄物。建築廢棄物棄置於堆填區或出售以供回收之效。截至二零一九年三月三十一日止年度，棄置於堆填區及出售以供回收的建築廢棄物總量分別約30,046噸（二零一八年：72,214噸）及約227,936千克（二零一八年：33,580千克）。在我們的設計及施工過程中，本集團一直竭力回收可再用的建築材料。

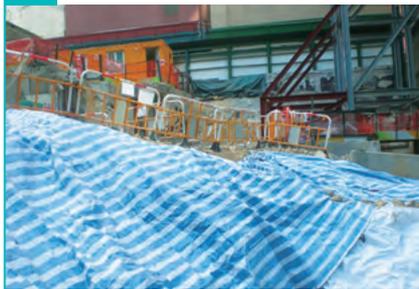


# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The Group also adopts certain methods for the reduction of dust emissions by applying water sprays and using canvas at our construction sites.

本集團亦已採取若干措施，透過於地盤灑水及使用帆布防塵，以達致減少粉塵擴散的效果。



Moreover, certain machineries of the Group and those newly purchased machineries complied with the emission standards of Stage IIA of the European Union.

此外，本集團的若干機器設備及該等新購買的機器設備均符合歐盟IIA期排放標準。



In summary, to the best of our Directors' knowledge, there was no material non-compliance with the applicable local rules and regulations relating to air emissions, GHG emissions, water and land discharges, and generation of hazardous and non-hazardous wastes in all material aspects.

概括而言，就董事所深知，於所有重大方面並無嚴重違反與氣體排放、溫室氣體排放、廢水排放及土地排污以及產生有害及無害廢棄物相關的適用當地法規及規例。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### A(II) USE OF RESOURCES

The main resources used by the Group in the construction process are electricity, water, diesel, petrol and acetylene. In order to be an environmentally responsible corporation, the Group has implemented environmental management policy and internal principles so as to minimise wastage and avoid excessive usage of precious resources. For example, certain construction wastewater is collected and treated for reuse on construction sites for suitable construction process. In addition, the Group uses water tank in order to reduce the consumption of water at our construction site.

As the Group's operations are based in Hong Kong, we believe that there is no material issue in sourcing water that is fit for purpose.

### A(II) 資源使用

本集團在施工過程中使用的主要資源為電力、水、柴油、汽油及乙炔。為矢志成為一家對環境負責的企業，本集團已實施環境管理政策及內部原則，以減少浪費及避免過度使用寶貴的資源。例如，我們會於地盤收集及處理若干施工廢水，再於合適的施工過程中重複使用。此外，本集團於我們的地盤使用水箱以減少用水。

由於本集團之營運位於香港，故我們認為在尋求適用水源方面並無重大問題。



During the year ended 31 March 2019, the energy consumption by type in total of the Group are showed as below:

於截至二零一九年三月三十一日止年度，本集團按種類劃分的能源消耗總量列示如下：

Direct/Indirect Energy by Type	直接／間接能源之種類	2019 usage 二零一九年 使用量 (approximately) (約)	2018 usage 二零一八年 使用量 (approximately) (約)	Unit/total floor areas* 單位／ 總佔地面積*	Increase 增加 Percentage 百分比
Oil	燃油	409.0	378.3	kWh/m <sup>2</sup> 千瓦時／平方米	8.1
Electricity	電力	16.5	14.6	kWh/m <sup>2</sup> 千瓦時／平方米	13.0

\* Total floor area was 20,295.0 m<sup>2</sup> in 2019 (2018: 22,231.9 m<sup>2</sup>)

\* 二零一九年總佔地面積為20,295.0平方米(二零一八年：22,231.9平方米)

The Group always promotes and implements "green" concept within our Group for environmental purpose. Details of which are further disclosed in the section "The Environment and Natural Resources" below.

本集團一直於本集團內部提倡及實施「綠色」環保理念。有關詳情進一步披露於下文「環境及天然資源」一節。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### TOTAL PACKAGING MATERIAL USED FOR FINISHED PRODUCTS

Due to the business nature of our Group, we believe that it is not applicable to our Group.

### A(III) THE ENVIRONMENT AND NATURAL RESOURCES

Protecting the environment is the responsibility of every staff in the Group. Our Group is committed to sustainable construction and minimising any adverse impact on the environment resulting from our business activities.

Our Group is committed to delivering services with minimal impact to the environment through the following principles:

- Focus on energy management throughout energy planning including design, review, monitoring performance as critical considerations within our core management process;
- Compliance with the environmental aspects of the applicable legal requirements and the other requirements to which the Group subscribes;
- Regular performance reviews to ensure that energy objectives and the requirements of interested parties are met;
- Provision of staff training to ensure understanding, implementation and development of those principles throughout our business; and
- Continual improvement.

The Group was awarded Hong Kong Green Organisation Certification, Energywise — Certificate — Basic Level, by Environmental Campaign Committee.

### 製成品所用包裝材料的總量

鑒於本集團的業務性質，我們認為此項事宜並不適用於本集團。

### A(III) 環境及天然資源

本集團每一名員工均有保護環境的責任。本集團致力實施可持續施工，並將業務活動對環境所造成的任何負面影響減至最低。

本集團按以下原則，致力提供對環境產生最小影響的服務：

- 專注於透過能源規劃進行能源管理，包括設計、檢討、監督履行情況，作為我們核心管理過程的關鍵考量因素；
- 本集團遵守環保方面的適用法律要求及其他要求；
- 定期檢討表現以確保能達致相關訂約方的能源目標及要求；
- 提供員工培訓，確保員工於我們的業務中了解、履行及發展該等原則；及
- 持續改善。

本集團獲環境運動委員會頒發香港綠色機構認證—節能證書—基礎級別。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



The Group always promotes and implements “green” concept within our Group mainly through the following measures:

本集團主要透過下列措施於本集團內經常推廣及實施「綠色」概念：

- Office power saving: Recommendation to turn off lights and air-conditioning when not in use and log off computer and turn off the screen when not in use or during lunch hours.
- 辦公室節能：建議於無需使用照明及冷氣時關掉電燈及空調並於無需使用電腦時或於午飯期間登出電腦及關閉顯示屏。



- Paper saving: Use of email and other computer system for document review purposes, reduction in printing and use of recycled paper.
- 節約用紙：使用電郵及其他電腦系統檢閱文件，減少列印並使用循環回收紙。

支持環保  
節約用紙  
請雙面列印



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

- Reduction of the usage of bottled water: Recommendation to use reusable cups to reduce the use of plastic bottles.
- 減少使用樽裝水：建議使用可再用水杯以便減少使用膠樽。



- LED T8 lamps: Implementation of LED T8 lamps phase by phase for environmental protection purpose.
- T8 LED燈：分階段安裝T8 LED燈以達致環保效果。



- Noise control: Site working hours restricted to 7:00 a.m. to 7:00 p.m. (except for those construction sites being granted construction noise permit).
- 噪音管制：地盤工作時間限定為早上7時正至晚上7時正(個別地盤獲授建築噪音許可證除外)。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### B. SOCIAL B(I) EMPLOYMENT

#### EMPLOYMENT

The Group's employment policy manages its staff recruitment, salary adjustments and promotions and equal opportunities and non-discrimination (such as gender, marital status, disability, age, race, family status, sexual orientation, nationality and religion). As at 31 March 2019, the Group had 3 employees who are not Chinese. Our Group's employment policy is structured to comply with the Employment Ordinance (Cap. 57), Employees' Compensation Ordinance (Cap. 282), Personal Data (Privacy) Ordinance (Cap. 486), Sex Discrimination Ordinance (Cap. 480), Disability Discrimination Ordinance (Cap. 487) and Minimum Wage Ordinance (Cap. 608) of the Laws of Hong Kong. During the year ended 31 March 2019, to the best of our Directors' knowledge, we did not identify any material non-compliance or breach of legislation.

The Group has a written policy on compensation, dismissal, working hours, rest periods, staff benefits, staff training and health and safety. The Group also targets to provide a friendly, comfortable and decent working environment and career growth opportunities to our staff.

The Group is always highly committed to attracting and retaining suitable talents in the competitive labour market in order to maintain its competitiveness in the industry.

The Group has been recognised as a Family-Friendly Employer since 2014 by the Family Council. The Group was also recognised as a Happy Company in 2017 by the Promoting Happiness Index Foundation and Manpower Developer in 2018 by Employees Retraining Board.

### B. 社會 B(I) 僱傭

#### 僱傭

本集團的僱傭政策管理其人才招聘、薪金調整及晉升以及平等機會及非歧視（如於性別、婚姻狀況、殘疾、年齡、種族、家庭狀況、性取向、國籍及宗教方面）。於二零一九年三月三十一日，本集團有3名非華裔僱員。本集團的僱傭政策乃遵照香港法例第57章《僱傭條例》、香港法例第282章《僱傭補償條例》、香港法例第486章《個人資料（私隱）條例》、香港法例第480章《性別歧視條例》、香港法例第487章《殘疾歧視條例》及香港法例第608章《最低工資條例》制訂。截至二零一九年三月三十一日止年度，就董事所深知，我們並無發現任何重大不合規或違法的事宜。

本集團訂有書面政策規管薪酬、解散、工作時數、假期、員工福利、員工培訓以及健康及安全方面的事宜。本集團亦以為其員工締造和諧舒適且得宜兼俱的工作環境以及創造事業發展機會為目標。

本集團一直致力於吸引及挽留競爭激烈勞動市場中的合適人才，以維持其行業競爭力。

本集團自二零一四年起獲家庭議會評為「家庭友善僱主」。另外，本集團亦於二零一七年獲香港提升快樂指數基金頒發「開心工作間」標誌，並於二零一八年獲僱員再培訓局頒發「人才企業」。



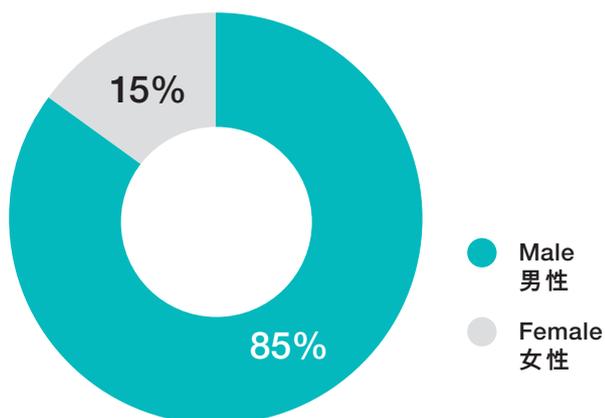
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

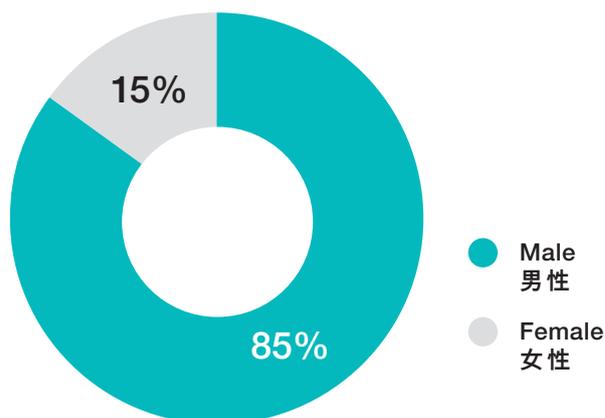
As at 31 March 2019, the Group had 137 (2018: 119) employees. Most of the Group's employees are foundation workers in Hong Kong. Below are certain key charts in relation to our employment aspects.

於二零一九年三月三十一日，本集團有137名（二零一八年：119名）僱員。本集團大部分僱員為香港地基工人。以下為與僱傭方面相關的若干主要圖表。

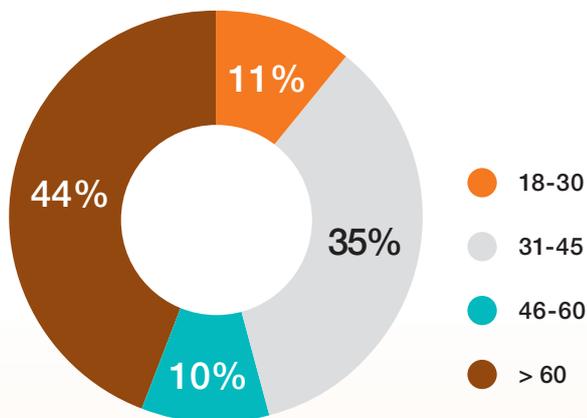
2019 Employee distribution by gender  
二零一九年按性別劃分之員工比例



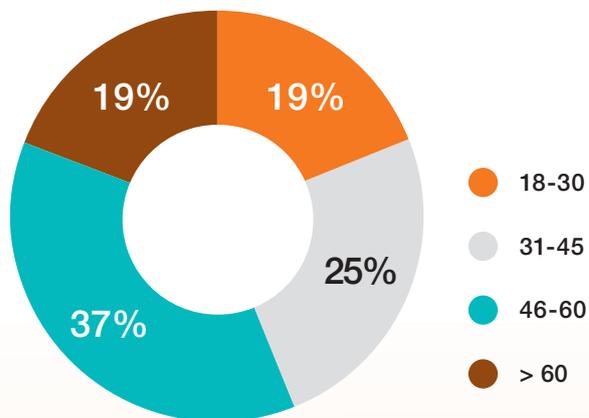
2018 Employee distribution by gender  
二零一八年按性別劃分之員工比例



2019 Employee distribution by age  
二零一九年按年齡劃分之員工比例



2018 Employee distribution by age  
二零一八年按年齡劃分之員工比例



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



### B(II) HEALTH AND SAFETY



### B(II) 健康及安全



The Group's health and safety policy is to achieve a safety-working environment which maintains a high standard of the safety, health and welfare and to take every reasonably practicable safety measure to protect all people working on site and the public from danger, and to take all possible measures to minimise the nuisance generated to the nearby area.

Compliance with the law and contractual requirements is regarded as the minimum standard of safety, health and welfare in our strategy at all times. We are committed to improving the health and safety performance continuously through regular training, inspection and audit. Notwithstanding that our ultimate aim is the elimination of all accidents, our immediate target is zero fatalities and to limit the accident frequency rate to less than 0.6 reportable accident per 100,000 man-hour. We recorded zero reportable accident during the year ended 31 March 2019 (2018: zero).

本集團之健康及安全政策旨在創造一個具有高水準安全、健康及福利的安全工作環境，並採取所有合理切實可行的安全措施保障所有於地盤工作之人員及公眾安全，並盡可能減少對鄰近區域造成的滋擾。

遵守法例及合約規定一直被視作為我們在安全、健康及福利方面之最低標準的政策。我們致力透過定期培訓、審查及審核而持續改善健康及安全表現。縱使我們的最終目標為杜絕任何意外，但我們的短期目標則設為零死亡率，並限制須予呈報事故發生率為每100,000工時少於0.6宗。截至二零一九年三月三十一日止年度，我們錄得零宗須予呈報事故(二零一八年：零宗)。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

: PD/wc/212		累計工日						
		即平均每 100,000 工時						
	JAN	FEB	MAR	APR	MAY	JUN	JUL	
	一	二	三	四	五	六	七	
ACCIDENTS	○	○	○					
HOURS WORKED	870	4540	11180					
INCIDENT FREQUENCY RATE	○	○	○					

During the year ended 31 March 2019, to the best of our Directors' knowledge, there was no occurrence of any fatal accident.

截至二零一九年三月三十一日止年度，就董事所知，並無發生任何致命意外。

### INTERNAL AND EXTERNAL SAFETY TRAINING

Safety is always our prime concern. All our staff are briefed and trained with safety knowledge regularly to ensure that everyone understands the risks of the task they are involved, has safety consciousness and is familiar with safety precautions.

### 內部及外部安全培訓

我們一貫視安全為重中之重。我們定期向全體員工簡介及傳授安全知識，以確保所有人都了解彼等的工作風險，並具備安全意識及熟悉安全預防措施。

Our safety department is responsible for advising and assisting management, project and operation staff, implementing our safety management system, setting up in-house rules and providing safety information and training.

我們的安全部門負責向管理層、項目及營運人員提供意見及協助，以便推行我們的安全管理制度、制定內部規定，並提供安全資訊及培訓。

Our subcontractors are formally notified and required to comply with our policy and safety procedures.

我們亦已正式通知我們的分包商並要求其遵守我們的政策及安全程序。

To ensure our safety policy is well implemented, we will provide adequate resources, and have different degrees of disciplinary action, including warning and dismissal, to one who fails to follow the safety policy and requirements.

為確保有效推行我們的安全政策，我們將就此分配足夠的資源，並對違反安全政策及規定的人員實施不同程度的紀律處分，包括警告及開除。

Our Board, management, all supervisory and safety personnel positively implement the safety policy and make every effort to meet the target of zero accident.

我們的董事會、管理層、所有督查和安全人員均積極實施安全政策，並竭力達致零事故的目標。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告



Our Corporate Safety Management Committee updates our safety policy annually in accordance with the latest legislation and safety regulations.

An independent health and safety audit at the corporate level is conducted annually in order to verify the effectiveness, efficiency and reliability of safety and health management system against criteria stipulated as well as to identify areas for improvement.

The Group's occupational health and safety management system has been certified in compliance with OHSAS 18001 : 2007 by Accredited Certification International Limited.

我們的企業安全管理委員會根據最新法律及安全條例每年更新我們的安全政策。

每年我們會於企業層面進行獨立的健康及安全審核，從而根據訂明的標準來核查安全及健康管理系統的有效性、效率及可靠性，並找出需要改進的地方。

本集團的職業健康及安全管理系統已獲國際認可認證有限公司頒發OHSAS 18001 : 2007認證。



### B(III) DEVELOPMENT AND TRAINING

The Group always promotes a continuous learning and development culture within our Group and provides an in-house training for all new staff. We also have a training sponsorship program in order to encourage and support our staff to pursue their professional development through external training.

During the year ended 31 March 2019, the Group committed not less than 1,500 man-hours to both external and in-house training.

### B(IV) LABOUR STANDARDS

As the Group's operations are based in Hong Kong, we believe that there is no material risks inherent to child labour and forced labour. During the year ended 31 March 2019, to the best of our Directors' knowledge, we did not identify any material breaches in such area.

### B(III) 發展與培訓

本集團一直於本集團內提倡持續學習及發展之文化，並向所有新聘員工提供內部培訓。我們亦已設立培訓資助計劃，從而鼓勵及支持我們的員工透過外部培訓進行專業進修。

截至二零一九年三月三十一日止年度，本集團已實踐不少於1,500工時的外部及內部培訓。

### B(IV) 勞工準則

由於本集團之營運位於香港，故我們認為有關童工及強制勞工並不存在重大固有風險。截至二零一九年三月三十一日止年度，就董事所深知，我們於該方面並無發現任何重大違規事項。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B(V) SUPPLY CHAIN MANAGEMENT

The Group was assessed and certified by Accredited Certification International Limited that our quality management system, which governs our daily operation for quality control and improvement, had met the accreditation requirements of ISO 9001 : 2015.

As discussed in the “Health and Safety” section, our subcontractors are formally notified and required to comply with our policy and safety procedure.



The Group also holds regular visits for monitoring and inspecting the qualities of the goods supplied by our suppliers and work performed by our subcontractors.

### B(VI) PRODUCT RESPONSIBILITIES

The Group’s principal business is the provision of foundation services in Hong Kong. Therefore, the products and services we provided have limited relationship with advertising and labeling. Nevertheless, the Group is highly committed to delivering quality services to our customers through flexibility and capability in providing of foundation designs, contributing professional advices and making appropriate adjustments. We tackle any issue raised by our customers by rectifying it within a reasonable time and ensuring our customers’ satisfaction.

### DATA PRIVACY AND INTELLECTUAL PROPERTY RIGHTS

The Group always emphasizes the importance of the protection of intellectual property rights and we have marketed our business in Hong Kong using  as our trademark which was properly registered in Hong Kong in 2015. The Group would only use lawful software licenses for compliance purpose. There are also written policies in our staff manual to govern the areas in the control of confidential information.

### B(V) 供應鏈管理

本集團已獲國際認可認證有限公司評估及認證，認定我們用於監管日常質量監控及改進的質量管理系統已符合ISO 9001 : 2015認證要求。

如「健康及安全」一節所述，我們亦已正式通知我們的分包商並要求其遵守我們的政策及安全程序。



本集團亦定期視察及檢查我們供應商所供應的貨品質量及我們分包商的工作情況。

### B(VI) 產品責任

本集團的主要業務為於香港提供地基服務。因此，我們提供的產品及服務與廣告及標籤活動無甚關係。儘管如此，本集團矢志憑藉靈活以及技能提供地基設計、獻出專業意見及作出相應調整，為求向我們的客戶提供優質服務。我們會在合理時間內針對客戶提出的任何問題作出補救措施，以確保客戶滿意。

### 資料私隱及知識產權

本集團一直注重保障知識產權的重要性，在推廣香港業務時使用  (已於二零一五年在香港正式註冊) 作為我們的商標。為遵守法規，本集團僅會使用合法許可的軟件。同時，我們的員工手冊中亦有書面政策涵蓋監控保密資料的事宜。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



## B(VII) ANTI-CORRUPTION

Integrity is one of the core values of our Group. There are written policies in our staff manual to govern the areas in the avoidance of bribery and corruption, extortion, fraud, money laundering, conflicts of interests, allowable acceptance of gifts or entertainment and the control of confidential information. It strictly applies to all levels of our staff.

A formal whistle-blowing policy was adopted in the second quarter of 2017 for corporate governance purpose.

To the best of our Directors' knowledge, we are not aware of any legal cases regarding corrupt practices brought against the Group or our staff during the year ended 31 March 2019.

## B(VIII) COMMUNITY INVESTMENT

Although there is no specific strategy in community investment, the Group takes our responsibilities to the communities of Hong Kong very seriously. The Group donates to certain charitable organisations every year.

## B(VII) 反貪污

本集團視誠信為其核心價值之一。我們的員工手冊中亦有書面政策涵蓋防止賄賂及貪污、勒索、詐騙、洗黑錢、利益衝突、釐定可接受禮品或餽贈的範圍以及監控保密資料的事宜。我們所有級別的員工均須嚴格遵守該等政策。

為實施企業管治，我們於二零一七年第二季度採用正式的檢舉政策。

據董事所深知，截至二零一九年三月三十一日止年度，我們並不知悉有任何法律個案涉及本集團或其員工的貪污行為。

## B(VIII) 社區投資

本集團雖在社區投資方面並無特定策略，本集團仍認真地對香港社區負責。本集團每年均向若干慈善機構作出捐款。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

As a Family-Friendly Employer and a Happy Company, we always show our kindness and care to our staff. There are written policies in our staff manual, including the education sponsorship program to our staff, a long service award to our staff for working over 5 years, a continuous 6 days' paternity leave for each confinement of our male staff's spouse/partner, a continuous 6 days' marriage leave for our staff and a continuous 2 days' compassionate leave for our staff for social responsibilities purposes.

作為一家「家庭友善僱主」及「開心工作間」的企業，我們一直努力讓每名員工感受真誠和關愛。我們的員工手冊亦有書面政策，包括為我們的員工提供教育資助、為我們工作五年以上的員工頒發長期服務大獎、於我們的男性員工的配偶／伴侶分娩時提供連續六天陪產假、向我們的員工提供連續六天婚假以及向我們的員工提供連續兩天喪假，以履行社會責任。



Besides, there are at least three corporate event functions for our staff annually. In order to make these events joyful and successful, our senior and top management are always generous to make kind contributions on occasion such as “lucky draw gifts” or “games prizes” to our staffs.

此外，我們每年安排至少三次公司活動讓員工參與其中。我們的高級及最高管理層在「幸運抽獎禮品」或「遊戲獎品」等環節中一直慷慨提供獎品獎金，以增添活動樂趣，務求令員工盡興而歸。

### LUCKY DRAW EVENTS



### 幸運抽獎活動



# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷



### EXECUTIVE DIRECTORS

**Mr. Chen Rongsheng (“Mr. Chen”)**, aged 49, is an entrepreneur in the PRC with his business and investment involved in various sectors including integrated circuit card and electronic labels, e-commerce, fintech and virtual game platform. He obtained the EMBA degree jointly awarded by National Taiwan University in Taiwan and Fudan University in the PRC in January 2014. Mr. Chen has more than 17 years of experience in information technology. He has worked in New Doone Technology Company Limited\* (新東網科技有限公司), a wholly owned subsidiary of Tatwah Smartech Company Limited (中山達華智能科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002512) and is principally engaged in development of radiofrequency identification technology like integrated circuit cards and electronic labels since 2001 with his current position as the chief executive officer. Since 2014, Mr. Chen has been appointed as the director and chief executive of Tatwah Smartech Company Limited. Mr. Chen also invests in companies which are principally engaged in e-commerce, fintech or virtual game platform in the PRC.

**Mr. Guan Jingdong (“Mr. Guan”)**, aged 55, has over 25 years of experience in banking and finance. He obtained the bachelor of finance and taxation from Heilongjiang University in the PRC in December 2003. In April 1993, he joined the branch credit management department of China Everbright Bank. Later in February 2001, he was promoted to be the assistant of the branch general manager. He was further promoted to be the vice branch general manager in January 2002. In March 2009 he served as the branch general manager until July 2014 when he left China Everbright bank. After leaving China Everbright Bank, he was employed by Runxing Financial Leasing Company Limited\* (潤興融資租賃有限公司) as the vice president from July 2014 to November 2017. From October 2017 to April 2018 he worked in Tatwah Smartech Company Limited\* (中山達華智能科技股份有限公司) as the vice president.

### 執行董事

**陳融聖先生(「陳先生」)**，49歲，為中國企業家，其業務及投資涉及多個界別，包括集成電路卡及電子標籤、電子商務、金融科技及虛擬遊戲平台。彼於二零一四年一月獲得台灣國立台灣大學及中國復旦大學聯合頒發的行政人員工商管理碩士學位。陳先生於資訊科技領域擁有逾17年經驗。彼曾任職於新東網科技有限公司，該公司為深圳證券交易所上市公司中山達華智能科技股份有限公司(股份代號：002512)之全資附屬公司，其自二零零一年起主要從事射頻識別技術的開發，如集成電路卡及電子標籤，而陳先生現職為行政總裁。自二零一四年起，陳先生獲委任為中山達華智能科技股份有限公司之董事及行政總裁。陳先生亦投資於中國主要從事電子商務、金融科技或虛擬遊戲平台的公司。

**關靜東先生(「關先生」)**，55歲，於銀行及金融業擁有逾25年經驗。彼於二零零三年十二月獲得中國黑龍江大學財稅專業學士學位。於一九九三年四月，彼加入中國光大銀行分行信貸管理部門。隨後於二零零一年二月，彼擢升為分行總經理助理。彼於二零零二年一月進一步擢升為分行副總經理。於二零零九年三月，彼出任分行總經理，一直任職至二零一四年七月彼自中國光大銀行離職止。於離開中國光大銀行後，自二零一四年七月至二零一七年十一月，彼受僱於潤興融資租賃有限公司，擔任副總裁。自二零一七年十月至二零一八年四月，彼任職於中山達華智能科技股份有限公司，擔任副總裁。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Dr. Luo Tiejian (“Dr. Luo”)**, aged 56, has over 35 years of experience in research and development of computer engineering. He obtained the bachelor of computer software in Guangxi University in the PRC in July 1984. He then completed the postgraduate program in computer application in the 6th Research Institute of China Electronics Industry\* (中國電子工業部第六研究所) in the PRC in March 1990 and the doctor of computer software and theory in the University of Chinese Academy of Sciences (中國科學院大學) (formerly known as the Graduate University of Chinese Academy of Sciences (中國科學院研究生院)) in the PRC in March 2001. Previously he worked in Guangxi University and was later transferred to the University of Chinese Academy of Sciences in January 2001. He has been a professor in the University of Chinese Academy of Sciences since February 2001.

**Dr. Lu Haitian (“Dr. Lu”)**, aged 39, has over 14 years of experience in accounting and law. He obtained a bachelor of international economic law from Nanjing University in the PRC in June 2001, a master of laws from the University of Liverpool in the United Kingdom in December 2002, and a Doctor of Philosophy from the National University of Singapore in June 2007. He served at the School of Accounting and Finance in the Hong Kong Polytechnic University first as a visiting lecturer in law from September 2005 to June 2007, Assistant professor in law from June 2007 to June 2012, Associate Professor in law from July 2012 to June 2018, and Professor in law since July 2018. Since January 2018, Dr. Lu has been appointed as the Associate Dean (External Relations and Development) in the Faculty of Business of the Hong Kong Polytechnic University.

Dr. Lu has been appointed as an independent non-executive director of Loto Interactive Limited (formerly known as MelcoLot Limited), a company listed on the GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 8198) since July 2017.

### 獨立非執行董事

**羅鐵堅博士(「羅博士」)**，56歲，於電腦工程研發領域擁有逾35年經驗。彼於一九八四年七月獲得中國廣西大學電腦軟件專業學士學位。彼隨後於一九九零年三月修完中國電子工業部第六研究所電腦應用專業研究生課程，且於二零零一年三月修完中國科學院大學(前稱為中國科學院研究生院)電腦軟件及理論專業博士課程。彼之前曾任職於廣西大學，隨後於二零零一年一月調至中國科學院大學。彼自二零零一年二月起一直擔任中國科學院大學教授。

**陸海天博士(「陸博士」)**，39歲，於會計及法律領域擁有逾14年經驗。彼於二零零一年六月獲得中國南京大學國際經濟法專業學士學位，於二零零二年十二月獲得英國利物浦大學法學碩士學位及於二零零七年六月獲得新加坡國立大學哲學博士學位。彼自二零零五年九月至二零零七年六月任職於香港理工大學會計及金融學院，初始擔任法學訪問講師、自二零零七年六月至二零一二年六月擔任法學助理教授、自二零一二年七月至二零一八年六月擔任法學助理教授、自二零一八年七月起擔任法學教授。自二零一八年一月起，陸博士獲委任為香港理工大學工商管理學院院長助理(負責對外關係及拓展)。

陸博士自二零一七年七月起獲委任為樂透互娛有限公司(前稱為新濠環彩有限公司，一間於香港聯合交易所有限公司(「聯交所」) GEM上市的公司，股份代號：8198)的獨立非執行董事。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷



**Mr. Liu Xin (“Mr. Liu”)**, aged 41, has over 18 years of experience in investment consultancy and accounting. He obtained a Bachelor of Accountancy in Jinan University in the PRC in June 2001. He worked in PriceWaterhouseCoopers for 8 years with his last position as the senior manager in the advisory department. He then served in Shanghai Fosun High Technology (Group) Company Limited\* (上海復星高科技(集團)有限公司) (a subsidiary of Fosun International Limited, a company listed on the Stock Exchange (stock code: 656)) from July 2011 to September 2015 as the chief financial officer of Fosun Kinzon Capital. From October 2015 to February 2019, he was the chief operating officer and a member of the investment committee of Shoreline Capital Management Ltd. Since March 2019, he has been the chief operating officer of Vision Plus Capital. Mr. Liu is a registered accountant of the Chinese Institute of Certified Public Accountants since December 2004.

## SENIOR MANAGEMENT

**Mr. Yu Shiu Tin, Paul (“Mr. Yu”)**, aged 69, is an executive director of a major subsidiary of our Group, K. H. Foundations Limited (the “K. H. Foundations”). He is primarily responsible for overseeing the marketing work and contract strategy of the K. H. Foundations and is appointed as an authorised signatory under specialist contractor licensing. Mr. Yu is also appointed as the Technical Director to act for the purpose of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) for K. H. Foundations. He has over 40 years of experience in the foundation, construction and engineering industry in Hong Kong. Mr. Yu founded K. H. Foundations in 1985 and has been the director of K. H. Foundations since then. Over the 30 years of directorship in K. H. Foundations, Mr. Yu had the opportunity to go through various development and construction projects of both the public sector and the private sector in Hong Kong including, but not limited to schools, hotels, infrastructure projects and government buildings.

Mr. Yu graduated from Syracuse University in New York, the United States and obtained a Bachelor’s degree in Civil Engineering and a Master’s degree in Engineering Administration in May 1973 and December 1974, respectively. In 1981, Mr. Yu was a director of Tung Wah Group of Hospitals and was subsequently elected as chairman of Tung Wah Group of Hospitals in 1988 and served as chairman until 1989.

**劉昕先生(「劉先生」)**，41歲，於投資諮詢及會計行業擁有逾18年經驗。彼於二零零一年六月獲得中國暨南大學會計專業學士學位。彼於羅兵咸永道會計師事務所任職8年，離職前為諮詢部門的高級經理。彼隨後於二零一一年七月至二零一五年九月於上海復星高科技(集團)有限公司(復星國際有限公司的附屬公司，復星國際有限公司為一家於聯交所上市的公司，股份代號：656)擔任復星昆仲資本的財務總監。彼自二零一五年十月起至二零一九年二月擔任Shoreline Capital Management Ltd.的營運總監及投資委員會成員。自二零一九年三月起，彼一直擔任Vision Plus Capital的營運總監。劉先生自二零零四年十二月起為中國註冊會計師協會的註冊會計師。

## 高級管理層

**余嘯天先生(「余先生」)**，69歲，為本集團一間主要附屬公司劍虹地基有限公司(「劍虹地基」)的執行董事。彼主要負責監督劍虹地基的市場營銷工作及合約策略，並獲委任為專門承建商發牌的獲授權簽署人。余先生亦獲委任為技術總監以確保劍虹地基遵守香港法例第123章《建築物條例》。彼在香港的地基、建築及工程行業擁有逾40年經驗。余先生於一九八五年創辦劍虹地基，並自此一直擔任劍虹地基的董事。在劍虹地基擔任董事逾30年，余先生有機會參與香港公營及私營領域的不同發展與建築項目，包括但不限於學校、酒店、基建工程及政府樓宇。

余先生畢業於美國紐約雪城大學(Syracuse University)，並分別於一九七三年五月及一九七四年十二月取得土木工程學士學位及工程管理碩士學位。於一九八一年，余先生為東華三院的董事，其後於一九八八年獲選舉為東華三院的主席，並擔任主席至一九八九年止。

## PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

Mr. Yu was appointed by the government to sit in various advisory bodies since 1982. He was appointed as a member of the Board of Management of the Chinese Permanent Cemeteries from 1982 to 2003, a member of the Antiquities Advisory Board from 1992 to 1996, a member of the Registered Contractors' Disciplinary Board Panel from 1993 to 1996, a member of the Council of the Hong Kong Institute of Education from 1994 to 1998, a member of the Administrative Appeals Board from 1994 to 2000, a member of the Hospital Authority from 2001 to 2009 and the chairman of the Hospital Governing Committee of Tuen Mun Hospital from 2004 to 2014. Currently, he is a member of the Hospital Governing Committee of Queen Mary Hospital and Tsan Yuk Hospital, and a member of the Advisory Board of Tung Wah Group of Hospitals. He was awarded Justice of the Peace (Non-official) by the government in 1989 and is a member in the Most Excellent Order of the British Empire in 1994. In 2007, Mr. Yu was awarded the Bronze Bauhinia Star by the government of the Hong Kong Special Administrative Region. He was admitted as a fellow member of the Hong Kong Institute of Builders and the Hong Kong Institute of Construction Managers in May 1997.

He is currently an independent non-executive director of Continental Holdings Limited (stock code: 00513), company listed on the Main Board of the Stock Exchange.

**Mr. Yeung Sau Ming, Boris ("Mr. Yeung")**, aged 52, is an executive director of K. H. Foundations. Mr. Yeung is primarily responsible for overseeing the overall management of the K. H. Foundations, including daily operations, business development, strategic planning and tendering. Mr. Yeung has more than 20 years of experience in the construction industry in Hong Kong. He took part in the foundation works and superstructure construction works in construction projects of both the public sector and the private sector in Hong Kong including, but not limited to schools, hotels, residential premises and government buildings. Mr. Yeung joined our Group in 2008 and was appointed as a director of K. H. Foundations during the same period. He is also the director of K. H. Civil Engineering Limited, K. H. Machinery Limited and K. H. Piling & Engineering Limited since each of their incorporation date, respectively. He has been appointed as a director of Tactful Building Company Limited ("Tactful") since July 1993. Tactful is a Registered General Building Contractor, and is mainly involved in building construction works.

自一九八二年以來，余先生獲政府委任參與多個諮詢委員會。彼於一九八二年至二零零三年獲委任為華人永遠墳場管理委員會委員、於一九九二年至一九九六年獲委任為古物諮詢委員會委員、於一九九三年至一九九六年獲委任為註冊承建商紀律委員團成員、於一九九四年至一九九八年獲委任為香港教育學院理事會成員、於一九九四年至二零零零年獲委任為行政上訴委員會委員、於二零零一年至二零零九年獲委任為醫院管理局成員以及於二零零四年至二零一四年獲委任為屯門醫院管治委員會主席。目前，彼為瑪麗醫院及贊育醫院管治委員會成員，並為東華三院顧問局成員。彼於一九八九年獲政府委任為太平紳士(非官守)，並於一九九四年獲授予大英帝國最優秀勳章。於二零零七年，余先生獲香港特別行政區政府授予銅紫荊星章。彼於一九九七年五月獲認為香港建築師學會及香港營造師學會的資深會員。

彼現為恒和珠寶集團有限公司(一家於聯交所主板上市的公司，股份代號：00513)的獨立非執行董事。

**楊秀明先生(「楊先生」)**，52歲，為劍虹地基的執行董事。楊先生主要負責監督本集團的全面管理，包括我們的日常營運、業務發展、策略計劃及投標。楊先生在香港建築行業擁有逾20年經驗。彼曾在香港公營及私營部門的建築項目從事地基工程及上層架構建造工程，包括但不限於學校、酒店、住宅及政府樓宇。楊先生於二零零八年加入本集團，同期獲委任為劍虹地基的董事。彼亦自劍虹土木工程有限公司、劍虹機械有限公司及劍虹打樁工程有限公司的各自之註冊成立日期起擔任其董事。彼自一九九三年七月以來一直獲委任為達高建業有限公司(「達高」)的董事。達高為註冊一般建築承建商，主要從事樓宇建造工程。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷



Mr. Yeung graduated from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a professional diploma in Building Surveying in November 1989. He obtained his Bachelor's degree of Science with distinction in Building Surveying from the University of Greenwich (previously known as Thames Polytechnic) in the United Kingdom in June 1990. He subsequently obtained his Master's degree of Science in Real Estate Development from The University of Hong Kong in November 1995.

Mr. Yeung is a Registered Professional Surveyor by profession. He was elected as an associate of The Hong Kong Institute of Surveyors in April 1993, and as the professional associate of the Royal Institution of Chartered Surveyors in December 1992.

**Ms. Chan Lai Kuen ("Ms. Chan")**, aged 55, is an executive director of K. H. Foundations. Ms. Chan is primarily responsible for overseeing the finance and account management aspects and as well as the corporate finance functions in K. H. Foundations. Ms. Chan has over 20 years of experience in accounting, taxation and financial assignments especially with companies in Hong Kong construction industry. Ms. Chan joined our Group in 2006 and was appointed as a director of K. H. Foundations during the same period.

Ms. Chan was appointed as a director of K. H. Civil Engineering Limited in 2012.

Ms. Chan was the assistant accountant of Wing Fai International Limited from 1994 to 1998 and has been the accountant of Tactful since 1998, respectively and is currently a senior accounting manager of Tactful. Tactful is a Registered General Building Contractor, and is mainly involved in building construction works.

Ms. Chan obtained her Bachelor's Degree in Accountancy from the City Polytechnic of Hong Kong (now known as The City University of Hong Kong) in November 1992. She is a Certified Public Accountant and has been a member of the Hong Kong Institute of Certified Public Accountants since 2000. She has also been a fellow of the Association of Chartered Certified Accountants since 2004.

楊先生於一九八九年十一月畢業於香港理工學院(現稱香港理工大學)，取得建築測量專業文憑。彼於一九九零年六月在英國格林威治大學(University of Greenwich，前稱Thames Polytechnic)以優異的成績取得建築測量理學學士學位。彼其後於一九九五年十一月取得香港大學房地產開發理學碩士學位。

楊先生為註冊專業測量師。彼於一九九三年四月獲選為香港測量師學會會員，並於一九九二年十二月獲選為英國皇家特許測量師學會專業會員。

**陳麗娟女士(「陳女士」)**，55歲，為劍虹地基的執行董事。陳女士主要負責劍虹地基的監督財務及賬目管理事務及履行企業融資職能。陳女士在會計、稅務及尤其是香港建造業公司的財務工作方面擁有逾20年經驗。陳女士於二零零六年加入本集團，同期獲委任為劍虹地基有限公司的董事。

陳女士於二零一二年獲委任為劍虹土木工程有限公司的董事。

陳女士於一九九四年至一九九八年為永輝國際有限公司的助理會計師，及自一九九八年起一直為達高的會計師，現為達高的高級會計經理。達高為註冊一般建築承建商，主要從事樓宇建築工程。

陳女士於一九九二年十一月取得香港城市理工學院(現稱香港城市大學)會計學士學位。彼為執業會計師，且自二零零零年起為一直為香港會計師公會會員。自二零零四年起，彼亦一直為英國特許公認會計師公會資深會員。

## PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層履歷

**Mr. Wong Wai Nam (“Mr. Wong”)**, aged 56, serves as the director – technical of K. H. Foundations. He is responsible for overseeing the technical designs of foundation works and technical department of K. H. Foundations. Mr. Wong joined our Group as director – technical in March 2014 and has over 30 years of experience in the foundation, construction and engineering industry. Mr. Wong obtained a higher certificate in civil engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1986. Mr. Wong became a Registered Structural Engineer in Hong Kong in August 2000 and a registered inspector in Hong Kong in May 2012. He has been admitted as a member of The Hong Kong Institution of Engineers since September 1998 and as a Chartered Engineer of the Institution of Structural Engineers, the United Kingdom, since February 1998. Mr. Wong was employed as technical director of Meinhardt (C&S) Limited from 2009 to 2014. Mr. Wong was previously employed in the foundation, construction and engineering industry with several companies and the Housing Department, the executive arm of the Hong Kong Housing Authority between 1983 and 1992.

Mr. Wong was appointed as a director of K. H. Civil Engineering Limited in 2015.

### COMPANY SECRETARY

**Ms. Hui Wai Yue (“Ms. Hui”)**, aged 42, has over 18 years of experience in company secretarial and tax services industry. She obtained a Bachelor of Accountancy in the Hong Kong Polytechnic University in December 1999. She worked as the Tax Accountant I in the Tax Department of Deloitte Touche Tohmatsu from September 1999 to May 2000. She was then employed by PKF Hong Kong (an audit firm) as Tax Manager from May 2000 to August 2011 and was transferred to PKF Tax and Business Consultants Limited as tax director in September 2011 until her resignation in 2014. Since June 2016 she has been employed by MCGI Consultancy Limited as its principal in the company secretarial and tax services department. Ms. Hui is a certified public accountant of the Hong Kong Institute of Certified Public Accountants since April 2005.

**黃偉南先生(「黃先生」)**，56歲，擔任劍虹地基技術總監。彼負責監督劍虹地基地基工程及技術部門的技術設計。黃先生於二零一四年三月加入本集團擔任技術總監，其在地基、建築及工程行業擁有逾30年經驗。黃先生於一九八六年十一月取得香港理工學院(現稱香港理工大學)土木工程高級證書。黃先生於二零零零年八月成為香港註冊結構工程師及於二零一二年五月成為香港註冊檢驗人員。彼自一九九八年九月起獲認可為香港工程師學會會員及自一九九八年二月起獲認可為英國結構工程師學會特許工程師。黃先生於二零零九年至二零一四年受聘為邁進土木結構工程顧問有限公司的技术總監。一九八三年至一九九二年間，黃先生先後受聘於多家公司的地基、建築及工程行業以及屋宇署(香港房屋委員會的執行機構)。

黃先生於二零一五年獲委任為劍虹土木工程有限公司的董事。

### 公司秘書

**許慧瑜女士(「許女士」)**，42歲，於公司秘書及稅務服務行業擁有逾18年經驗。彼於一九九九年十二月獲得香港理工大學會計學學士學位。彼於一九九九年九月至二零零零年五月曾任德勤•關黃陳方會計師行稅務部一級稅務會計師。彼隨後於二零零零年五月至二零一一年八月獲大信梁學濂(香港)會計師事務所聘請為稅務經理，並於二零一一年九月獲調任為大信梁學濂稅務及商務諮詢有限公司稅務總監，直至其於二零一四年辭任為止。自二零一六年六月，彼獲天晞顧問有限公司聘請為公司秘書及稅務服務部主管。許女士自二零零五年四月起為香港會計師公會執業會計師。

# DIRECTORS' REPORT

## 董事會報告



The Directors present their annual report together with the audited financial statements of the Company and the Group for the year ended 31 March 2019.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities and other particulars of its subsidiaries are set out in note 32 to the consolidated financial statements.

Further discussion and review on the business activities of the Group as required by Schedule 5 to the Companies Ordinance (Cap. 622), including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, can be found in the section of "Chairman's Statement" set out on pages 6 to 7 of this annual report and "Management Discussion and Analysis" set out on pages 8 to 11 of this annual report. These discussions form part of Directors' Report. In addition, details of the Group's financial risk management are disclosed in note 6 to the consolidated financial statements.

### ENVIRONMENTAL POLICIES AND PERFORMANCE AND RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group is committed to carrying out construction works in a manner with minimal impact to the environment resulting from our business activities.

Environmental policies have been adopted by the Group for implementation of environmentally friendly measures and practices in the operation of the Group's businesses. The Group has also reviewed its environmental policies and performance from time to time in order to minimise the environmental impacts from our operations.

The Group targets to provide a friendly, comfortable and decent working environment and career growth opportunities to our staff in order to maintain a family-friendly relationship with our staff.

The Group maintains active relationship with our customers in the industry to explore potential business opportunities and is highly committed to delivering quality services to our customers on time.

董事會謹此提呈本公司及本集團截至二零一九年三月三十一日止年度的年報及經審核財務報表。

### 主要業務及業務回顧

本公司的主要業務為投資控股。其附屬公司的主要業務及其他詳情載列於綜合財務報表附註32。

有關香港法例第622章《公司條例》附表5所規定就本集團業務活動之進一步討論及審閱(包括對本集團面對之主要風險及不明朗因素之描述以及對本集團業務可能出現之未來發展之指示)載於本年報第6至7頁所載之「主席報告」及本年報第8至11頁所載之「管理層討論及分析」。該等討論為董事會報告的一部分。此外，本集團財務風險管理之詳情於綜合財務報表附註6披露。

### 環境政策及表現以及與僱員、供應商及客戶之關係

本集團致力於地盤工程進行過程中將我們的業務活動對環境所造成的影響減至最低。

本集團採納環境政策以執行有關本集團業務營運的環保措施及常規。本集團亦已不時檢討其環境政策及表現，以將我們業務對環境構成之影響減至最低。

本集團以為其員工締造和諧舒適且得宜兼俱的工作環境以及創造事業發展機會為目標，以與員工維持家庭友善關係。

本集團與行內客戶維持積極合作關係以開掘潛在業務機會，並致力按時向客戶提供優質服務。

# DIRECTORS' REPORT

## 董事會報告

The Group maintains a list of approved suppliers (based on their prices, quality, past performance and capacity) and subcontractors (based on their previous experience, skills, present work load, price quotations and historical work quality).

During the year, there was no material dispute or argument between the Group and its employees, customers and suppliers and subcontractors.

Further discussion and review on the environmental policies and performance and relationship with employees, suppliers and customers of the Group as required by Schedule 5 to the Companies Ordinance (Cap. 622), can be found in the Environmental, Social and Governance Report set out on pages 29 to 47 of this annual report. This discussion forms part of this Report of the Directors.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group continues to commit to complying with the relevant laws and regulations, such as the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, the Companies Ordinance (Cap. 622), the SFO, the Listing Rules and other relevant laws and regulations. So far as the Board is concerned, there were no material breaches of or non-compliance with the relevant rules and regulations by our Group that have significant impacts on the business and operations of our Group.

## CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 12 to 28.

## RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2019 and the Group's financial position as at 31 March 2019 are set out in the consolidated financial statements on pages 73 to 167.

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

本集團保存獲批供應商(基於其價格、質素、過往表現及能力)及分包商(基於其過往經驗、技能、現有工作負擔、報價及過往工作質素)名單。

年內，本集團與其僱員、客戶及供應商以及分包商概無重大糾紛或爭議。

有關香港法例第622章《公司條例》附表5所規定就環境政策及表現以及與本集團僱員、供應商及客戶之關係之進一步討論及審閱載於本年報第29至47頁所載之環境、社會及管治報告。該等討論為本董事會報告的一部分。

## 遵守法律及法規

本集團持續致力遵守相關法律及條例，例如開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)、香港法例第622章《公司條例》、證券及期貨條例、上市規則以及其他相關法律及法規。就董事會所知，本集團並無重大違反或不遵守對本集團業務及營運構成重大影響之相關法規及規則。

## 企業管治

本公司採納之主要企業管治常規載於第12至28頁之企業管治報告。

## 業績及股息

本集團截至二零一九年三月三十一日止年度之業績及本集團於二零一九年三月三十一日之財務狀況載於第73至第167頁之綜合財務報表。

董事會不建議向股東派付截至二零一九年三月三十一日止年度的末期股息(二零一八年：無)。

# DIRECTORS' REPORT

## 董事會報告



### FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out on page 168 of this annual report. This summary does not form part of the audited financial statements.

### SHARE CAPITAL

There were no movements in either the Company's authorised or issued share capital during the year.

### SHARE OPTIONS

The Company adopted a share option scheme on 19 February 2016 (the "2016 Share Option Scheme"). No share option has been granted under the 2016 Share Option Scheme since its adoption.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 March 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

### DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2019, calculated under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, amounted to approximately HK\$88,237,000 (2018: approximately HK\$84,148,000). The share premium account of the Company is available for distribution or paying dividends to the Shareholders subject to the provisions of the Articles and provided that immediately following the distribution or the payment of dividends, the Company is able to pay its debts immediately as they fall due in the ordinary course of business.

### 財務概要

摘錄自經審核財務報表並已重新分類(如適用)之本集團過去五個財政年度已刊發之業績及資產及負債概要載於本年報第168頁。該概要並不構成經審核財務報表之一部分。

### 股本

年內，本公司之法定或已發行股本概無變動。

### 購股權

本公司於二零一六年二月十九日採納購股權計劃(「二零一六年購股權計劃」)。自其採納起，概無根據二零一六年購股權計劃授出購股權。

### 優先購買權

細則或開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)並無有關優先購買權的條文(規定本公司須按比例向現有股東提呈新股份)。

### 購買、出售或贖回本公司上市證券

截至二零一九年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 可分派儲備

於二零一九年三月三十一日，本公司根據開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)計算的可供分派儲備約88,237,000港元(二零一八年：約84,148,000港元)。本公司的股份溢價賬可供分派予股東或可用於向股東派息，惟須受細則條文規限，並且緊隨分派或派付股息後本公司須有能力即時償還日常業務過程中到期償還的債項。

# DIRECTORS' REPORT

## 董事會報告

### CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totaling HK\$250,000.

### MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales to the five largest customers of the Group accounted for approximately 63.2% of the Group's total revenue and sales to the largest customer of the Group accounted for approximately 22.3% of the Group's total revenue during the year ended 31 March 2019. The aggregate purchases from the five largest suppliers and aggregate subcontracting fees paid to the subcontractors of the Group accounted for approximately 93.0% of the Group's total purchases and approximately 70.8% of the Group's total subcontracting fees respectively. The purchases from the largest supplier and subcontracting fees paid to the subcontractor of the Group accounted for approximately 42.8% of the Group's total purchases and approximately 22.4% subcontracting fees during the year ended 31 March 2019 respectively.

None of the Directors, their close associates or any shareholders of the Company (which to the knowledge of the Directors owns more than 5% of the shares of the Company) had any interest in the five largest customers or suppliers of the Group.

### DIRECTORS

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

#### EXECUTIVE DIRECTORS

Mr. Chen Rongsheng (*Chairman*)\*  
Mr. Guan Jingdong\*  
Mr. Yu Shiu Tin, Paul (*Chairman*)^  
Mr. Yeung Sau Ming, Boris (*Deputy Managing Director*)^  
Ms. Chan Lai Kuen^

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Luo Tiejian\*  
Dr. Lu Haitian\*  
Mr. Liu Xin\*  
Mr. Chan Kee Huen, Michael^  
Mr. Cheng Yan Kee^  
Mr. Cheung Chi Fai, Frank^  
Professor Chung Hung Kwan, Barnabas^

\* (appointed on 13 August 2018)

^ (resigned on 13 August 2018)

### 慈善捐獻

年內，本集團作出合共250,000港元之慈善捐獻。

### 主要客戶及供應商

截至二零一九年三月三十一日止年度，本集團來自前五名最大客戶的總銷售額佔本集團總收益的約63.2%，其中來自最大客戶的銷售額佔本集團總收益的約22.3%。本集團來自前五名最大供應商的採購總額及向分包商支付的分包費用總額分別佔本集團採購總額及分包費用總額的約93.0%及70.8%。截至二零一九年三月三十一日止年度，本集團來自最大供應商的採購額及向分包商支付的分包費用分別佔本集團採購總額及分包費用的約42.8%及約22.4%。

董事、彼等之緊密聯繫人或據董事所知擁有本公司股份5%以上之任何本公司股東概無於本集團五大客戶或供應商擁有任何權益。

### 董事

於財政年度及截至本報告日期止的董事如下：

#### 執行董事

陳融聖先生(主席)\*  
關靜東先生\*  
余嘯天先生(主席)^  
楊秀明先生(副董事總經理)^  
陳麗娟女士^

#### 獨立非執行董事

羅鐵堅博士\*  
陸海天博士\*  
劉昕先生\*  
陳記煊先生^  
鄭恩基先生^  
張志輝先生^  
鍾鴻鈞教授^

\* (於二零一八年八月十三日獲委任)

^ (於二零一八年八月十三日辭任)

# DIRECTORS' REPORT

## 董事會報告



In accordance with articles 108 and 109 of the Articles, Mr. Liu Xin, being Independent Non-executive Directors and Mr. Chen Rongsheng as an Executive Director, will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considered all of its Independent Non-executive Directors to be independent in accordance with the guidelines as set out under the Listing Rules.

## CHANGES IN DIRECTORS' INFORMATION

There is no information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical information of the Directors and senior management of the Company are set out in the section of "Profile of Directors and Senior Management" on pages 49 to 54 of the annual report.

## DIRECTORS' SERVICE CONTRACTS

None of the Directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

## DIRECTORS' REMUNERATION

The Directors' remuneration are subject to Shareholders' approval at the general meeting. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group. Details of the remuneration of the Directors for the year ended 31 March 2019 are set out in note 14 to the consolidated financial statements.

根據細則第108及109條，獨立非執行董事劉昕先生以及執行董事陳融聖先生將於應屆股東週年大會上輪值退任，並符合資格及願意重選連任。

本公司已接獲每位獨立非執行董事根據上市規則第3.13條就其獨立性作出的年度確認書。根據上市規則所載的指引，本公司認為所有獨立非執行董事均為獨立人士。

## 董事資料變動

概無資料須根據上市規則第13.51B(1)條予以披露。

## 董事及高級管理層履歷資料

董事及本公司高級管理層之簡歷載於年報第49至第54頁之「董事及高級管理層履歷」一節。

## 董事的服務合約

概無擬於應屆股東週年大會上重選連任的董事與本公司訂有任何不可由本公司於一年內終止而毋須支付補償款項(法定補償除外)的服務合約。

## 董事薪酬

董事薪酬須待股東於股東大會上批准。其他薪酬乃由董事會參考董事之職責、責任及表現以及本集團之業績而釐定。董事於截至二零一九年三月三十一日止年度之薪酬詳情載於綜合財務報表附註14。

# DIRECTORS' REPORT

## 董事會報告

### PERMITTED INDEMNITY

Under the Articles, the Company had a permitted indemnity provision (as defined in section 469 of the Companies Ordinance (Cap. 622)) in force for the benefit of the Directors throughout the year and as at the date of approval of this Directors' report, pursuant to which the Company shall indemnify any Director against any liability, loss suffered and expenses incurred by the Director in connection with any legal proceedings in which he is involved by reason of being a Director, and in which the judgement is given in his favour or in which he is acquitted. The Company has maintained insurance cover for Directors' and officers' liabilities in respect of legal actions against the Directors and officers arising out of corporate activities.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the section of "Continuing Connected Transactions" in the Directors' Report and "Related Party Transactions" in note 37 to the consolidated financial statements, no Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2019 and up to the date of this annual report, none of the Directors or their close associates (as defined under the Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### 獲准許彌償

根據細則，於年內及本董事會報告獲批准當日，本公司一直為董事的利益訂有有效的獲准許的彌償條文(定義見香港法例第622章《公司條例》第469條)，據此，倘任何董事以董事身份涉及任何法律程序而招致任何責任、蒙受損失及承擔開支，並獲判勝訴或無罪，則本公司應就任何該等責任、損失及開支彌償有關董事。本公司已投購保險，保障範圍涵蓋董事及高級人員因企業活動而令董事及高級管理人員招致法律行動之責任。

### 董事於交易、安排或合約之權益

除董事會報告中「持續關連交易」一節及綜合財務報表附註37「關聯方交易」所披露者外，概無董事或董事之關連實體於本公司控股公司或本公司任何附屬公司或同系附屬公司於本年度內訂立並對本集團業務而言屬重要之任何交易、安排或合約中直接或間接擁有重大權益。

### 董事於競爭性業務之權益

於截至二零一九年三月三十一日止年度及截至本年報日期，概無董事或彼等各自之聯繫人士(定義見上市規則)於與(或可能與)本集團業務直接或間接競爭之業務中擁有任何權益。

# DIRECTORS' REPORT

## 董事會報告



### DISCLOSURE OF INTERESTS

#### DIRECTORS' INTERESTS IN THE COMPANY AND ASSOCIATED CORPORATION

As at 31 March 2019, the interests and short positions of Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

##### (i) Long position in ordinary shares of the Company

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares held/ interested 所持／擁有 權益股份數目	Percentage of shareholding 股權百分比
Mr. Chen Rongsheng ("Mr. Chen") (Note) 陳融聖先生(「陳先生」)(附註)	Interest in a controlled corporation 受控法團權益	300,000,000	75%

##### (ii) Long position in the ordinary shares of associated corporation

Name of Director 董事姓名	Name of associated corporation 相聯法團的名稱	Nature of interest 權益性質	Number of shares held in associated corporation 於相聯法團 所持股份數目	Percentage of shareholding in associated corporation 佔相聯法團 股權百分比
Mr. Chen (Note) 陳先生(附註)	Blessing Well 福信	Beneficial owner 實益擁有人	1	100%

Note:

These shares are directly held by Blessing Well. Blessing Well is wholly-owned by Mr. Chen and therefore, Mr. Chen is deemed to be interested in the shares held by Blessing Well under the SFO.

### 權益披露

#### 董事於本公司及相聯法團的權益

於二零一九年三月三十一日，董事於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第352條須予存置的登記冊所記錄的權益及淡倉，或根據標準守則須另行知會本公司及聯交所的權益及淡倉如下：

##### (i) 於本公司普通股的好倉

##### (ii) 於相聯法團普通股的好倉

附註：

該等股份由福信持有。福信則由陳先生全資擁有，因此，根據證券及期貨條例，陳先生被視為於福信持有的股份中擁有權益。

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE COMPANY

As at 31 March 2019, the following interests and short positions of 5% or more of the shares and underlying shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Name	Nature of interest	Number of shares held/ interested	Percentage of interest in our Company
姓名／名稱	權益性質	所持／擁有權益股份數目	佔本公司權益的百分比
Blessing Well (Note 1) 福信(附註1)	Beneficial owner 實益擁有人	300,000,000	75%
Mr. Chen (Note 1) 陳先生(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%

Note:

1. These shares are held by Blessing Well. Blessing Well is wholly-owned by Mr. Chen. Mr. Chen is deemed to be interested in the shares of the Company held by Blessing Well under the SFO, while Mr. Chen is the sole controlling shareholder of the Company.

Save as disclosed above, as at 31 March 2019, no person, other than the Directors, whose interests are set out in the section "Directors' Interests in the Company and Associated Corporation" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

### RIGHTS TO PURCHASE SHARES OR DEBENTURES OF DIRECTORS

Save as disclosed in the section of "Share Option" and "Disclosure of Interests" in this report, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### 主要股東於本公司之權益

於二零一九年三月三十一日，以下為於本公司股份及相關股份5%或以上之權益及淡倉已記錄於本公司根據證券及期貨條例第336條須置存之權益登記冊內：

附註：

1. 該等股份由福信持有。福信由陳先生全資擁有。根據證券及期貨條例，陳先生被視為於福信持有的本公司股份中擁有權益，而陳先生為本公司的唯一控股股東。

除上文所披露者外，於二零一九年三月三十一日，除上文「董事於本公司及相聯法團的權益」一節所載之董事權益外，並無任何人士已登記須根據證券及期貨條例第336條予以記錄之本公司股份或相關股份中之權益或淡倉。

### 董事購買股份或債權證的權利

除本報告「購股權」及「權益披露」各節所披露者外，任何董事或彼等各自之配偶或未成年子女概無於年內任何時間獲授予可藉購買本公司股份或債券而獲益之權利，亦無行使任何該等權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦無訂立任何安排，致使董事可取得任何其他法團之該等權利。

# DIRECTORS' REPORT

## 董事會報告



### CONTINUING CONNECTED TRANSACTIONS

A summary of material related party transactions is disclosed in note 37 to the consolidated financial statements. The transaction for the two years ended 31 March 2018 and 2019 constituted continuing connected transactions of the Group that are fully exempted from independent Shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.76(1) of the Listing Rules.

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

### SUFFICIENCY OF PUBLIC FLOAT

Pursuant to the joint announcement published on 7 August 2018 (the "Joint Announcement 2"), immediately after the close of mandatory unconditional cash offer, a total of 31,750,000 Shares, representing approximately 7.94% of the total issued share capital of the Company as at the date of the Joint Announcement 2, are held by the public. Accordingly, the Company cannot fulfill the minimum public float requirement set out under Rule 8.08(1)(a) of the Listing Rules.

Subsequent to 7 August 2018, the Company arranged placement of the Company's shares on hand to restore the required minimum public float. Pursuant to the announcement published by the Company on 30 October 2018, immediately upon completion of a placing of 68,250,000 shares in the Company, a total of 100,000,000 shares, representing 25% of the issued shares of the Company are held by the public. As such, the public float of the Company has been restored to not less than 25% of the issued share capital of the Company in compliance with the Listing Rule with effect from the completion of the placing.

Save as mentioned above, the Company has maintained the prescribed public float under the Listing Rules during the year ended 31 March 2019 and up to the date of this report.

### EVENTS AFTER THE REPORTING PERIOD

There have been no material events occurring after 31 March 2019 and up to the date of this report.

### 持續關連交易

重大關聯方交易概要載於綜合財務報表附註37。截至二零一八年及二零一九年三月三十一日止兩個年度的交易構成本集團之持續關連交易，根據上市規則第14A.76(1)條獲全面豁免遵守獨立股東批准、年度審閱及所有披露規定。

### 管理合約

於年內概無訂立或存有與本公司整體或任何重要部分業務有關之管理及行政合約。

### 足夠公眾持股量

根據於二零一八年八月七日刊發的聯合公告（「聯合公告2」），緊隨強制性無條件現金要約截止後，合共31,750,000股股份（相當於聯合公告2日期本公司全部已發行股本之約7.94%）由公眾持有。因此，本公司未能符合上市規則第8.08(1)(a)條所載的最低公眾持股量規定。

於二零一八年八月七日後，本公司安排配售本公司手頭上之股份，以恢復規定之最低公眾持股量。根據本公司於二零一八年十月三十日刊發的公告，緊隨本公司68,250,000股股份配售完成後，合共100,000,000股股份（相當於本公司已發行股份之25%）由公眾持有。因此，自配售完成後，本公司之公眾持股量已恢復至不低於本公司已發行股本之25%，符合上市規則。

除上述者外，截至二零一九年三月三十一日止年度及直至本報告日期，本公司已維持上市規則規定的公眾持股量。

### 報告期後事項

於二零一九年三月三十一日後及截至本報告日期，概無發生任何重大事項。

# DIRECTORS' REPORT

## 董事會報告

### ANNUAL GENERAL MEETING

It is proposed that the annual general meeting (the "2019 AGM") of the Company for the year ended 31 March 2019 will be held on a date to be fixed by the Board, and a notice convening the 2019 AGM will be published and despatched to the Shareholders in due course.

### AUDITOR

RSM Hong Kong has resigned as the auditor of the Company with effect from 16 April 2019. World Link CPA Limited has been appointed as the auditor of the Company with effect from 16 April 2019 to fill the casual vacancy following the resignation of RSM Hong Kong.

The consolidated financial statements for the year ended 31 March 2019 have been audited by World Link CPA Limited.

World Link CPA Limited shall retire in the forthcoming annual general meeting and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of World Link CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board  
**Mr. Chen Rongsheng**  
*Chairman*

Hong Kong, 28 June 2019

### 股東週年大會

本公司截至二零一九年三月三十一日止年度之股東週年大會(「二零一九年股東週年大會」)擬於董事會釐定之日期舉行。召開二零一九年股東週年大會之通告將於適當時候刊發及寄發予股東。

### 核數師

自二零一九年四月十六日起，羅申美會計師事務所已辭任本公司核數師。自二零一九年四月十六日起，華普天健(香港)會計師事務所有限公司已獲委任為本公司核數師，以填補因羅申美會計師事務所辭任後之臨時空缺。

截至二零一九年三月三十一日止年度的綜合財務報表已獲華普天健(香港)會計師事務所有限公司審核。

華普天健(香港)會計師事務所有限公司將於應屆股東週年大會上辭任並合資格膺選續聘。有關續聘華普天健(香港)會計師事務所有限公司為本公司之核數師之決議案將於應屆股東週年大會上提呈。

代表董事會  
主席  
**陳融聖先生**

香港，二零一九年六月二十八日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### *World Link* CPA Limited

華普天健(香港)會計師事務所有限公司

TO THE SHAREHOLDERS OF  
K. H. GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

### OPINION

We have audited the consolidated financial statements of K. H. Group Holdings Limited and its subsidiaries (the “Group”) set out on pages 73 to 167, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致劍虹集團控股有限公司  
全體股東

(於開曼群島註冊成立之有限公司)

### 意見

吾等已審核列載於第73至167頁劍虹集團控股有限公司及其附屬公司(「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一九年三月三十一日之綜合財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一九年三月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

### 意見之基礎

吾等已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。吾等於該等準則項下之責任在本報告「核數師就審計綜合財務報表須承擔之責任」章節內進一步詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已遵循該守則履行其他道德責任。吾等相信，吾等得到充足及適當之審核憑證，以作為提供審核意見之基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matter is the matter that, in our professional judgment, was 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. The key audit matters we identified are:

- 1) Revenue and profit recognition for construction contracts; and
- 2) Liquidated damages for delays in completion of a contract

### 關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，認為對本期間綜合財務報表之審核最為重要之事項。該等事項於吾等審核整體綜合財務報表及出具意見時處理，而吾等不會對該等事項提供個別之意見。吾等識別之關鍵審核事項為：

- 1) 建築合約之收益及溢利確認；及
- 2) 有關一項合約完成延誤之違約金

#### Key Audit Matter 關鍵審核事項

##### Revenue and profit recognition for construction contracts

##### 建築合約之收益及溢利確認

Refer to the significant accounting policies in note 4(g), critical judgements and key estimates in note 5(a) and relevant disclosure in note 7 to the consolidated financial statements.

參閱綜合財務報表附註4(g)重大會計政策、附註5(a)重要判斷及主要假設及附註7相關披露。

The Group's revenue from construction contracts amounted to approximately HK\$202,806,000 for the year ended 31 March 2019.

截至二零一九年三月三十一日止年度，貴集團來自建築合約之收益約為202,806,000港元。

Contract revenue is recognised progressively over time using the input method based on direct measurements of the contract costs incurred to value the contract work performed.

合約收益使用收入法基於對已產生合約成本佔已完成合約工程價值的直接計量隨時間逐步確認。

#### How our audit addressed the Key Audit Matter 吾等在審核中處理關鍵審核事項的方法

Our procedures in relation to management's estimation of revenue and profit recognition for construction contracts included:

吾等有關管理層評估建築合約之收益及溢利確認之程序包括：

- obtaining an understanding of the performance and status of all major contracts through discussion with management and key staff;  
透過與管理層及主要員工討論，獲得所有主要合約的履行及情況之了解；
- corroborating management's position through the examination of externally generated evidence, such as customers' correspondence;  
透過審查外部證據(例如客戶通訊)證實管理層的立場；
- examining, on samples basis, the contracts and certifications of work performed;  
以抽樣基準審查合約及已完成之工作證明書；
- performing substantive testing on costs incurred to date;  
就迄今產生的成本進行大量檢查；
- discussing and understanding management's estimates for total contract costs and forecast costs to complete, including taking into account the historical accuracy of such estimates;  
討論及了解管理層就總合約成本及竣工的預測成本之估計，包括考慮有關假設之過往準確性；

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### Key Audit Matter

#### 關鍵審核事項

Due to the contracting nature of the business, revenue and profit recognition involves a significant degree of judgement made by management, with estimates being made to:

由於業務之合約性質，管理層須就收益及溢利確認作出重大程度之判斷，並就以下事項作出假設：

- assess the total contract costs;  
評估總合約成本；
- assess the stage of completion of the contract;  
評估合約之完成階段；
- assess the revenue and costs associated with variation orders;  
評估與工程變更有關之收益及成本；
- appropriately provide for liquidated damages for delays in completion of the construction works;  
and  
就延誤完成建築工程之違約金作出適當撥備；及
- appropriately provide for loss making contracts.  
就虧損合約作出適當撥備。

### How our audit addressed the Key Audit Matter

#### 吾等在審核中處理關鍵審核事項的方法

- comparing the percentage of completion for contracts to the proportion of contract costs for works performed to date bear to the total estimated contract costs;  
參考迄今已完成工程的合約成本佔總估計合約成本的比例比較合約的完成百分比；
- using the knowledge obtained from the above testing, assessing whether any provisions for liquidated damages or loss making contracts made by management were appropriate; and  
基於自上述測試獲得之認知，評估管理層就違約金或虧損合約作出之任何撥備是否合適；及
- assessing, on samples basis, whether contract revenue recognised in relation to variation orders met the applicable criteria in Hong Kong Financial Reporting Standard 15 “Revenue from Contract with Customers”.  
以抽樣基準評估就工程變更確認的合約收益是否符合香港財務報告準則第15號「客戶合約收益」的適用標準。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Key Audit Matter 關鍵審核事項

#### Liquidated damages for delays in completion of a contract 有關一項合約完成延誤之違約金

*Refer to the critical judgements and key estimates in note 5(f) and relevant disclosure in note 20 to the consolidated financial statements.*

參閱綜合財務報表附註5(f)重要判斷及主要假設及附註20相關披露。

The Group has been negotiating the final settlement amount of a completed contract with a customer. The customer indicated that it is seeking to deduct from the final settlement amount the sum of approximately HK\$23,450,000 for liquidated damages arising from delays in completion of the contract.

貴集團一直與一名客戶磋商一項已完成合約的最終結算款項。客戶表示其欲就合約完成延誤產生的違約金扣減支付最終結算款項約23,450,000港元。

The directors are of the opinion that the negotiations with the customer are still in progress and based on the opinion of an independent professional consultant, believe that the customer's claim for such liquidated damages is unlikely to succeed and accordingly, the Group has not recognised any amounts in respect of liquidated damages for delays in completion of contract in the consolidated financial statements.

董事認為，與客戶的磋商仍在進行中，且根據獨立專業顧問的意見，董事認為客戶有關違約金的申索不太可能成功，因此，貴集團並無於綜合財務報表中就有關合約完成延誤之違約金確認任何金額。

We identified the above matter as a key audit matter due to the significant judgement made by the directors in determining the possible outcomes of the negotiation with the customer and whether it is necessary to recognise any amount in respect of liquidated damages for delays in completion of contract.

由於董事於釐定與客戶磋商的可能結果及是否需就有關合約完成延誤之違約金確認任何金額時需作出重大判斷，故吾等將上述事宜識別為關鍵審核事項。

### How our audit addressed the Key Audit Matter 吾等在審核中處理關鍵審核事項的方法

Our procedures in relation to the liquidated damages for delays in completion of contract included:

吾等與合約完成延誤之違約金相關之程序包括：

- examining the related construction contract documents and correspondence with the customer; 審查相關建築合約文件及與客戶的通訊；
- examining the analysis prepared by the independent professional consultant engaged by the Group; 審查 貴集團所委聘獨立專業顧問編製的分析；
- evaluating of the independence and professional competence of the independent professional consultant engaged by the Group; 評估 貴集團所委聘獨立專業顧問的獨立性及專業能力；
- challenging the basis for the Group's assessment that it is not necessary to recognise any amounts in respect of liquidated damages for delays in completion of contract; and 質疑 貴集團認為無需就有關合約完成延誤之違約金確認任何金額的評估基準；及
- assessing the adequacy of the Group's disclosures in respect of the status, progress and estimated outcome of the negotiation with customer as set out in note 20 to the consolidated financial statements. 評估 貴集團有關綜合財務報表附註20所載與客戶磋商之狀態、進度及估計結果之披露是否足夠。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### OTHER INFORMATION

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

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

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

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

### RESPONSIBILITIES OF DIRECTORS 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 disclosure requirements of 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 assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

### 其他資料

董事須對其他資料負責。其他資料包括年報內所載之全部資料，惟除綜合財務報表及吾等載於其中之核數師報告外。

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式之保證結論。

就吾等對綜合財務報表之審核，吾等之責任乃細閱其他資料，在此過程中，考慮其他資料與綜合財務報表或吾等在審核過程中所知悉之情況是否存在重大抵觸或看似存在重大錯誤陳述。

基於吾等已執行之工作，倘吾等認為其他資料存在重大錯誤陳述，吾等需要報告該事實。吾等就此並無任何事項須報告。

### 董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例的披露規定編製真實而公平之綜合財務報表，並對董事認為為使綜合財務報表之編製不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

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

審核委員會協助董事履行彼等監察貴集團的財務報告程序之責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism 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.

### 核數師就審核綜合財務報表須承擔之責任

吾等之目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括吾等意見之核數師報告，吾等僅向閣下(作為整體)報告吾等之意見，除此之外本報告別無其他目的。吾等概不就本報告之內容對任何其他人士負責或承擔責任。

合理保證為高水平之保證，但不能保證按照香港審計準則進行之審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

作為根據香港審計準則進行審核其中一環，吾等透過審核運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當之審核憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述之風險高於未能發現因錯誤而導致出現重大錯誤陳述之風險。
- 了解與審核相關之內部控制，以設計在有關情況下屬適當之審核程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評估董事所採用會計政策之適當性以及作出會計估計及相關披露之合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎之適當性作出結論，並根據所獲取之審核憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露或，假若有關之披露不足，則修訂吾等之意見。吾等之結論乃基於直至核數師報告日止所取得之審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表之整體列報方式、結構及內容(包括披露事項)以及綜合財務報表是否公平反映相關交易及事項。
- 就貴集團內實體或業務活動之財務資料獲取充足適當之審核憑證，以便對綜合財務報表發表意見。吾等負責集團審核之方向、監督及執行。吾等為審核意見承擔全部責任。

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.

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

吾等與審核委員會溝通審核之計劃範圍及時間以及重大審核發現等，其中包括吾等在審核中識別出內部控制之任何重大不足之處。

吾等亦向審核委員會提交聲明，表明吾等已符合有關獨立性之相關專業道德要求，並與彼等溝通可能合理被認為會影響吾等獨立性之所有關係及其他事項以及在適用之情況下相關之防範措施。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

**World Link CPA Limited**

*Certified Public Accountants*

**Lo Ka Ki**

*Audit Engagement Director*

Practising Certificate Number P06633

5/F, Far East Consortium Building,  
121 Des Voeux Road Central, Hong Kong

Hong Kong, 28 June 2019

從與審核委員會溝通之事項中，吾等確定該等對本期間綜合財務報表之審核最為重要之事項，因而構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見之情況下，合理預期倘於吾等之報告中註明某事項造成之負面後果超過產生之公眾利益，則吾等決定不應在報告中註明該事項。

**華普天健(香港)會計師事務所有限公司**

*執業會計師*

**盧家麒**

*審計項目董事*

執業證書編號P06633

香港德輔道中121號  
遠東發展大廈5樓

香港，二零一九年六月二十八日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>	7	<b>203,015</b>	225,579
Cost of sales	銷售成本		(201,188)	(222,759)
<b>Gross profit</b>	<b>毛利</b>		<b>1,827</b>	2,820
Other income	其他收入	8	15,921	137
Administrative and other operating expenses	行政及其他經營開支		(40,589)	(30,624)
<b>Loss from operations</b>	<b>經營所得虧損</b>		<b>(22,841)</b>	(27,667)
Finance costs	融資成本	10	(6,266)	(1,430)
<b>Loss before tax</b>	<b>除稅前虧損</b>		<b>(29,107)</b>	(29,097)
Income tax credit	所得稅抵免	11	—	3,907
<b>Loss and total comprehensive income for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔年內虧損及全面收益總額</b>	12	<b>(29,107)</b>	(25,190)
			<b>HK\$ 港元</b>	HK\$ 港元
<b>Loss per share</b>	<b>每股虧損</b>			
— Basic	— 基本	16(a)	7.3 cents 仙	6.3 cents 仙
— Diluted	— 攤薄	16(b)	N/A 不適用	N/A 不適用

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2019

於二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機器及設備	17	63,394	64,166
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	18	6,431	4,212
Trade and retention receivables	貿易應收款項及應收保固金	19	15,745	52,000
Contract assets	合約資產	20	150,009	—
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	20	—	84,103
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項		9,677	10,320
Pledged bank deposits	已抵押銀行存款	21	10,214	10,138
Bank and cash balances	銀行及現金結餘	21	71,800	12,590
			263,876	173,363
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and retention payables	貿易應付款項及應付保固金	22	89,747	45,088
Contract liabilities	合約負債	20	531	—
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	20	—	2,225
Accruals and other payables	應計費用及其他應付款項	23	11,445	6,930
Finance lease payables	融資租賃應付款項	24	15,924	26,397
Bank borrowings	銀行借款	25	27,398	30,007
			145,045	110,647
<b>Net current assets</b>	<b>流動資產淨值</b>		118,831	62,716
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		182,225	126,882

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2019

於二零一九年三月三十一日



		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Finance lease payables	融資租賃應付款項	24	812	1,868
Other borrowing, unsecured	其他借款，無抵押	26	90,006	—
			90,818	1,868
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>91,407</b>	125,014
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	28	4,000	4,000
Reserves	儲備	31	87,407	121,014
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>91,407</b>	125,014

Approved by the Board of Directors on 28 June 2019 and signed on its behalf by:

經董事會於二零一九年六月二十八日批准並由以下董事代表簽署：

Chen Rongsheng  
陳融聖  
Executive Director  
執行董事

Guan Jingdong  
關靜東  
Executive Director  
執行董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔			
		Share capital 股本 HK\$'000 千港元 (note 28) (附註28)	Share premium 股份溢價 HK\$'000 千港元 (note 31(b)) (附註31(b))	Retained profits 保留盈利 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	4,000	84,403	61,801	150,204
Loss and total comprehensive income and changes in equity for the year	年內虧損及全面收益總額及 權益變動	—	—	(25,190)	(25,190)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	4,000	84,403	36,611	125,014
Impact on initial application of HKFRS 9	首次應用香港財務報告準則 第9號影響	—	—	(4,500)	(4,500)
Loss and total comprehensive income for the year	年內虧損及全面收益總額	—	—	(29,107)	(29,107)
Changes in equity for the year	年內權益變動	—	—	(33,607)	(33,607)
At 31 March 2019	於二零一九年三月三十一日	4,000	84,403	3,004	91,407

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動現金流量</b>	Note 附註		
Loss before tax	除稅前虧損		(29,107)	(29,097)
Adjustments for:	就以下各項作出調整：			
Depreciation	折舊	12	7,737	8,305
Finance costs	融資成本	10	6,778	1,991
Written off of contract assets	撇銷合約資產	12	2,998	—
Imputed interest income	推算利息收入	8	(14,610)	—
Interest income	利息收入	8	(1,309)	(61)
Gain on disposals of property, plant and equipment, net	出售物業、機器及設備的 收益淨額	12	(11)	(63)
Operating loss before working capital changes	營運資金變動前經營 虧損		(27,524)	(18,925)
(Increase)/decrease in inventories	存貨(增加)/減少		(2,219)	753
Increase in trade and retention receivables	貿易應收款項及應收 保固金增加		(1,431)	(2,758)
(Increase)/decrease in contract assets/ gross amounts due from customers for contract work	合約資產/應收客戶合約 工程款項總額(增加)/ 減少		(37,782)	1,940
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他 應收款項減少		643	5,578
Increase in trade and retention payables	貿易應付款項及應付 保固金增加		44,659	16,435
Increase/(decrease) in contract liabilities/gross amounts due to customers for contract work	合約負債/應付客戶合約 工程合約負債/款項 總額增加/(減少)		370	(832)
Increase/(decrease) in accruals and other payables	應計費用及其他應付 款項增加/(減少)		4,515	(4,593)
Cash used in operations	經營所用現金		(18,769)	(2,402)
Interest paid	已付利息		(1,059)	(995)
Finance lease charges paid	已付融資租賃費用		(1,103)	(996)
Net cash used in operating activities	經營活動所用現金淨額		(20,931)	(4,393)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2019

截至二零一九年三月三十一日止年度

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動現金流量</b>			
Interest received	已收利息		1,309	61
Purchases of property, plant and equipment	購買物業、機器及設備	17	(7,034)	(2,959)
Proceeds from disposals of property, plant and equipment	出售物業、機器及設備所得款項		80	7,133
(Increase)/decrease in pledged bank deposits	已抵押銀行存款(增加)/減少		(76)	2,298
Decrease in non-pledged time deposits with original maturity of more than three months when acquired	於存放時原到期日多於三個月之無抵押定期存款減少		—	2,000
Net cash (used in)/from investing activities	投資活動(所用)/所得現金淨額		(5,721)	8,533
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動現金流量</b>			
Bank borrowings raised	已籌銀行借款	33(b)	81,611	175,518
Other borrowing raised	已籌其他借款	33(b)	100,000	—
Repayment of bank borrowings	償還銀行借款	33(b)	(86,648)	(172,048)
Repayment of finance lease payables	償還融資租賃應付款項	33(b)	(11,529)	(12,611)
Net cash from/(used in) financing activities	融資活動所得/(所用)現金淨額		83,434	(9,141)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物增加/(減少)淨額</b>		56,782	(5,001)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		12,590	17,591
Cash and cash equivalents at end of year	年末現金及現金等價物		69,372	12,590
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物分析</b>			
Bank and cash balances	銀行及現金結餘	21	71,800	12,590
Bank overdrafts	銀行透支	25	(2,428)	—
			69,372	12,590

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability on 23 July 2015 under the Companies Law of the Cayman Islands. The address of its registered office is P. O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands. The address of its principal place of business is Unit 01, 82/F., International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 18 March 2016 (the "Listing Date").

The Company is an investment holding company. The Group is principally engaged in the provision of foundation services and leasing of machinery in Hong Kong.

With reference to the joint announcement made by the Company and Blessing Well Enterprise Limited ("Blessing Well") on 7 May 2018 (the "Joint Announcement 1"), the Company has been notified by New Grace Gain Limited ("New Grace Gain") that after trading hours on 27 April 2018, Blessing Well (as the purchaser), New Grace Gain (as the vendor) and its ultimate beneficial owners, Mr. Yeung Sau Ming, Boris, Mr. Yue Suen Leung and Mr. Lau Tai Wah, Gilbert (as the guarantors), entered into a sale and purchase agreement (the "Sale and Purchase Agreement") pursuant to which New Grace Gain agreed to sell and Blessing Well agreed to purchase 300,000,000 shares of the Company, representing 75% of the issued shares of the Company as at the date of the Joint Announcement 1, for a total cash consideration of HK\$596,250,000 (the "Event of the Change of Substantial Shareholders"). Completion of the abovementioned transaction took place on 30 April 2018. Details of which are set out in the Joint Announcement 1.

As a result of the Event of the Change of Substantial Shareholders, Blessing Well has become the controlling and substantial shareholder of the Company since 30 April 2018 while New Grace Gain, Mr. Yeung Sau Ming, Boris, Mr. Yue Suen Leung and Mr. Lau Tai Wah, Gilbert ceased to be the controlling and substantial shareholders of the Company on 30 April 2018.

### 1. 一般資料

本公司於二零一五年七月二十三日根據開曼群島公司法在開曼群島註冊成立為有限公司。其註冊辦事處地址為P. O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands。其主要營業地點位於香港九龍柯士甸道西1號環球貿易廣場82樓01室。本公司股份自二零一六年三月十八日(「上市日期」)起於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一家投資控股公司。本集團主要業務為在香港提供地基服務及機械租賃。

茲提述本公司與福信企業有限公司(「福信」)於二零一八年五月七日作出的聯合公告(「聯合公告1」)，本公司獲New Grace Gain Limited(「New Grace Gain」)告知，於二零一八年四月二十七日交易時段後，福信(作為買方)、New Grace Gain(作為賣方)及其最終實益擁有人楊秀明先生、余孫良先生及劉泰華先生(作為擔保人)訂立買賣協議(「買賣協議」)，據此，New Grace Gain同意出售及福信同意購買本公司300,000,000股股份(相當於本公司於聯合公告1日期已發行股份的75%)，總現金代價為596,250,000港元(「主要股東變動事件」)。上述交易已於二零一八年四月三十日完成。其詳情載於聯合公告1。

因主要股東變動事件，自二零一八年四月三十日起，福信已成為本公司的控股股東及主要股東，而於二零一八年四月三十日，New Grace Gain、楊秀明先生、余孫良先生及劉泰華先生不再為本公司的控股股東及主要股東。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019

截至二零一九年三月三十一日止年度

## 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise all applicable Hong Kong Financial Reporting Standards (“HKFRSs”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are discussed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 to the consolidated financial statements provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

## 2. 編製基準

該等綜合財務報表乃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」）編製。香港財務報告準則包括所有適用香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。該等綜合財務報表亦符合聯交所證券上市規則的適用披露條文及香港法例第622章《香港公司條例》的披露規定。本集團採納的重大會計政策於下文討論。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，於本集團本會計期間首次生效或可供提前採納。綜合財務報表附註3提供於該等綜合財務報表反映有關本集團於本會計期間及過往會計期間因初步採納該等新訂及經修訂準則而導致會計政策的任何變動有關之資料。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



### 3. ADOPTION OF NEW AND REVISED HKFRSs

#### (A) APPLICATION OF NEW AND REVISED HKFRSs

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- **HKFRS 9 *Financial instruments***
- **HKFRS 15 *Revenue from contracts with customers***

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses, and impacted by HKFRS 15 in relation to the presentation of contract assets and contract liabilities. Details of the change in accounting policies are disclosed in 3(a)(i) and 3(a)(ii) for HKFRS 9 and HKFRS 15 respectively. Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 and HKFRS 15 as an adjustment to the opening balance of equity at 1 April 2018, comparative information is not restated.

#### (i) **HKFRS 9 *Financial instruments***

HKFRS 9 replaces HKAS 39 *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

### 3. 採納新訂及經修訂香港財務報告準則

#### (A) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈多項於本集團本會計期間首次生效的新訂香港財務報告準則及香港財務報告準則修訂本，當中與本集團的財務報表相關的發展如下：

- **香港財務報告準則第9號金融工具**
- **香港財務報告準則第15號來自客戶合約的收益**

本集團並無應用於本會計期間尚未生效的任何新訂準則或詮釋。

本集團的金融資產分類及信貸虧損計量已受香港財務報告準則第9號所影響，而合約資產及合約負債的呈列已受香港財務報告準則第15號所影響。有關香港財務報告準則第9號及香港財務報告準則第15號的會計政策變動詳情分別於3(a)(i)及3(a)(ii)披露。根據所選擇的過渡方式，本集團於二零一八年四月一日調整期初權益結餘，以確認首次應用香港財務報告準則第9號及香港財務報告準則第15號的累計影響。比較資料不予重列。

#### (i) **香港財務報告準則第9號金融工具**

香港財務報告準則第9號取代香港會計準則第39號金融工具：確認及計量。此準則載列確認及計量金融資產、金融負債及買賣非金融項目之若干合約的規定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019

截至二零一九年三月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (i) HKFRS 9 *Financial instruments* (continued)

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on retained profits at 1 April 2018.

		HK\$'000 千港元
<b>Retained profits</b>	<b>保留溢利</b>	
Recognition of additional expected credit losses on:	就下列項目確認額外預期信貸虧損：	
— Trade and retention receivables	— 貿易應收款項及應收保固金	(154)
— contract assets	— 合約資產	(4,346)
Decrease in retained profits at 1 April 2018	於二零一八年四月一日保留溢利減少	(4,500)

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (i) 香港財務報告準則第9號金融工具(續)

本集團根據過渡規定對於二零一八年四月一日已存在的項目追溯應用香港財務報告準則第9號。本集團將首次應用的累計影響確認為對於二零一八年四月一日期初權益的調整。因此，可比較資料將繼續根據香港會計準則第39號報告。

下表概述過渡至香港財務報告準則第9號對於二零一八年四月一日的保留溢利的影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (i) HKFRS 9 *Financial instruments* (continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

##### a. Classification of financial assets and financial liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss (“FVTPL”). These supersede HKAS 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Under HKFRS 9, the classification for all the Group’s financial assets and financial liabilities measured at amortised cost remain the same. The carrying amounts for all financial liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (i) 香港財務報告準則第9號金融工具(續)

有關過往會計政策變動的性質及影響以及過渡方式之進一步詳情載列如下：

##### a. 金融資產及金融負債的分類

香港財務報告準則第9號將金融資產分為三大類別：以攤銷成本計量、以公平值透過其他全面收益計量及以公平值透過損益（「以公平值透過損益」）計量。該等分類取代香港會計準則第39號中有關持至到期之投資、貸款及應收款項、可供出售金融資產及以公平值透過損益計量之金融資產的分類。根據香港財務報告準則第9號，金融資產之分類乃以管理金融資產之業務模式及其合約現金流量特徵為依據。

根據香港財務報告準則第9號，本集團所有按攤銷成本計量的金融資產及金融負債之分類維持不變。所有金融負債於二零一八年四月一日的賬面值並無因首次應用香港財務報告準則第9號而受到影響。

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (i) HKFRS 9 *Financial instruments* (continued)

###### b. Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 3(a)(ii));

For further details on the Group’s accounting policy for accounting for credit losses, see note 4(s).

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (i) 香港財務報告準則第9號金融工具(續)

###### b. 信貸虧損

香港財務報告準則第9號以「預期信貸虧損」(「預期信貸虧損」)模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式規定須持續計量與金融資產有關的信貸風險，故預期信貸虧損的確認時間較根據香港會計準則第39號「已產生虧損」會計模式的確認時間為早。

本集團對以下各項目應用新預期信貸虧損模式：

- 按攤銷成本計量的金融資產(包括現金及現金等價物以及貿易及其他應收款項)；及
- 香港財務報告準則第15號界定的合約資產(見附註3(a)(ii))；

有關本集團信貸虧損會計政策的進一步詳情，見附註4(s)。

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (i) HKFRS 9 *Financial instruments* (continued)

###### b. Credit losses (continued)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 March 2018 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 April 2018.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (i) 香港財務報告準則第9號金融工具(續)

###### b. 信貸虧損(續)

下表為根據香港會計準則第39號釐定於二零一八年三月三十一日的期末虧損撥備與根據香港財務報告準則第9號釐定於二零一八年四月一日的期初虧損撥備之間的對賬。

		HK\$'000 千港元
Loss allowance at 31 March 2018 under HKAS 39	根據香港會計準則第39號於二零一八年三月三十一日的虧損撥備	—
Additional credit loss recognised at 1 April 2018 on:	就下列項目於二零一八年四月一日確認的額外信貸虧損：	
— Trade and retention receivables	— 貿易應收款項及應收保固金	154
— Contract assets recognised on adoption of HKFRS 15	— 採納香港財務報告準則第15號時確認的合約資產	4,346
Loss allowance at 1 April 2018 under HKFRS 9	根據香港財務報告準則第9號於二零一八年四月一日的虧損撥備	4,500

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## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, Revenue, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 11 and HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 April 2018.

There is no impact of transition to HKFRS 15 on retained profits as at 1 April 2018.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益

香港財務報告準則第15號制訂確認收益及客戶合約部分成本的全面框架。香港財務報告準則第15號取代香港會計準則第18號收益(其涵蓋自銷售貨品及提供服務產生的收益)及香港會計準則第11號建築合約(其指定建築合約的會計方法)。

香港財務報告準則第15號亦引入額外定性及定量披露規定，旨在讓財務報表使用者了解客戶合約所產生的收益及現金流量的性質、金額、時間及不確定性。

本集團已選擇使用累計影響過渡方法及已確認首次應用的累計影響為二零一八年四月一日期初權益結餘的調整。因此，並無重列比較資料及繼續根據香港會計準則第11號及香港會計準則第18號報告。在香港財務報告準則第15號之許可下，本集團僅對在二零一八年四月一日之前未完成之合約採用新規定。

過渡至香港財務報告準則第15號對二零一八年四月一日的保留溢利並無影響。

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

Further details of the nature and effect of the changes to previous accounting policies are set out below:

##### a. **Timing of revenue recognition**

Previously, revenue arising from construction contracts was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

過往會計政策的變動性質及影響之進一步詳情載列如下：

##### a. **收益確認時間**

以往，來自建築合約的收益按時間確認，其中來自銷售貨品的收益通常於貨品的所有權風險及回報轉移至客戶的時間點確認。

根據香港財務報告準則第15號，收益於客戶取得合約中承諾的商品或服務的控制權時確認。這可能是單一的時間點或隨時間推移。香港財務報告準則第15號確認以下三種情況，承諾的商品或服務的控制權被視為隨時間轉移：

- A. 當客戶於實體履約時同時收取及使用實體履約所提供的利益時；
- B. 當實體之履約創造或提升一項於資產被創造或提升時由客戶控制的資產(例如在建工程)時；

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## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

###### a. Timing of revenue recognition (continued)

- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from construction contracts.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

###### a. 收益確認時間(續)

- C. 當實體之履約並無創造對實體而言具有替代用途的資產，且該實體對迄今已完成履約的付款擁有可強制執行權利時。

倘合約條款及實體活動不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於單一時間點(即控制權轉移時)確認銷售商品或服務的收益。所有權風險及回報之轉移僅為於釐定控制權轉移發生時將考慮的其中一項指標。

採納香港財務報告準則第15號對本集團確認建築合約所得收益並無重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

##### b. Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before receiving the consideration or being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

##### b. 合約資產及負債的呈列

根據香港財務報告準則第15號，應收款項僅當本集團擁有無條件收取代價的權利時確認。倘本集團收取代價或於合約中所承諾的商品及服務的代價成為無條件權利前確認相關收益，則代價的權利被分類為合約資產。同樣地，在本集團確認相關收益前，客戶支付代價或合約規定須支付代價且該金額已到期，則確認為合約負債(而非應付款項)。就與客戶的單一合約而言，呈列合約資產淨值或合約負債淨額。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

##### b. Presentation of contract assets and liabilities (continued)

Previously, contract balances relating to construction contracts in progress were presented in the consolidated statement of financial position under “gross amounts due from customers for contract work” or “gross amounts due to customers for contract work” respectively. Receivables for which the Group’s entitlement to the consideration was conditional on achieving certain milestones or satisfactory completion of the retention period were presented in the consolidated statement of financial position as “retention receivables” under “trade and retention receivables”.

To reflect these changes in presentation, the Group has made the following adjustments at 1 April 2018, as a result of the adoption of HKFRS 15:

- (i) “Gross amounts due from customers for contract work” amounting to approximately HK\$84,103,000 is now included under contract assets;
- (ii) “Gross amounts due to customers for contract work” amounting to approximately HK\$1,879,000 and approximately HK\$346,000 are now included under contract assets and contract liabilities respectively; and

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

##### b. 合約資產及負債的呈列(續)

以往，與進行中的建築合約有關的合約結餘分別於綜合財務狀況表中「應收客戶合約工程款項總額」或「應付客戶合約工程款項總額」下呈列。本集團就代價有權收取的應收款項須待達成若干里程碑或信納保留期間的完成後方可作實，並於綜合財務狀況表中「貿易應收款項及應收保固金」下呈列為「應收保固金」。

因採納香港財務報告準則第15號，為反映該等呈列變動，本集團已於二零一八年四月一日作出以下調整：

- (i) 「應收客戶合約工程款項總額」約84,103,000港元現計入合約資產項下；
- (ii) 「應付客戶合約工程款項總額」約1,879,000港元及約346,000港元現分別計入合約資產及合約負債項下；及

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

##### b. Presentation of contract assets and liabilities (continued)

(iii) “Retention receivables” under “Trade and retention receivables” amounting to approximately HK\$37,501,000 and approximately HK\$185,000 are now included under contract assets and contract liabilities respectively.

##### c. Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2018 as a result of the adoption of HKFRS 15 on 1 April 2018

The following tables summarise the estimated impact of adoption of HKFRS 15 on the Group's consolidated financial statements for the year ended 31 March 2018, by comparing the amounts reported under HKFRS 15 in these consolidated financial statements with estimates of the hypothetical amounts that would have been recognised under HKAS 18 and HKAS 11 if those superseded standards had continued to apply to 2018 instead of HKFRS 15. These tables show only those line items impacted by the adoption of HKFRS 15:

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

##### b. 合約資產及負債的呈列(續)

(iii) 「貿易應收款項及應收保固金」下約37,501,000港元及約185,000港元的「應收保固金」現分別計入合約資產及合約負債項下。

##### c. 於二零一八年四月一日採納香港財務報告準則第15號對截至二零一八年三月三十一日止年度列報金額的估計影響的披露

下表通過對比於該等綜合財務報表中根據香港財務報告準則第15號列報的金額與根據香港會計準則第18號及香港會計準則第11號確認的估計假設金額(假設該等被取代準則繼續適用於二零一八年,而非香港財務報告準則第15號),滙總了香港財務報告準則第15號的採納對本集團截至二零一八年三月三十一日止年度綜合財務報表的估計影響。此等表格僅列示因採納香港財務報告準則第15號而受影響的項目:

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (A) APPLICATION OF NEW AND REVISED HKFRSs (CONTINUED)

##### (ii) HKFRS 15 *Revenue from contracts with customers* (continued)

- c. Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2018 as a result of the adoption of HKFRS 15 on 1 April 2018 (continued)

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (A) 應用新訂及經修訂香港財務報告準則(續)

##### (ii) 香港財務報告準則第15號客戶合約收益(續)

- c. 於二零一八年四月一日採納香港財務報告準則第15號對截至二零一八年三月三十一日止年度列報金額的估計影響的披露(續)

	Amounts reported in accordance with HKFRS 15	Hypothetical amounts under HKASs 18 and 11	Difference: Estimated impact of adoption of HKFRS 15 on 2018
	根據香港財務報告準則第15號列報的金額 (A)	香港會計準則第18號及香港會計準則第11號項下的假設金額 (B)	差額：採納香港財務報告準則第15號於二零一八年的估計影響 (A) - (B)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Line items in the consolidated statement of financial position as at 31 March 2018 impacted by the adoption of HKFRS 15:	於二零一八年三月三十一日的綜合財務狀況表中因採納香港財務報告準則第15號而受影響的項目：		
Trade and retention receivables	貿易應收款項及應收保固金	14,314	52,000 (37,686)
Contract assets	合約資產	119,725	— 119,725
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	—	84,103 (84,103)
<b>Total current assets</b>	<b>流動資產總值</b>	<b>171,299</b>	<b>173,363 (2,064)</b>
Contract liabilities	合約負債	161	— 161
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	—	2,225 (2,225)
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>108,583</b>	<b>110,647 (2,064)</b>
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>62,716</b>	<b>62,716 —</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>125,014</b>	<b>125,014 —</b>
Reserves	儲備	121,014	121,014 —
<b>Total equity</b>	<b>權益總額</b>	<b>125,014</b>	<b>125,014 —</b>

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## 綜合財務報表附註

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (B) NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 April 2018. These new and revised HKFRSs include the following which may be relevant to the Group.

		Effective for accounting periods beginning on or after 於下列日期或之後開始的會計期間生效
HKFRS 16 Leases	香港財務報告準則第16號租賃	1 January 2019 二零一九年一月一日
HK(IFRIC)-Int 23 Uncertainty over Income Tax Treatments	香港(國際財務報告詮釋委員會)－詮釋第23號所得稅處理的不確定性	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015-2017 Cycle	香港財務報告準則二零一五年至二零一七年週期之年度改進	1 January 2019 二零一九年一月一日
Amendments to HKAS 28 Long-term Interest in Associates and Joint Ventures	香港會計準則第28號(修訂本)於聯營公司及合營企業的長期權益	1 January 2019 二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ending 30 September 2019. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that interim financial report.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早採用已頒佈但於二零一八年四月一日開始的財政年度尚未生效的新訂及經修訂的香港財務報告準則。該等新訂及經修訂的香港財務報告準則包括以下各項可能與本集團相關者。

本集團正在評估預期該等修訂及新訂準則於首次應用期間的影響。到目前為止，本集團已識別到香港財務報告準則第16號的若干方面可能會對綜合財務報表構成重大影響。有關預期影響的進一步詳情於下文論述。儘管對香港財務報告準則第16號的評估已經大致完成，由於目前已完成的評估乃以本集團當前可得的資料為基礎，首次應用該等準則的實際影響可能會有所不同，而在本集團截至二零一九年九月三十日止六個月的中期財務報告中首次應用該等準則前，可能會識別到進一步的影響。本集團亦可能更改其會計政策選擇(包括過渡方案)，直至中期財務報告首次採用該等準則為止。

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (B) NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (CONTINUED)

##### HKFRS 16 *Leases*

HKFRS 16 replaces HKAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). HKFRS 16 carries forward the accounting requirements for lessors in HKAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or finance leases.

HKFRS 16 is effective for annual periods beginning on or after 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's office property leases are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under HKFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及其相關詮釋。新準則就承租人引入單一會計模式。就承租人而言，經營及融資租賃的區分已經移除，而承租人須就所有租賃確認使用權資產及租賃負債(短期租賃及低價值資產的租賃可獲選擇性豁免)。香港財務報告準則第16號沿用香港會計準則第17號有關出租人的會計要求而並無重大更改。因此，出租人將繼續將租賃分類為經營租賃或融資租賃。

香港財務報告準則第16號於二零一九年四月一日或以後開始的年度期間生效。本集團擬採用簡化過渡方法，而將不會重列首次採用之前年度的比較金額。

根據初步評估，該準則將主要影響本集團經營租賃的會計處理。本集團的辦公室物業租賃目前分類為經營租賃，租賃付款額(扣除從出租人所獲得的任何優惠)在租賃期內按照直線法確認為開支。根據香港財務報告準則第16號，本集團可能須就該等租賃按未來最低租賃付款額的現值確認及計量負債，並確認相應的使用權資產。租賃負債的利息開支及使用權資產的折舊將會在損益內確認。本集團的資產及負債將會因而有所增加，而確認開支的時間亦將會受到影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 3. ADOPTION OF NEW AND REVISED HKFRSs (CONTINUED)

#### (B) NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (CONTINUED)

##### HKFRS 16 *Leases (continued)*

As disclosed in note 36, the Group's future minimum lease payments under non-cancellable operating leases amounted to approximately HK\$4,249,000 as at 31 March 2019. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's consolidated financial statements from 2019 onwards.

##### HK(IFRIC) – Int 23 *Uncertainty over Income Tax Treatments*

The interpretation of HKAS 12 Income Taxes sets out how to apply that standard when there is uncertainty about income tax treatments. Entities are required to determine whether uncertain tax treatments should be assessed separately or as a group depending on which approach will better predict the resolution of the uncertainties. Entities will have to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If yes, the accounting treatment will be consistent with the entity's income tax filings. If not, however, entities are required to account for the effects of the uncertainty using either the most likely outcome or expected value method depending on which method is expected to better predict its resolution.

The Group is unable to estimate the impact of the interpretation on the consolidated financial statements until a more detailed assessment has been completed.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃(續)

誠如附註36所披露，於二零一九年三月三十一日，本集團於不可撤銷經營租賃項下的未來最低租賃付款額約為4,249,000港元。一旦採用香港財務報告準則第16號，該等租賃預期將會確認為租賃負債以及相應的使用權資產。有關金額將會就折現的影響及本集團可用的過渡寬免作出調整。

除確認租賃負債及使用權資產外，本集團預期於首次採納香港財務報告準則第16號時作出的過渡調整將並不重大。然而，上述會計政策的預期變動可能對本集團自二零一九年起的綜合財務報表產生重大影響。

##### 香港(國際財務報告詮釋委員會) – 詮釋第23號所得稅處理的不確定性

香港會計準則第12號所得稅的詮釋載列當所得稅處理存在不確定性時如何應用該準則。實體需要確定是應單獨抑或作為一組評估不確定的稅收處理，此乃取決於何者能更準確預測不確定性的解決方案。實體必須評估稅務機關是否有可能接受不確定的稅務處理。倘為是，會計處理將與實體的所得稅申報一致。然而，倘為非，則實體需要使用最可能的結果或預期價值法來說明不確定性的影響，此乃取決於預期何者能更準確預測解決方案。

在完成更詳細的評估之前，本集團無法估計該詮釋對綜合財務報表的影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of the financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

#### (A) CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### 4. 重大會計政策

此等綜合財務報表乃按歷史成本法編製。

編製符合香港財務報告準則的財務報表須使用若干關鍵會計估計，亦需要管理層於應用本集團會計政策的過程中作出判斷。涉及較大程度的判斷或較高複雜性、或假設及估計對綜合財務報表屬重大的範疇披露於附註5中。

編製此等綜合財務報表時採用的重大會計政策載列如下。

#### (A) 綜合賬目

該等綜合財務報表包括本公司及其附屬公司截至三月三十一日的財務報表。附屬公司為本集團擁有控制權的實體。當本集團透過參與該實體而承擔浮動回報的風險或有權享有浮動回報及有能力透過其權力影響實體的該等回報即控制該實體。當本集團現有的權利賦予其能力指揮有關活動（即對實體回報有重大影響的活動），即表示本集團對該實體有權力。

當評估控制權時，本集團考慮其潛在投票權以及由其他各方持有的潛在投票權。潛在投票權只有在持有人有行使此權利的實際能力時方會被考慮。

附屬公司自其控制權轉移予本集團當日起綜合入賬，並於控制權終止當日不再綜合入賬。

集團內公司間的交易、結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。倘有需要，附屬公司的會計政策會作出變更，以確保符合本集團採納的政策。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (B) FOREIGN CURRENCY TRANSLATION

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and presentation currency.

#### (ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

### (C) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

## 4. 重大會計政策(續)

### (B) 外幣匯兌

#### (i) 功能及呈列貨幣

本集團各實體的財務報表內的項目均使用該實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表按本公司的功能及呈列貨幣港元(「港元」)呈列。

#### (ii) 各實體的財務報表中的交易及結餘

外幣交易於初次確認時均按交易日通行匯率換算為功能貨幣。以外幣計值的貨幣資產及負債按各報告期末的匯率換算。換算政策產生的盈虧於損益內確認。

按公平值計量及以外幣計值的非貨幣項目乃按釐定公平值當日的匯率換算。

當非貨幣項目的盈虧於其他全面收益確認時，該盈虧的任何匯兌部分於其他全面收益確認。當非貨幣項目的盈虧於損益內確認時，該盈虧的任何匯兌部分於損益內確認。

### (C) 物業、機器及設備

持作生產或供應貨品或服務或作行政用途的物業、機器及設備於綜合財務狀況表內以成本減其後累計折舊及其後累計減值虧損(如有)列賬。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (C) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their costs less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Furniture and equipment	20%
Plant and machinery	7% to 20%
Motor vehicles	30%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

#### (D) LEASES

##### The Group as lessee

##### (i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

### 4. 重大會計政策(續)

#### (C) 物業、機器及設備(續)

其後成本僅於與該項目有關的未來經濟利益可能流入本集團，而該項目的成本能可靠計量時，方會列入資產賬面值或確認為獨立資產(如適用)。所有其他維修及保養於產生期間內的損益內確認。

物業、機器及設備折舊乃於其估計可使用年期按足以撇銷其成本減剩餘價值的比率以直線法計算，其主要年率如下：

傢具及設備	20%
機器及機械	7%至20%
汽車	30%

剩餘價值、可使用年期及折舊方法於各報告期末進行檢討及作出調整(如適用)。

出售物業、機器及設備的盈虧指出售所得款項淨額與有關資產賬面值兩者間的差額，並於損益內確認。

#### (D) 租賃

##### 本集團作為承租人

##### (i) 經營租賃

資產擁有權的所有風險及回報並無大部分轉移予本集團的租賃入賬為經營租賃。租賃款項(扣除自出租人收取的任何獎勵金後)於租期內以直線法確認為一項開支。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (D) LEASES (CONTINUED)

##### The Group as lessee (continued)

##### (ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance lease charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets.

##### The Group as lessor

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (E) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 4. 重大會計政策(續)

#### (D) 租賃(續)

##### 本集團作為承租人(續)

##### (ii) 融資租賃

資產擁有權的所有風險及回報大部分轉移予本集團的租賃入賬為融資租賃。於租期開始時，融資租賃按租賃資產於租賃開始時釐定的公平值與最低租賃付款現值兩者中的較低者撥充資本。

出租人的相應負債於綜合財務狀況表列作融資租賃應付款項。租賃付款於融資費用及尚未償還負債扣減之間作出分配。融資租賃費用於租期內各期間分配，從而使負債尚未償還餘額利息的息率固定。

融資租賃資產按與自有資產相同的方式予以折舊。

##### 本集團作為出租人

資產擁有權的所有風險及回報並無大部分轉移予承租人的租賃入賬為經營租賃。經營租賃的租金收入於相關租期內以直線法予以確認。

#### (E) 存貨

存貨按成本與可變現淨值兩者中的較低者列賬。成本以先進先出法計算。可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售所需估計成本。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (F) CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract asset is recognised when the Group recognises revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 4(s) and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

#### Policy prior to 1 April 2018

In the comparative period, contract balances were recorded for construction contracts at the net amount of costs incurred plus recognised profit less recognised losses and progress billings. These net balances were presented as the “gross amount due from customers for contract work” (as an asset) or the “gross amount due to customers for contract work” (as a liability). These balances have been reclassified as on 1 April 2018 as shown in note 3(a)(ii).

### 4. 重大會計政策(續)

#### (F) 合約資產及合約負債

倘本集團於根據合約所載之付款條款無條件有權收取代價之前確認收益，則確認合約資產。合約資產根據附註4(s) 所載政策評估預期信貸虧損，並於收取代價之權利成為無條件時重新分類至應收款項。

倘客戶於本集團確認相關收益之前支付代價，則確認合約負債。倘本集團於本集團確認相關收益之前擁有無條件權利可收取代價，亦將確認合約負債。於此情況下，亦將確認相應的應收款項。

就與客戶訂立的單一合約而言，將呈列合約資產淨值或合約負債淨額。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

合約包含重大融資成分時，合約結餘計入按實際利率法累計的利息。

#### 二零一八年四月一日前的政策

於比較期間，建築合約的合約結餘按已產生成本加已確認溢利減已確認虧損及進度款項的淨額入賬。此等淨結餘呈列為「應收客戶合約工程款項總額」（作為資產）或「應付客戶合約工程款項總額」（作為負債）。此等結餘如附註3(a)(ii)所示已於二零一八年四月一日重新分類。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (G) CONSTRUCTION CONTRACTS

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on construction assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under HKFRS 15.

The Group becomes entitled to invoice customers for construction works based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third party assessor and an invoice for the related milestone payment. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the cost-to-cost method then the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue under the cost-to-cost method and the milestone payment is always less than one year.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

### 4. 重大會計政策(續)

#### (G) 建築合約

合約與受客戶管控的建築資產工程相關時，本集團把與客戶所訂的合約列作建築合約，故本集團建築活動設置或提升受客戶管控的資產。

倘建築合約的結果能合理估計，合約收益使用成本比例法隨着時間逐步確認，即以已產生的實際成本佔估計合約總成本的百分比為基礎。董事認為，此輸入法為根據香港財務報告準則第15號完全履行該等履約義務進度的適當計量。

於達成一系列與績效相關的里程碑後，本集團有權向客戶開具建築工程的發票。當達到特定里程碑時，將向客戶發送由第三方評估員簽署的工程相關聲明及相關分期付款的發票。本集團先前已就任何已履行工作確認合約資產。先前已確認為合約資產的金額於向客戶開具發票時重新分類為貿易應收款項。倘分期付款超過截至當時根據成本比例法已確認之收益，則本集團會就差額確認合約負債。與客戶之間的建築合約中並無被認為重大的融資成分，原因為根據成本比例法確認收益與分期付款的期間通常少於一年。

本集團就提早完成而賺取的合約獎勵或因延遲完工而遭受合約罰款的可能性於作出該等估計時考慮，因此，僅在已確認累計收益金額大幅撥回很可能不會發生時方會確認收益。

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## 綜合財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (G) CONSTRUCTION CONTRACTS (CONTINUED)

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised.

#### Policy prior to 1 April 2018

Revenue from contract revenue contracts was recognised on a similar basis in the comparative period under HKAS 11.

#### (H) RECOGNITION AND DERECOGNITION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) 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 FVTPL are recognised immediately in profit or loss.

### 4. 重大會計政策(續)

#### (G) 建築合約(續)

合約結果不可合理計量時，收益僅在所產生的合約成本將予收回的情況下確認。

倘於任何時間完成合約成本預計超出合約代價餘額，則確認撥備。

#### 二零一八年四月一日前的政策

建築合約收益乃根據香港會計準則第11號在可對比期間以相同基準確認。

#### (H) 確認及終止確認金融工具

當本集團實體成為工具合約條文訂約方時，將於綜合財務狀況表確認金融資產及金融負債。

金融資產及金融負債初始按公平值計量。收購或發行金融資產及金融負債(不包括以公平值透過損益之金融資產及金融負債)的直接相關交易成本於首次確認時計入或扣除自金融資產或金融負債的公平值(視適用情況而定)。收購以公平值透過損益之金融資產及金融負債直接應佔的交易成本即時於損益確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (H) RECOGNITION AND DERECOGNITION OF FINANCIAL INSTRUMENTS (CONTINUED)

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.

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, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### 4. 重大會計政策(續)

#### (H) 確認及終止確認金融工具(續)

本集團僅於自資產獲得現金流之合約權利屆滿，或當其將金融資產及該資產所有權之絕大部分風險及回報轉讓至另一實體時，方會終止確認該項金融資產。倘本集團既無轉讓亦無保留已轉讓資產所有權之絕大部分風險及回報並繼續控制該資產，則本集團確認其於該資產中的保留權益及就其可能須支付的金額確認相關負債。倘本集團保留所轉讓金融資產所有權之絕大部分風險及回報，則本集團繼續確認該金融資產，並就已收所得款項確認有抵押借貸。

在且僅在本集團的責任獲解除、註銷或屆滿時，本集團方取消確認金融負債。獲取消確認的金融負債的賬面值與已付及應付代價間的差額(包括任何已轉讓非現金資產或已承擔負債)於損益確認。

當本集團目前有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產及結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表呈報其淨額。法定可執行權力不得為視乎未來事件之或然性質，須於正常業務過程中及於公司或對手方違約、清算或破產情況下可行使。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (I) FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

#### (J) TRADE AND OTHER RECEIVABLES

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

### 4. 重大會計政策(續)

#### (I) 金融資產

所有以常規途徑購入或銷售之金融資產乃按交易日期基準確認及取消確認。常規途徑買賣或銷售乃按市場法規或慣例所確定之時間框架內交付資產之金融資產購入或銷售。所有已確認金融資產其後全部按攤銷成本或公平值(視乎金融資產分類)確認。

#### 債務投資

本集團持有的債務投資分類為以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為支付本金及利息。投資所得利息收入乃使用實際利率法計算。

#### (J) 貿易及其他應收款項

應收款項於本集團擁有無條件權利可收取代價時確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。倘在本集團擁有無條件權利可收取代價之前確認收益，則有關金額呈列為合約資產。

應收款項以採用實際利率法計算的攤銷成本減信貸虧損撥備列賬。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (K) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL.

#### (L) FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

##### (i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

##### (ii) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

### 4. 重大會計政策(續)

#### (K) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他金融機構活期存款及可隨時兌換為確定數額的現金且價值變動風險不大、於收購日期起三個月內到期的短期高流通性投資。須於要求時償還且構成本集團現金管理一部分的銀行透支，亦於綜合現金流量表內入賬列作現金及現金等價物的一部分。現金及現金等價物會評估預期信貸虧損。

#### (L) 金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及香港財務報告準則項下金融負債及股本工具的定義分類。股本工具乃證明於本集團經扣除所有負債後的資產中擁有剩餘權益的任何合約。下文載列就特定金融負債及股本工具採納的會計政策。

##### (i) 借款

借款初步按公平值(扣除已產生交易成本)確認，其後以實際利率法按攤銷成本計量。

除非本集團具無條件權利將負債還款期遞延至報告期末後至少十二個月，否則借款將被分類為流動負債。

##### (ii) 貿易及其他應付款項

貿易及其他應付款項初步按其公平值確認，其後採用實際利率法按攤銷成本計量，除非貼現影響甚微，於此情況下，則以成本列賬。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (L) FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS (CONTINUED)

##### (iii) Equity instruments

An equity instruments in any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### (M) REVENUE RECOGNITION

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from construction contracts is recognised in accordance with the policy set out in note 4(g) above.

Interest income is recognised as it accrues using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

##### Policy prior to 1 April 2018

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group when specific criteria have been met for each of the Group's activities.

Interest income is recognised on a time-proportion basis using the effective interest method.

Revenue from construction contracts is recognised based on the stage of completion of the contract activity as detailed in note 4(g) above.

Rental income is recognised on a straight-line basis over the lease term.

### 4. 重大會計政策(續)

#### (L) 金融負債及股本工具(續)

##### (iii) 股本工具

股本工具為可證明於實體資產經扣除其所有負債後的剩餘權益的任何合約。本公司所發行的股本工具按已收所得款項(已扣除直接發行成本)入賬。

#### (M) 收益確認

收益在產品或服務的控制權按本集團預期有權獲取的約定代價(不包括代表第三方收取的該等金額)金額轉讓予客戶時確認。收益不包括增值稅或其他銷售稅，並經扣減任何貿易折讓。

來自建築合約收益乃根據上文附註4(g)所載政策予以確認。

利息收入於產生時按實際利率法確認。

租金收入乃於租賃年期內使用直線法確認。

##### 二零一八年四月一日前的政策

當收益金額能可靠計量，未來經濟利益很有可能流入本集團且本集團每項活動均符合具體準則時，即確認收益。

利息收入乃根據實際利率法按時間比例確認。

來自建築合約的收益乃根據上文附註4(g)所詳述的合約活動完成階段確認。

租金收入乃於租賃年期內使用直線法確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (N) EMPLOYEE BENEFITS

##### (i) Employee leave entitlements

Employee entitlements to annual leave is 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 end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

##### (iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

#### (O) SHARE-BASED PAYMENTS

The Company operates a share option scheme and issues equity-settled share-based payments to eligible employees (including directors). Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

### 4. 重大會計政策(續)

#### (N) 僱員福利

##### (i) 僱員應享假期

僱員的年假於僱員應享有時予以確認。截至報告期末，因僱員所提供的服務而產生的年假的估計負債已計提撥備。

僱員的病假及產假於僱員休假時方會確認。

##### (ii) 退休金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員對計劃的供款乃按僱員的基本薪金的百分比計算。在損益內扣除的退休福利計劃成本乃指本集團應付該等基金的供款。

##### (iii) 離職福利

離職福利於本集團不能撤回提供該等福利時及本集團確認重組成本並涉及支付離職福利時(以較早者為準)確認。

#### (O) 股份付款

本公司設立一項購股權計劃，並向合資格僱員(包括董事)作出以權益結算的股份付款。以權益結算的股份付款乃以股本工具於授出日期的公平值(不包括非市場為本的歸屬條件的影響)計量。以權益結算的股份付款於授出日期所釐定的公平值，根據本集團有關最終歸屬的股份估計於歸屬期內以直線法支銷，並就非市場為本之歸屬條件之影響作出調整。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (P) BORROWING COSTS

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 capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (Q) TAXATION

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profits for the year. Taxable profits differ from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 4. 重大會計政策(續)

#### (P) 借貸成本

直接用作購入、建造或生產合資格資產(即需要相當長期間以達致其擬定用途或銷售的資產)的借貸成本資本化作為該等資產的部分成本,直至資產大致用作其擬定用途或銷售。特定用於合資格資產的借貸在其尚未支銷時用作短暫投資所賺取的投資收入,乃於合資格資本化的借貸成本內扣除。

倘一般性借入資金用於獲取一項合資格資產,合資格資本化的借貸成本金額乃按該資產支銷的資本化率釐定。資本化率為適用於本集團期內未償還借款的加權平均借貸成本,不包括為取得一項合資格資產而專門借入的借款。

所有其他借貸成本均於產生期間於損益內確認。

#### (Q) 稅項

所得稅指即期稅項及遞延稅項的總額。

即期應付稅項乃根據年內應課稅溢利計算。應課稅溢利與於損益內確認的溢利有所不同,乃由於其他年度的應課稅或可予扣稅收入或開支項目及免稅或不可扣稅項目所致。本集團有關即期稅項的負債乃採用於報告期末已實行或實質已實行的稅率計算。

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## 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (Q) TAXATION (CONTINUED)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profits.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

## 4. 重大會計政策(續)

### (Q) 稅項(續)

遞延稅項乃指在綜合財務報表內資產及負債的賬面值與計算應課稅溢利採用的相應稅基的差額。遞延稅項負債一般按所有應課稅暫時差額確認，而遞延稅項資產則會在可能有應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認。倘暫時差額乃因商譽或首次確認一項既不影響應課稅溢利亦不影響會計溢利的交易(業務合併除外)中的其他資產及負債而產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司的投資而產生的應課稅暫時差額確認，惟倘本集團可控制暫時差額的撥回，且該暫時差額可能不會在可見將來撥回者除外。

遞延稅項資產的賬面值乃於各報告期末進行檢討，並調低至將不再可能有充裕的應課稅溢利以收回所有或部分資產。

遞延稅項乃根據於報告期末已實行或實質實行的稅率，按預期在負債償還或資產變現期間適用的稅率計算。遞延稅項乃於損益中確認，惟倘遞延稅項與在其他全面收益確認或直接於權益確認的項目有關則除外，則在此情況下亦會於其他全面收益或直接於權益確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (Q) TAXATION (CONTINUED)

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### (R) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount 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. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 4. 重大會計政策(續)

#### (Q) 稅項(續)

遞延稅項資產及負債的計量反映按照本集團預期於報告期末可收回或結算其資產及負債的賬面值方式計算而得出的稅務結果。

當可合法執行權利許可將即期稅項資產與即期稅項負債抵銷，並且當涉及同一稅務機關所徵收的所得稅且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

#### (R) 非金融資產減值

非金融資產的賬面值於各報告日期檢討是否有減值跡象，如資產已減值，則通過綜合損益表作為支出撇減至其估計可收回金額，惟倘有關資產按重估金額列賬，則減值虧損會視作重估減少處理。可收回金額就個別資產釐定，除非資產並無產生大部分獨立於其他資產或資產組合的現金流入，在此情況下，可收回金額就資產所屬的現金產生單位釐定。可收回金額為個別資產或現金產生單位的使用價值與公平值減出售成本兩者中較高者。

使用價值指資產／現金產生單位的估計未來現金流量的現值。現值按反映貨幣時間價值及進行減值計量的資產／現金產生單位的特定風險的稅前貼現率計算。

現金產生單位減值虧損首先分配到其商譽，其後按比例分配至現金產生單位的其他資產。因估計改變而導致其後可收回金額增加會計入損益，惟金額只限於撥回減值金額，惟倘有關資產按重估金額列賬，則減值虧損撥回會視作重估增加處理。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS

The Group recognises a loss allowance for ECLs on investments in debt instruments that are measured at amortised cost, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of ECLs is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The ECLs on these financial assets are estimated using a provision matrix 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECLs that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值

本集團就按攤銷成本計量之債務工具投資、租賃應收款項、貿易應收款項及合約資產以及財務擔保合約確認預期信貸虧損之虧損撥備。預期信貸虧損金額於各報告日期更新，以反映信貸風險自首次確認有關金融工具以來之變動。

本集團一直確認貿易應收款項、合約資產及租賃應收款項之全期預期信貸虧損。該等金融資產之預期信貸虧損乃根據本集團之過往信貸虧損經驗使用撥備矩陣估計，並就債務人特定因素、整體經濟狀況以及對於報告日期狀況的當前及未來預測的評估(包括貨幣時間價值(如適用))作出調整。

就所有其他金融工具，本集團於自首次確認起信貸風險顯著上升時確認全期預期信貸虧損。然而，倘金融工具之信貸風險自首次確認以來並無顯著上升，則本集團按相等於12個月預期信貸虧損的金額計量金融工具之虧損撥備。

全期預期信貸虧損指於金融工具預計存續期內所有可能違約事件導致之預期信貸虧損。相對而言，12個月預期信貸虧損指報告日期後12個月內金融工具可能發生之違約事件導致之部分全期預期信貸虧損。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- 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 for a particular financial instrument;
- 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;
- an actual or expected significant deterioration in the operating results of the debtor;

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續)

##### 信貸風險顯著上升

評估金融工具之信貸風險是否自首次確認顯著上升時，本集團比較金融工具於報告日期發生違約的風險與金融工具於首次確認日期發生違約的風險。作出評估時，本集團會考慮合理及可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力即可得的前瞻性資料。所考慮的前瞻性資料包括獲取自經濟專家報告、金融分析師、政府機構、相關智庫及其他類似組織的本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源。

具體而言，評估信貸風險是否自首次確認起顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 特定金融工具的信貸風險的外部市場指標顯著惡化；
- 商業、金融或經濟情況現有或預期不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Significant increase in credit risks (continued)

- significant increases in credit risk on other financial instruments of the same debtor; and
- 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 on a financial asset 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.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續)

##### 信貸風險顯著上升(續)

- 同一債務人的其他金融工具的信貸風險顯著增加；及
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，本集團假設當合約付款逾期超過30天，則金融資產之信貸風險首次確認以來顯著增加，除非本集團具有說明信貸風險並無顯著增加的合理可靠資料，則作別論。

儘管如上所述，但本集團認為倘金融工具於報告日期釐定為信貸風險低，均假設該金融工具的信貸風險自首次確認以來並無顯著增加。倘出現下列情形，金融工具釐定為信貸風險低：

- 金融工具具有低違約風險；
- 債務人於短期內具備雄厚實力履行其合約現金流量責任；及
- 長期經濟及業務狀況的不利變動可能但不一定削減借款人履行其合約現金流量責任的能力。

當金融資產的外部信貸評級為「投資級別」(按照全球理解的釋義)，則本集團會視該金融資產的信貸風險偏低，或倘外部評級不可用時，則該資產的內部評級為「正常」。正常指交易對手具備雄厚財務狀況且並無逾期金額。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Significant increase in credit risks (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

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.

##### Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, 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.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續) 信貸風險顯著上升(續)

就財務擔保合約而言，本集團成為不可撤銷承擔一方的日期被視為就金融工具減值評估進行首次確認之日期，故於估計信貸風險自財務擔保首次確認起是否有顯著上升時，本集團考慮指定債務人違約風險的變動。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

##### 違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗表明符合以下任何一項條件的應收款項一般無法收回：

- 交易對手違反財務契諾；或
- 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額退款(不考慮本集團持有的任何抵押品)。

不論上文分析，本集團認為當金融資產逾期超過90日時，即屬發生違約，除非本集團有合理及有理據的資料證明較寬鬆的違約標準更為適用，則當別論。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Credit-impaired financial assets

A financial asset is credit-impaired when one or more events 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:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

##### Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續)

##### 信貸減值金融資產

倘發生一項或多項對金融資產之估計未來現金流量產生不利影響之事件時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- 發行人或交易對手出現重大財務困難；
- 違反合約，如違約或逾期事件；
- 交易對手的貸款人出於與交易對手財務困難有關的經濟或合約原因，而向交易對手授予貸款人原本不會考慮的優惠；
- 交易對手可能破產或進行其他財務重組；或
- 該金融資產的活躍市場由於財務困難而消失。

##### 撇銷政策

倘有資料顯示債務人出現重大財務困難，且並無實際收回的可能之時(包括交易對手已清算、進入破產程序)，本集團會撇銷金融資產。在考慮法律意見(如適用)後，已撇銷金融資產仍可根據本集團之收回程序實施強制執行。任何收回款項會於損益中確認。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED) Measurement and recognition of ECL

The measurement of ECLs 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 as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the ECLs is consistent with the cash flows used in measuring the lease receivable in accordance with HKAS 17 Leases.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續) 預期信貸虧損的計量及確認

預期信貸虧損之計量可計算出違約概率、違約損失率(即倘有違約時之虧損大小)及違約風險敞口。違約概率及違約損失率之評估乃基於上述經前瞻性資料調整之過往數據。至於違約風險，就金融資產而言，其於資產於報告日期之賬面總值中反映；就財務擔保合約而言，風險敞口包括於報告日期已提取之金額，連同任何預計將於未來違約日期(根據歷史趨勢、本集團對債務人之個別未來融資需求的理解，以及其他相關前瞻性資料釐定)前提取之額外金額。

金融資產之預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團預期可收取之所有現金流量(按原定實際利率貼現)之間的差額估算。就租賃應收款項而言，用作釐定預期信貸虧損的現金流量與根據香港會計準則第17號租賃計量租賃應收款項時使用的現金流量一致。

就財務擔保合約而言，由於根據擔保工具條款，本集團僅須於債務人違約時作出付款，預計虧損撥備為償還持有人所產生信貸損失的預計款項減本集團預計自持有人、債務人或任何其他方收取的任何金額。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Measurement and recognition of ECL (continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, and does not reduce the carrying amount of the financial assets in the consolidated statement of financial position.

##### Policy prior to 1 April 2018

At the end of each reporting period, the Group assesses whether its financial assets (other than those at FVTPL) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For trade and retention receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續)

##### 預期信貸虧損的計量及確認(續)

倘本集團已於前一個報告期間計量一項金融工具之虧損撥備為相等於全期預期信貸虧損金額，但於當前報告日期確定其不再符合全期預期信貸虧損之條件，則本集團於當前報告日期將計量虧損撥備為相等於12個月預期信貸虧損金額，採用簡化方法的資產除外。

本集團於損益中確認所有金融工具之減值收益或虧損，並透過損失撥備賬相應調整其賬面值，而不會減少綜合財務狀況表中金融資產之賬面值。

##### 二零一八年四月一日前的政策

於各報告期末，本集團會根據客觀證據(即金融資產(組別)的估計未來現金流量由於初步確認後發生的一項或多項事件而受到影響)評估其金融資產(以公平值透過損益計量之金融資產除外)有否減值。

就單獨評估並無減值之貿易應收款項及應收保固金而言，本集團根據本集團之過往收款經驗、投資組合內延遲還款之增加、與應收賬款違約情況有連帶關係之經濟狀況出現明顯改變等整體評估其是否減值。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (S) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS (CONTINUED)

##### Policy prior to 1 April 2018 (continued)

Only for trade and retention receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade and retention receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

#### (T) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

### 4. 重大會計政策(續)

#### (S) 金融資產及合約資產減值(續)

##### 二零一八年四月一日前的政策(續)

僅貿易應收款項及應收保固金的賬面值會使用撥備賬扣減，而其後收回之前已撤銷的數額乃計入撥備賬。撥備賬的賬面值變動於損益中確認。

就所有其他金融資產而言，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產而言，倘減值虧損金額於其後期間減少，而該減少可以客觀地與確認減值後發生的一項事件有關，則先前已確認的減值虧損透過損益撥回(直接或藉著調整貿易應收款項及應收保固金的撥備賬)。然而，撥回不得導致賬面值高於假使於撥回減值當日並無確認減值該項金融資產的攤銷成本。

#### (T) 撥備及或然負債

當本集團因過往事件須承擔現有法律或推定責任，而履行責任有可能導致經濟利益流出，並能夠作出可靠估計時，須對時間或金額不確定的負債確認撥備。倘金額的時間價值重大，則撥備乃按預期用於履行該責任的支出現值列賬。

倘使經濟利益流出的機會不大，或金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出的可能性極低則另作別論。除非經濟利益流出的可能性極低，否則視乎某宗或多宗未來事件是否發生方可確定是否存在的潛在責任，亦會披露為或然負債。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (U) EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

#### CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations which are dealt with below).

#### (a) Revenue recognition of construction contracts relating to accounting for variation orders

The Group makes claims for additional work performed, which may arise either under specific circumstances provided for under the contracts, or due to variations made to the contract specifications by customers. Where the amounts of such claims have not been formally agreed at the end of the reporting period, the amount recoverable as estimated by management is included in the contract value in determining the estimated recoverable amount.

#### (b) Significant increase in credit risk

As explained in note 4(s), ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

### 4. 重大會計政策(續)

#### (U) 報告期後事項

為本集團於報告期末的狀況提供額外資料或顯示持續經營假設並不適合的報告期後事項均屬於調整事項，並於綜合財務報表內反映。並非調整事項的重大報告期後事項則於綜合財務報表附註中披露。

### 5. 重要判斷及主要估計

#### 應用會計政策時的重要判斷

於應用會計政策時，董事已作出對綜合財務報表內所確認的金額具最重大影響的以下判斷(惟於下文處理涉及估計的判斷除外)。

#### (a) 確認有關工程變更的會計處理之建築合約收益

由於合約規定下的個別情況或客戶對合約指定內容作出更改而可能產生的額外進行的工程，本集團會提出索償。倘有關索償金額尚未於報告期末正式協定，於釐定估計可收回金額時，管理層估計的可收回金額將計入合約價值內。

#### (b) 信貸風險顯著增加

誠如附註4(s)所述，第一階段資產的預期信貸虧損按12個月預期信貸虧損撥備計量，或第二、三階段的資產按全期預期信貸虧損撥備計量。如一項資產自首次確認後其信貸風險顯著增加，則其轉移至第二階段。香港財務報告準則第9號並沒有對信貸風險顯著增加的構成要素進行定義。評估一項資產的信貸風險是否顯著增加時，本集團會考慮合理可用的定量前瞻性信息和定性前瞻性信息。

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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

#### KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### (c) Revenue and profit recognition of construction contracts

As disclosed in note 4(g) to the consolidated financial statements, revenue recognition on a construction contract is dependent on management's estimation of the total outcome of the construction contracts, as well as the work done to date. The management reviews and revises the estimates of contract revenue, contract costs, variation orders and provision for claims, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by the management on the basis of quotations provided by contractors, suppliers or vendors involved and the experience of the management. In order to keep the budgets accurate and up-to-date, the management conducts periodic reviews on the budgets by comparing the budgeted amounts to the actual amounts incurred. When the final cost incurred by the Group is different from the amounts initially budgeted, such differences will impact revenue and the profit or loss recognised on the contracts. The provision for claims is determined on the basis of the delay in the number of workdays of the completion of the construction works which is highly subjective and is subject to negotiation with the customers. Management conducts periodic review of the provision amount.

Significant judgment is required in estimating the contract revenue, contract costs, variation works and provision for claims which have an impact on the percentage of completion of contracts and profit or loss recognised.

### 5. 重要判斷及主要估計 (續)

#### 估計不明朗因素的主要來源

下文討論有關未來的主要假設及於報告期末的估計不明朗因素的其他主要來源，而該等假設及估計不明朗因素存在導致下一財政年度的資產及負債賬面值須作出重大調整的重大風險。

#### (c) 建築合約收益及溢利確認

如綜合財務報表附註4(g)所披露，建築合約收益確認取決於管理層的建築合約總結果估計以及迄今已完成工程。隨著合約進展，管理層審查及修訂每一份建築合約的合約收益、合約成本、工程變更及索償撥備的估計。預算建築成本由管理層參考承建商、供應商或賣方提供的報價加上管理層的經驗為基礎而釐定。為確保預算準確及更新，管理層對預算進行定期審查，將預算金額與已產生的實際金額進行比較。倘本集團最終已產生成本有別於最初預算，有關差額將影響就合約確認的收益及損益。索償撥備於釐定時乃基於建築工程竣工遞延的工程天數(高度主觀)且視乎與客戶的磋商。管理層對撥備金額定期作出檢討。

由於估計合約收益、合約成本、工程變更及索償撥備須運用重大判斷，因而會影響合約完工百分比及已確認損益。

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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

#### KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### (d) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charges where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned.

The carrying amount of property, plant and equipment as at 31 March 2019 was approximately HK\$63,394,000 (2018: approximately HK\$64,166,000).

##### (e) Impairment of trade and retention receivables and contract assets (2018: gross amounts due from customers for contract work)

Prior to the adoption of HKFRS 9 on 1 April 2018, the management of the Group assesses at the end of each reporting period whether there is any objective evidence that trade and retention receivables and gross amounts due from customers for contract work are impaired. The provision policy for bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of trade and retention receivables and gross amounts due from customers for contract work, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

As at 31 March 2018, the carrying amount of trade and retention receivables and gross amounts due from customers for contract work was approximately HK\$136,103,000 (net of allowance for doubtful debts of approximately HK\$6,053,000).

### 5. 重要判斷及主要估計 (續)

#### 估計不明朗因素的主要來源 (續)

##### (d) 物業、機器及設備及折舊

本集團自行釐定其物業、機器及設備的估計可使用年期、剩餘價值及相關折舊開支。該估計乃根據類似性質及功能的物業、機器及設備的實際可使用年期及剩餘價值的過往經驗作出。當可使用年期及剩餘價值與先前估計不同時，本集團將修訂折舊開支，或將已棄用的技術過時或非策略資產作出撇銷或撇減。

於二零一九年三月三十一日，物業、機器及設備的賬面值約63,394,000港元（二零一八年：約64,166,000港元）。

##### (e) 貿易應收款項及應收保固金以及合約資產減值(二零一八年：應收客戶合約工程款項總額)

於二零一八年四月一日採納香港財務報告準則第9號之前，本集團管理層於各報告期末評估是否有貿易應收款項及應收保固金以及應收客戶合約工程款項總額減值的任何客觀憑證。本集團的呆壞賬基於對可收回性的評估，賬面的賬齡分析及管理層的判斷進行撥備。於評估貿易應收款項及應收保固金以及應收客戶合約工程款項總額最終變現時需要進行大量判斷，包括各客戶的當前信譽及過往收回款項記錄。倘若本集團的客戶財務狀況惡化，導致其作出付款的能力減弱，則需要作出額外撥備。

於二零一八年三月三十一日，貿易應收款項及應收保固金以及應收客戶合約工程款項總額的賬面值約為136,103,000港元（經扣除呆賬撥備約6,053,000港元）。

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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

#### KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### (e) Impairment of trade and retention receivables and contract assets (2018: gross amounts due from customers for contract work) (continued)

Since the adoption of HKFRS 9 on 1 April 2018, the management of the Group estimates the amount of impairment loss for ECL on trade and retention receivables and contract assets based on the credit risk of trade and retention receivables and contract assets. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 March 2019, the carrying amount of trade receivables and contract assets is approximately HK\$165,754,000 (net of loss allowance of approximately HK\$4,500,000).

##### (f) Provision for claims on construction works

When accounting for provision for claims on construction works and other items, the Group has taken internal and external advice in considering known claims and actions made by or against the Group. It carefully assesses the likelihood of success of a claim or action. Appropriate provisions are made for claims or actions against the Group on the basis of likely outcome, but no provisions are made for those which in the view of management are unlikely to succeed.

### 5. 重要判斷及主要估計 (續)

#### 估計不明朗因素的主要來源 (續)

##### (e) 貿易應收款項及應收保固金以及合約資產減值(二零一八年：應收客戶合約工程款項總額)(續)

自於二零一八年四月一日採納香港財務報告準則第9號起，本集團管理層根據貿易應收款項及應收保固金以及合約資產之信貸風險評估貿易應收款項及應收保固金以及合約資產的預期信貸虧損之減值虧損金額。基於預期信貸虧損模式之減值虧損金額乃根據合約應付本集團之所有合約現金流量與本集團預期將收取之所有現金流量之差額計量，並按初步確認時釐定之實際利率貼現。倘未來現金流量少於預期，或因事實及情況變動而需下調，則可能產生重大減值虧損。

於二零一九年三月三十一日，貿易應收款項及合約資產的賬面值約為165,754,000港元(經扣除虧損撥備約4,500,000港元)。

##### (f) 建築工程索償撥備

在對建築工程索償及其他項目撥備作出會計處理時，本集團於考慮其所作出或面對的已知索償及訴訟時已聽取內外部建議，謹慎評估一項索償或訴訟成功的可能性。本集團根據很可能產生的結果，對所面對的索償或訴訟作出適當撥備，但並無對管理層認為不大可能發生者作出撥備。

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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

#### KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### (f) Provision for claims on construction works (continued)

As disclosed in note 20 to the consolidated financial statements, during the year ended 31 March 2019, the Group has been negotiating the final settlement amount of a completed contract with a customer. The customer indicated that it is seeking to deduct from the final settlement amount the sum of approximately HK\$23,450,000 for liquidated damages arising from delays in completion of the contract (the "LD"). Up to the date of these consolidated financial statements, the negotiation with the customer is still in progress. Significant judgement was required in determining the possible outcomes of the negotiation with the customer and whether it is necessary to recognise any amount in respect of the LD. The directors are of the opinion that the negotiation with the customer is still in progress and based on the opinion of an independent professional consultant, believe that such LD is unlikely to succeed and accordingly, the Group has not recognised any amounts in respect of the LD in the consolidated financial statements.

In making management's judgment, the Group assessed the Group's liability and obligations under the terms of subcontracting agreement, supporting evidence of work done and the basis of charge of related works. Provision on possible obligations, if appropriate, are made based on management's best estimates and judgements. As at 31 March 2019 and 2018, no provision for claims was made.

### 6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

### 5. 重要判斷及主要估計 (續)

#### 估計不明朗因素的主要來源 (續)

##### (f) 建築工程索償撥備(續)

誠如綜合財務報表附註20所披露，截至二零一九年三月三十一日止年度，本集團一直與一名客戶磋商一項已完成合約的最終結算款項。客戶表示其欲就合約完成延誤產生的違約金(「違約金」)減少支付最終結算款項約23,450,000港元。截至本綜合財務報表日期，與客戶的磋商仍在進行中。於釐定與客戶磋商的可能結果及是否需就違約金確認任何金額時需作出重大判斷。董事認為，與客戶的磋商仍在進行當中，且根據獨立專業顧問的意見，董事認為有關違約金不太可能申索成功，因此，本集團並無於綜合財務報表中就違約金確認任何金額。

在作出管理層判斷時，本集團評估其於分包協議條款下的責任與義務、完工證據及有關工程的收費基準。有關可能發生責任的撥備在適當情況下乃根據管理層的最佳估計及判斷作出。於二零一九年及二零一八年三月三十一日，概無作出索償撥備。

### 6. 財務風險管理

本集團的業務須承受多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，旨在盡可能減低對本集團財務表現構成的潛在不利影響。

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### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (A) FOREIGN CURRENCY RISK

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

#### (B) CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

The Group does not provide any financial guarantees which would expose the Group to credit risk.

The carrying amount of trade receivables, contract assets, deposits and other receivables and bank balances included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

### 6. 財務風險管理(續)

#### (A) 外匯風險

由於本集團的大部分業務交易、資產及負債主要以本集團實體的功能貨幣計值，故本集團面對的外幣風險極低。本集團目前並無就外幣交易、資產及負債制訂任何外幣對沖政策。本集團密切監察其外幣風險，並於有需要時考慮對沖重大外匯風險。

#### (B) 信貸風險

信貸風險乃因對手方無法履行金融工具或客戶合約項下責任而引致財務損失的風險。本集團因其經營活動(主要是貿易應收款項及合約資產)及因其融資活動(包括銀行及金融機構之存款、外匯交易及其他金融工具)而承受信貸風險。由於交易對手為國際信貸評級機構給予高評級且本集團因而認為信貸風險較低之銀行及金融機構，故本集團所承受由現金及現金等價物引致之信貸風險屬有限。

本集團並無提供任何可能導致本集團面對信貸風險的財務擔保。

計入綜合財務狀況表的貿易應收款項、合約資產、按金及其他應收款項以及銀行結餘之賬面值代表本集團就本集團的金融資產所承擔的最高信貸風險。

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## 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (B) CREDIT RISK (CONTINUED)

In order to minimise credit risk, the Group has delegated its finance team to develop and maintain the Group's credit risk grading to categories exposures according to their degree of risk of default. The finance team uses publicly available financial information and the Group's own historical repayment records to rate its major debtors. The Group's exposure and the credit rating of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties

The Group's current credit risk grading framework comprises the following categories:

Category 類別	Description 說明	Basis of recognising ECL 確認預期信貸虧損之基準
Performing 良好	The counterparty has a low risk of default and does not have any past due amounts 對手方違約風險低，且無任何逾期款項	12m ECL 12個月預期信貸虧損
Doubtful 呆賬	There has been a significant increase in credit risk since initial recognition 自首次確認後信貸風險大幅增加	Lifetime ECL not credit impaired 全期預期信貸虧損—未出現信貸減值
In default 違約	There is evidence indicating the asset is credit impaired 有證據表明資產已出現信貸減值	Lifetime ECL credit impaired 全期預期信貸虧損—已出現信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據表明債務人處於嚴重財務困難及本集團並無實際收回款項的可能	Amount is written off 款項被撇銷

For deposits and other receivables, the directors make periodic collectively assessments as well as individual assessment on the recoverability of other receivables and deposits. No ECL of deposits and other receivables was recognised under 12m ECL model during the years ended 31 March 2019 and 2018.

就按金及其他應收款項而言，董事定期對其他應收款項及按金的可收回性進行集體評估及個別評估。於截至二零一九年及二零一八年三月三十一日止年度，概無根據12個月預期信貸虧損模式確認按金及其他應收款項之預期信貸虧損。

## 6. 財務風險管理(續)

### (B) 信貸風險(續)

為盡量減低信貸風險，本集團已委派其財務團隊制定及維持本集團的信貸風險評級，以根據違約風險程度將風險進行分類。財務團隊使用公開可用的財務資料及本集團自身的過往還款記錄以評估其主要債務人。本集團之風險及其對手方之信貸評級受持續監控，而所達成交易的總價值分佈於多名核准對手方中。

本集團現時的信貸風險評級框架包括下列類別：

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### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (B) CREDIT RISK (CONTINUED)

The Group measures loss allowances for trade and retention receivables and contract assets at an amount equal to lifetime ECLs. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different debtors, the loss allowance based on past due status is not further distinguished between the Group's different debtors.

The following table provides information about the Group's exposure to credit risk and ECLs for trade and retention receivables and contract assets as at 31 March 2019:

		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK\$ 港元	Loss allowance 虧損撥備 HK\$ 港元
<b>Trade receivables</b>	<b>貿易應收款項</b>			
0-30 days	0至30日	—	10,747	—
31-60 days	31至60日	—	4,998	—
			15,745	—
<b>Contract assets</b>	<b>合約資產</b>			
Current (not past due)	即期(未逾期)	3.00	150,009	4,500

### 6. 財務風險管理(續)

#### (B) 信貸風險(續)

本集團按相等於全期預期信貸虧損的金額計量貿易應收款項及應收保固金以及合約資產之虧損撥備。由於本集團之過往信貸虧損經驗並無顯示不同債務人之虧損模式有重大差異，因此並無進一步區分本集團不同債務人基於逾期狀況之虧損撥備。

下表提供有關本集團於二零一九年三月三十一日就貿易應收款項及應收保固金以及合約資產所面臨信貸風險及預期信貸虧損之資料：

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## 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (B) CREDIT RISK (CONTINUED)

Movements in the loss allowance account in respect of trade receivables and contract assets during the year are as follows:

		HK\$'000 千港元
At 31 March 2018 under HKAS 39	根據香港會計準則第39號 於二零一八年三月三十一日	—
Impact on initial application of HKFRS 9 (note 3(a)(i)(b)) and at 31 March 2019	首次應用香港財務報告準則 第9號的影響(附註3(a)(i)(b))及 於二零一九年三月三十一日	4,500

Expected loss rates are based on actual loss experience over the past nine years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

### (C) LIQUIDITY RISK

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

## 6. 財務風險管理(續)

### (B) 信貸風險(續)

年內，有關貿易應收款項及合約資產之虧損撥備賬之變動如下：

預期虧損率乃按過往九年之實際虧損經驗計算。該等比率已作調整，以反映收集過往數據期間的經濟狀況、現時狀況及本集團對應收款項預計年期期間經濟狀況之看法的差異。

### (C) 流動資金風險

本集團的政策為定期監察現時及預期的流動資金需要，以確保其維持足以應付短期及較長遠流動資金需要的現金儲備。

下表列示本集團負債於各報告期末按未貼現現金流量(包括按合約利率計算或(如為浮動利率)按報告期末的現行利率計算的利息付款)及本集團可能被要求付款的最早日期計算的剩餘合約年期。

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### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (C) LIQUIDITY RISK (CONTINUED)

Specifically, for bank and other borrowings and finance lease payables which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other finance lease payables is prepared based on the scheduled repayment dates.

The maturity analysis of the Group's financial liabilities based on contractual undiscounted cash flows is as follows:

### 6. 財務風險管理(續)

#### (C) 流動資金風險(續)

具體而言，對於包含按要求償還條款而有關條款可由銀行全權酌情行使的銀行及其他借款及融資租賃應付款項，該分析按實體可能須付款的最早期間列示現金流出，即猶如放款人會行使其要求即時還款的無條件權利。其他融資租賃應付款項的到期情況分析乃按預定還款日期編製。

本集團金融負債按合約未貼現現金流量的到期情況分析如下：

		On demand 按要求 HK\$'000 千港元	Within 1 year 1年內 HK\$'000 千港元	Between 1 to 2 years 1至2年 HK\$'000 千港元	Between 2 to 5 years 2至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>					
<b>Financial liabilities subject to a repayment on demand clause</b>	<b>受限於按要求償還條款的金融負債</b>					
Bank borrowings	銀行借款	27,398	—	—	—	27,398
Finance lease payables	融資租賃應付款項	14,312	—	—	—	14,312
<b>Financial liabilities not subject to a repayment on demand clause</b>	<b>毋須受限於按要求償還條款的金融負債</b>					
Trade and retention payables	貿易應付款項及應付保固金	—	87,895	1,852	—	89,747
Accruals and other payables	應計費用及其他應付款項	5,033	6,412	—	—	11,445
Finance lease payables	融資租賃應付款項	—	1,656	821	—	2,477
Other borrowing, unsecured	其他借款，無抵押	—	—	100,000	—	100,000

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## 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (C) LIQUIDITY RISK (CONTINUED)

		On demand 按要求 HK\$'000 千港元	Within 1 year 1年內 HK\$'000 千港元	Between 1 to 2 years 1至2年 HK\$'000 千港元	Between 2 to 5 years 2至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2018	於二零一八年 三月三十一日					
<b>Financial liabilities subject to a repayment on demand clause</b>	<b>受限於按要求償還條款的金融負債</b>					
Bank borrowings	銀行借款	30,007	—	—	—	30,007
Finance lease payables	融資租賃應付款項	25,234	—	—	—	25,234
<b>Financial liabilities not subject to a repayment on demand clause</b>	<b>毋須受限於按要求償還條款的金融負債</b>					
Trade and retention payables	貿易應付款項及應付保固金	—	43,015	2,073	—	45,088
Accruals and other payables	應計費用及其他應付款項	—	6,930	—	—	6,930
Finance lease payables	融資租賃應付款項	—	1,226	1,095	814	3,135

The table that follows summarises the maturity analysis of bank borrowings and finance lease payables with a repayment on demand clause based on agreed scheduled repayments. The amounts include interest payments computed using contractual rates. As a result, these amounts are greater than the amounts disclosed in the “on demand” time band in the maturity analysis above. Taking into account the Group’s financial position, the directors do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors believe that such bank borrowings and finance lease payables will be repaid in accordance with the scheduled repayment dates.

下表概述基於經協定預定償還款項對載有按要求償還條款的銀行借款及融資租賃應付款項作出的到期情況分析。有關款項包括採用合約利率計算的利息付款。因此，有關款項高於上文所載的到期情況分析內「按要求」時間範圍下所披露的款項。經計及本集團的財務狀況後，董事認為銀行不太可能行使其酌情權要求即時還款。董事相信，有關銀行借款及融資租賃應付款項將按照預定償還日期償付。

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### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (C) LIQUIDITY RISK (CONTINUED)

		Within 1 year 1年內 HK\$'000 千港元	Between 1 to 2 years 1至2年 HK\$'000 千港元	Between 2 to 5 years 2至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 31 March 2019</b>	<b>於二零一九年 三月三十一日</b>				
Bank borrowings	銀行借款	25,050	—	—	25,050
Finance lease payables	融資租賃應付款項	8,900	6,241	399	15,540
<b>At 31 March 2018</b>	<b>於二零一八年 三月三十一日</b>				
Bank borrowings	銀行借款	30,100	—	—	30,100
Finance lease payables	融資租賃應付款項	11,336	8,900	6,640	26,876

#### (D) INTEREST RATE RISK

As at 31 March 2019, the Group's finance lease payables of approximately HK\$11,661,000 (2018: approximately HK\$17,702,000) bear interests at fixed interest rate and therefore are subject to fair value interest rate risk.

The Group's exposure to cash flow interest rate risk arises from its bank deposits, trust receipt loans, bank loans, factoring loans, bank overdrafts and the remaining finance lease payables and therefore bear interests at variable rates varied with the then prevailing market condition.

As at 31 March 2019 and 2018, if interest rates at that date had been 50 basis points lower or higher with all other variables held constant, there would be no significant change to the loss after tax for the year.

### 6. 財務風險管理(續)

#### (C) 流動資金風險(續)

#### (D) 利率風險

於二零一九年三月三十一日，本集團按固定利率計息的融資租賃應付款項約11,661,000港元(二零一八年：約17,702,000港元)，因而面臨公平值利率風險。

本集團面臨來自銀行存款、信託收據貸款、銀行貸款、保理貸款、銀行透支及餘下融資租賃應付款項的現金流量利率風險，因而應當時的市況按浮動利率計息。

於二零一九年及二零一八年三月三十一日，假設所有其他可變因素維持不變，倘該日利率下降或上升50個基點，該年度的除稅後虧損將不會發生重大變動。

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### 6. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (E) CATEGORIES OF FINANCIAL INSTRUMENTS AT THE END OF THE REPORTING PERIOD

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Financial assets at amortised cost	按攤銷成本列賬之金融資產	106,285	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	—	75,889
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	235,332	110,290

#### (F) FAIR VALUES

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

#### (F) 公平值

本集團金融資產及金融負債於綜合財務狀況表反映的賬面值與其各自的公平值相若。

### 7. REVENUE

An analysis of the Group's revenue is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Recognised over time under HKFRS 15</b>	<b>根據香港財務報告準則第15號於某一時間段確認</b>		
Provision of foundation services	提供地基服務	202,806	225,579
<b>Revenue from other sources</b>	<b>來自其他來源之收益</b>		
Leasing of machinery	機械租賃	209	—
		<b>203,015</b>	<b>225,579</b>

### 7. 收益

本集團的收益分析如下：

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### 7. REVENUE (CONTINUED)

As at 31 March 2019, the aggregated amount of revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at the reporting date is approximately HK\$247,624,000. The Group will recognise the expected revenue in future when or as the work is completed which is expected to occur over the next 12 to 24 months. This analysis is solely for compliance with HKFRS 15 disclosure requirement in respect of transaction price allocated to the remaining performance obligations.

### 8. OTHER INCOME

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Imputed interest income	推算利息收入	14,610	—
Interest income	利息收入	1,309	61
Others	其他	2	76
		<b>15,921</b>	137

### 9. SEGMENT INFORMATION

#### OPERATING SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

### 7. 收益(續)

於二零一九年三月三十一日，預計於將來確認的與於報告日期未完成(或部分未完成)履約責任有關的總收益金額約為247,624,000港元。本集團於將來完成工作時確認預計收益(預計於未來12至24個月內發生)。此分析僅用於遵守香港財務報告準則第15號關於分配至剩餘履約責任的交易價格的披露規定。

### 8. 其他收入

### 9. 分類資料

#### 運營分類資料

本集團按主要經營決策者定期審閱有關本集團組成的內部報告釐定其運營分類，以向分類分配資源及評估其表現。

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## 9. SEGMENT INFORMATION (CONTINUED)

### OPERATING SEGMENT INFORMATION (CONTINUED)

The Board of Directors considers that the Group manages its businesses by divisions, which are organised into business units based on their services provided, and has the reportable operating segments as follows:

- (i) Foundation — provision of foundation services
- (ii) Leasing — leasing of machinery

The reportable segments are identified in a manner consistent with the way in which information is reported internally to the Group's senior executive management for the purposes of resource allocation and performance assessment.

## 9. 分類資料(續)

### 運營分類資料(續)

董事會認為，本集團按分類管理其業務，並按其提供的服務組成業務單位，須予呈報營運分類如下：

- (i) 地基 — 提供地基服務
- (ii) 租賃 — 機械租賃

須予呈報分類之劃分與向本集團高級行政管理人員提供內部報告資料(以作資源分配及評估表現用途)之方法一致。

		Foundation 地基		Leasing 租賃		Total 合計	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Reportable segment revenue	須予呈報分類收益	202,806	225,579	209	—	203,015	225,579
Reportable segment results	須予呈報分類業績	(14,465)	(13,669)	(2,228)	(882)	(16,693)	(14,551)
Central administrative expenses and directors' emoluments	中央行政開支及董事酬金					(12,414)	(14,546)
Loss before tax	除稅前虧損					(29,107)	(29,097)
<i>Reportable segment results include:</i>							
	<i>須予呈報分類業績包括:</i>						
Interest income	利息收入	78	61	—	—	78	61
Finance costs	融資成本	1,882	1,946	280	38	2,162	1,984
Depreciation	折舊	5,915	7,552	1,822	753	7,737	8,305
Additions to property, plant and equipment	添置物業、機器及設備	7,034	16,180	—	7,000	7,034	23,180
Written off of contract assets	撇銷合約資產	2,998	—	—	—	2,998	—

All of the segment revenue reported above is from external customers.

Segment results represent loss attributable to the segment without allocation of corporate income, central administrative expenses and directors' emoluments.

上述所呈報之所有分類收益均來自外部客戶。

分類業績為未分配企業收入、中央行政開支及董事酬金前之分類應佔虧損。

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### 9. SEGMENT INFORMATION (CONTINUED)

#### SEGMENT ASSETS AND LIABILITIES

The following is an analysis of the Group's assets and liabilities by operating segments:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>SEGMENT ASSETS</b>	<b>分類資產</b>		
Foundation	地基	263,248	226,841
Leasing	租賃	9,116	10,588
Total segment assets	分類資產合計	272,364	237,429
Unallocated assets	未分配資產	55,915	100
Consolidated assets	綜合資產	328,279	237,529
<b>SEGMENT LIABILITIES</b>	<b>分類負債</b>		
Foundation	地基	137,083	106,386
Leasing	租賃	3,883	6,055
Total segment liabilities	分類負債合計	140,966	112,441
Unallocated liabilities	未分配負債	95,906	74
Consolidated liabilities	綜合負債	236,872	112,515

For the purposes of monitoring segment performance and allocating resources to segment:

- (i) All assets are allocated to reportable segments other than the unallocated assets; and
- (ii) All liabilities are allocated to reportable segments other than those unallocated liabilities which are centrally managed by the Group's management.

#### SEASONALITY OF OPERATIONS

The Group's operations are not subject to significant seasonal factors.

### 9. 分類資料(續)

#### 分類資產及負債

以下載列本集團按經營分類劃分之資產及負債的分析：

為監控分類表現及向分類分配資源：

- (i) 除未分配資產外，所有資產均被分配至須予呈報分類；及
- (ii) 除由本集團管理層統一管理之該等未分配負債外，所有負債均被分配至須予呈報分類。

#### 營運季節性

本集團的營運不受重大季節性因素影響。

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## 9. SEGMENT INFORMATION (CONTINUED)

### GEOGRAPHICAL INFORMATION

All non-current assets as at 31 March 2019 and 2018 and the Group's revenue from external customers during the years ended 31 March 2019 and 2018 are located in and generated from Hong Kong.

### REVENUE FROM MAJOR CUSTOMERS

The Group's customer base for whom transactions have exceeded 10% of its revenue during the years ended 31 March 2019 and 2018 is set out as below:

## 9. 分類資料(續)

### 地區資料

於二零一九年及二零一八年三月三十一日的所有非流動資產以及截至二零一九年及二零一八年三月三十一日止年度本集團來自外部客戶的收益均位於及源自香港。

### 主要客戶收益

截至二零一九年及二零一八年三月三十一日止年度，有關交易佔本集團10%以上收益的客戶群載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Foundation	地基		
Customer 1	客戶1	45,279	N/A不適用*
Customer 2	客戶2	22,698	N/A不適用*
Customer 3	客戶3	22,011	28,914
Customer 4	客戶4	N/A不適用*	96,809
Customer 5	客戶5	N/A不適用*	23,008

\* Amount represented less than 10% of the revenue during the year.

\* 金額佔年度的收益少於10%。

## 10. FINANCE COSTS

## 10. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finance lease charges	融資租賃費用	1,103	996
Interest on bank borrowings	銀行借款利息	1,059	995
Imputed interest expenses	推算利息開支	4,616	—
		6,778	1,991
Less: Amounts attributable to contract works	減：合約工程應佔金額	(512)	(561)
		6,266	1,430

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### 11. INCOME TAX CREDIT

### 11. 所得稅抵免

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax (note 27)	遞延稅項(附註27)	—	3,907

Hong Kong Profits Tax has been provided at a rate of 16.5% (2018: 16.5%) on the estimated profit for the year ended 31 March 2019.

截至二零一九年三月三十一日止年度，香港利得稅按估計溢利的16.5%（二零一八年：16.5%）撥備。

No provision for Hong Kong Profits Tax is required since the Group has no assessable profits for the year ended 31 March 2019 (2018: Nil).

由於本集團截至二零一九年三月三十一日止年度並無應課稅溢利，故毋須就香港利得稅計提撥備（二零一八年：無）。

The reconciliation between the income tax credit and the product of loss before tax multiplied by the Hong Kong Profits Tax rate is as follows:

所得稅抵免與除稅前虧損乘以香港利得稅稅率所得乘積的對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before tax	除稅前虧損	(29,107)	(29,097)
Tax at the Hong Kong Profits Tax rate of 16.5%	按16.5%的香港利得稅稅率計算的稅項	(4,803)	(4,801)
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(2,614)	—
Tax effect of expenses that are not deductible	不可扣減開支的稅務影響	6,700	517
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	(92)	(310)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	809	687
Income tax credit	所得稅抵免	—	(3,907)

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## 12. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬		650	638
Costs of construction materials	建築材料成本	(a)	38,065	83,270
Depreciation	折舊	(b)	7,737	8,305
Written off of contract assets	撇銷合約資產	(c)	2,998	—
Gain on disposals of property, plant and equipment, net	出售物業、機器及設備的收益淨額	(d)	(11)	(63)
Operating lease charges	經營租賃開支	(e)		
— Hire of plant and equipment	— 租用機器及設備		8,109	5,290
— Land and buildings	— 土地及樓宇		5,432	3,724

Notes:

- (a) The amounts included in cost of sales.
- (b) The amounts included in cost of sales for the years ended 31 March 2019 and 2018 amounted to approximately HK\$2,339,000 and approximately HK\$3,202,000 respectively.
- (c) The amounts included in administrative and other operating expenses.
- (d) The amounts included in cost of sales for the years ended 31 March 2019 and 2018 amounted to net gain of approximately HK\$11,000 and approximately HK\$33,000 respectively.
- (e) The amounts included in cost of sales for the years ended 31 March 2019 and 2018 amounted to approximately HK\$10,442,000 and approximately HK\$6,782,000 respectively.

## 12. 年內虧損

本集團的年內虧損已扣除／(計入)下列各項：

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬		650	638
Costs of construction materials	建築材料成本	(a)	38,065	83,270
Depreciation	折舊	(b)	7,737	8,305
Written off of contract assets	撇銷合約資產	(c)	2,998	—
Gain on disposals of property, plant and equipment, net	出售物業、機器及設備的收益淨額	(d)	(11)	(63)
Operating lease charges	經營租賃開支	(e)		
— Hire of plant and equipment	— 租用機器及設備		8,109	5,290
— Land and buildings	— 土地及樓宇		5,432	3,724

附註：

- (a) 該金額已計入銷售成本。
- (b) 該金額已計入截至二零一九年及二零一八年三月三十一日止年度的銷售成本，分別約2,339,000港元及約3,202,000港元。
- (c) 該金額已計入行政及其他經營開支。
- (d) 計入截至二零一九年及二零一八年三月三十一日止年度的銷售成本的金額分別為淨收益約11,000港元及約33,000港元。
- (e) 該金額已計入截至二零一九年及二零一八年三月三十一日止年度的銷售成本，分別約10,442,000港元及約6,782,000港元。

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### 13. EMPLOYEE BENEFITS EXPENSE

### 13. 僱員福利開支

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Employee benefits expense (including directors' emoluments):			
Salaries, bonuses and allowances		50,876	45,341
Retirement benefits scheme contributions	(a)	1,645	1,503
	(b)	52,521	46,844

Notes:

(a) Retirement benefits scheme contributions:

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,500 per employee and vest fully with employees when contributed into the MPF Scheme.

(b) The amounts included in cost of sales for the years ended 31 March 2019 and 2018 amounted to approximately HK\$36,990,000 and approximately HK\$32,785,000 respectively.

附註：

(a) 退休福利計劃供款：

本集團根據香港強制性公積金計劃條例就所有香港合資格僱員向強制性公積金計劃(「強積金計劃」)供款。本集團向強積金計劃作出的供款按僱員薪金及工資的5%計算，惟每名僱員的每月最高供款額為1,500港元，而向強積金計劃供款後，供款即悉數歸僱員所有。

(b) 該金額已計入截至二零一九年及二零一八年三月三十一日止年度的銷售成本，分別約36,990,000港元及約32,785,000港元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
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### 13. EMPLOYEE BENEFITS EXPENSE (CONTINUED)

Notes: (continued)

(c) Five highest paid individuals:

The five highest paid individuals in the Group during the year included 2 (2018: 2) directors whose emoluments are reflected in the analysis presented in note 14. The emoluments of the remaining 3 (2018: 3) individuals are set out below:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries and allowances 基本薪金及津貼	4,562	3,458
Retirement benefits scheme contributions 退休福利計劃供款	54	54
	<b>4,616</b>	<b>3,512</b>

The emoluments fell within the following bands:

Band of emoluments (HK\$)	酬金範圍(港元)	2019 二零一九年 Number of person 人數	2018 二零一八年 Number of person 人數
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	1	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	3
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	—

### 13. 僱員福利開支(續)

附註：(續)

(c) 五位最高薪酬人士：

年內本集團的五位最高薪酬人士中包括2名(二零一八年：2名)董事，其酬金已反映在附註14的分析內。餘下3名(二零一八年：3名)人士的酬金載列如下：

屬於下列範圍的酬金：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
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### 14. BENEFITS AND INTERESTS OF DIRECTORS

#### (A) DIRECTORS' EMOLUMENTS:

The emoluments of every Director are set out below:

### 14. 董事福利及權益

#### (A) 董事酬金：

各名董事的酬金載列如下：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任本公司或其附屬公司業務的董事已付或應收之酬金							
		Estimated money		Performance related bonuses	Retirement value of other benefits contributions	Housing allowance	Total		
		Fees	Salaries		其他福利之估計金錢	退休福利計劃供款	住房津貼	總計	
Notes		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(note i) (附註i)							
<b>Executive Directors:</b>	<b>執行董事：</b>								
Mr. Chen Rongsheng (Chairman)	陳融聖先生(主席)	i	—	—	—	—	—	—	
Mr. Guan Jingdong	關靜東先生	i	191	—	—	—	—	191	
Mr. Yu Shiu Tin, Paul	余嘯天先生	ii	—	1,500	—	—	—	1,500	
Mr. Yeung Sau Ming, Boris	楊秀明先生	ii	—	24	—	1	1,198	1,223	
Ms. Chan Lai Kuen	陳麗娟女士	ii	—	499	—	18	—	517	
<b>Independent Non-executive Directors:</b>	<b>獨立非執行董事：</b>								
Dr. Luo Tiejian	羅鐵堅博士	i	96	—	—	—	—	96	
Dr. Lu Haitian	陸海天博士	i	96	—	—	—	—	96	
Mr. Lin Xin	劉昕先生	i	96	—	—	—	—	96	
Mr. Chan Kee Huen, Michael	陳記煊先生	iii	63	—	—	—	—	63	
Mr. Cheng Yan Kee	鄭恩基先生	iii	63	—	—	—	—	63	
Mr. Cheung Chi Fai, Frank	張志輝先生	iii	63	—	—	—	—	63	
Professor Chung Hung Kwan, Barnabas	鍾鴻鈞教授	iii	63	—	—	—	—	63	
<b>Total for 2019</b>	<b>二零一九年總計</b>		731	2,023	—	19	1,198	3,971	

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## 綜合財務報表附註

For the year ended 31 March 2019  
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### 14. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

### 14. 董事福利及權益(續)

#### (A) DIRECTORS' EMOLUMENTS: (CONTINUED)

#### (A) 董事酬金：(續)

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任本公司或其附屬公司業務的董事已付或應收之酬金							
		Fees	Salaries	Performance related bonuses	Estimated money value of other benefits	Retirement benefits scheme contributions	Housing allowance	Total	
		袍金	薪金	表現花紅	其他福利之估計金錢價值	退休福利計劃供款	住房津貼	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(note iv) (附註iv)							
<b>Executive Directors:</b>	<b>執行董事：</b>								
Mr. Yu Shiu Tin, Paul (Chairman)	余嘯天先生(主席)	—	1,500	—	—	—	—	1,500	
Mr. Yeung Sau Ming, Boris	楊秀明先生	—	340	—	—	7	860	1,207	
Ms. Chan Lai Kuen	陳麗娟女士	—	480	—	19	18	—	517	
<b>Independent Non-executive Directors:</b>	<b>獨立非執行董事：</b>								
Mr. Chan Kee Huen, Michael	陳記煊先生	150	—	—	—	—	—	150	
Mr. Cheng Yan Kee	鄭恩基先生	150	—	—	—	—	—	150	
Mr. Cheung Chi Fai, Frank	張志輝先生	150	—	—	—	—	—	150	
Professor Chung Hung Kwan, Barnabas	鍾鴻鈞教授	150	—	—	—	—	—	150	
<b>Total for 2018</b>	<b>二零一八年總計</b>	600	2,320	—	19	25	860	3,824	

Note:

- i Appointed on 13 August 2018.
- ii Resigned as director of the Company on 13 August 2018 but retained as director of the subsidiaries at the Group during the year ended 31 March 2019.
- iii Resigned as on 13 August 2018.
- iv Estimated money value of other benefits include cash allowances.

No share options or any other forms of share-based payments were granted to the directors during the year (2018: Nil).

附註：

- i 於二零一八年八月十三日獲委任。
- ii 於二零一八年八月十三日辭任本公司董事，但於截至二零一九年三月三十一日止年度留任本集團附屬公司董事。
- iii 於二零一八年八月十三日辭任。
- iv 其他福利之估計金錢價值包括現金津貼。

年內，並無向董事授出購股權或任何其他形式的股份付款(二零一八年：無)。

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## 綜合財務報表附註

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### 14. BENEFITS AND INTERESTS OF DIRECTORS (CONTINUED)

#### (A) DIRECTORS' EMOLUMENTS: (CONTINUED)

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

#### (B) DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the section of "Continuing Connected Transactions" in the directors' report and "Related Party Transactions" as disclosed in note 37 to the consolidated financial statements, no significant transaction, arrangement and contract in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 15. DIVIDENDS

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

### 14. 董事福利及權益(續)

#### (A) 董事酬金：(續)

年內，並無董事放棄或同意放棄任何薪酬的安排(二零一八年：無)。

#### (B) 董事於交易、安排或合約的重大權益

除董事會報告「持續關連交易」及綜合財務報表附註37之「關聯方交易」各節所披露者外，本公司概無就本集團業務訂立任何本公司董事及董事的關連方直接或間接於其中擁有重大權益並於年末或年內任何時間仍存續的重大交易、安排及合約。

### 15. 股息

董事會不建議向股東派付截至二零一九年三月三十一日止年度的末期股息(二零一八年：無)。

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## 綜合財務報表附註

For the year ended 31 March 2019  
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### 16. LOSS PER SHARE

#### (A) BASIC LOSS PER SHARE

The calculation of the basic loss per share is based on the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the purpose of calculating basic loss per share	計算每股基本虧損之虧損	(29,107)	(25,190)
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	計算每股基本虧損之普通股加權平均數	400,000	400,000

#### (B) DILUTED LOSS PER SHARE

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares during the years ended 31 March 2019 and 2018.

### 16. 每股虧損

#### (A) 每股基本虧損

每股基本虧損乃按以下方式計算：

	2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Loss for the purpose of calculating basic loss per share	(29,107)	(25,190)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	400,000	400,000

#### (B) 每股攤薄虧損

由於本公司截至二零一九年及二零一八年三月三十一日止年度並無任何潛在攤薄普通股，故並無呈列每股攤薄虧損。

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## 綜合財務報表附註

For the year ended 31 March 2019  
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### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、機器及設備

		Furniture and equipment 傢具及設備 HK\$'000 千港元	Plant and machinery 機器及機械 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>				
At 1 April 2017	於二零一七年四月一日	1,999	70,447	2,568	75,014
Additions	添置	229	20,671	2,280	23,180
Disposals	出售	—	(7,114)	(176)	(7,290)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	<b>2,228</b>	<b>84,004</b>	<b>4,672</b>	<b>90,904</b>
Additions	添置	121	6,488	425	7,034
Disposals	出售	—	(101)	—	(101)
At 31 March 2019	於二零一九年三月三十一日	<b>2,349</b>	<b>90,391</b>	<b>5,097</b>	<b>97,837</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2017	於二零一七年四月一日	600	16,957	1,096	18,653
Charge for the year	年內支出	393	6,695	1,217	8,305
Disposals	出售	—	(61)	(159)	(220)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	<b>993</b>	<b>23,591</b>	<b>2,154</b>	<b>26,738</b>
Charge for the year	年內支出	408	6,092	1,237	7,737
Disposals	出售	—	(32)	—	(32)
At 31 March 2019	於二零一九年三月三十一日	<b>1,401</b>	<b>29,651</b>	<b>3,391</b>	<b>34,443</b>
<b>Carrying amount</b>	<b>賬面值</b>				
At 31 March 2019	於二零一九年三月三十一日	<b>948</b>	<b>60,740</b>	<b>1,706</b>	<b>63,394</b>
At 31 March 2018	於二零一八年三月三十一日	1,235	60,413	2,518	64,166

As at 31 March 2019, the carrying amount of property, plant and equipment held by the Group under finance leases amounted to approximately HK\$41,530,000 (2018: approximately HK\$53,312,000).

於二零一九年三月三十一日，本集團以融資租賃持有的物業、機器及設備的賬面值約為41,530,000港元(二零一八年：約53,312,000港元)。

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## 綜合財務報表附註

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### 18. INVENTORIES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Construction materials	建築材料	6,431	4,212

At the end of reporting period, the Group's inventories are stated at cost.

於報告期末，本集團的存貨以成本列賬。

### 19. TRADE AND RETENTION RECEIVABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項	15,745	14,314
Retention receivables	應收保固金	—	37,686
		15,745	52,000

Notes:

- (a) The Group's trade receivables represent progress billings receivables from contract customers. The general credit terms of trade receivables were within 14 days to 45 days. Application for progress payment of contract works is made on a regular basis. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by directors.

The ageing analysis of the Group's trade receivables, based on the progress payment, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 to 30 days	0至30日	10,747	14,314
31 to 60 days	31至60日	4,998	—
		15,745	14,314

### 18. 存貨

### 19. 貿易應收款項及應收保固金

附註：

- (a) 本集團的貿易應收款項指合約客戶的應收進度款。貿易應收款項的信用期通常為14日至45日內。合約工程進度付款乃定期申請。本集團對其未收回款項維持嚴格監控。董事定期檢討逾期結餘。

以下為本集團的貿易應收款項以進度付款為基準的賬齡分析：

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## 綜合財務報表附註

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### 19. TRADE AND RETENTION RECEIVABLES (CONTINUED)

Notes: (continued)

(a) (continued)

As at 31 March 2019, approximately HK\$1,825,000 (2018: Nil) was past due but not impaired. These related to a number of independent customers for whom there were no recent history of default. The ageing analysis of these trade receivables is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 to 30 days	0至30日	1,616	—
30 to 60 days	30至60日	209	—
		<b>1,825</b>	<b>—</b>

The carrying amounts of the Group's trade receivables are denominated in Hong Kong dollars.

(b) The Group's retention receivables represent certified contract payments in respect of works performed, for which payments are withheld by customers for retention purposes, and the amount retained is withheld on each payment up to a maximum amount calculated as a prescribed percentage of the contract sum. The retention receivables should be released to the Group pursuant to the provisions of the relevant contracts after the completion of the projects (i.e. 12 months after the completion of the contracts).

Upon the adoption of HKFRS 15, retention receivables are included in contract assets or contract liabilities on a net basis for a single contract with the customer (note 20).

As at 31 March 2018, the Group's retention receivables of approximately HK\$24,357,000 were past due but not impaired. These relate to a number of independent customers for whom there are no recent history of default. The ageing analysis of these retention receivables is as follows:

		2018 二零一八年 HK\$'000 千港元
Less than 3 months	少於3個月	850
3 to 6 months	3至6個月	66
Over 6 months	6個月以上	23,441
		<b>24,357</b>

### 19. 貿易應收款項及應收保固金(續)

附註：(續)

(a) (續)

於二零一九年三月三十一日，約1,825,000港元(二零一八年：零)已逾期但尚未減值。該等貿易應收款項涉及多名近期並無拖欠記錄的獨立客戶。該等貿易應收款項的賬齡分析如下：

本集團貿易應收款項的賬面值乃按港元計值。

(b) 本集團的應收保固金指就已進行工程所支付的已認證工程付款，客戶出於質保目的於每次付款時預扣此款項，預扣的最高金額根據合同金額的指定百分比計算。根據有關合同條款，應收保固金應於項目完成後(即合約完成後12個月)發還予本集團。

採納香港財務報告準則第15號後，應收保固金就與客戶的單一合約按淨額基準計入合約資產或合約負債(附註20)。

於二零一八年三月三十一日，本集團已逾期但尚未減值的應收保固金約24,357,000港元。該等應收保固金涉及多名近期並無拖欠記錄的獨立客戶。該等應收保固金的賬齡分析如下：

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## 19. TRADE AND RETENTION RECEIVABLES (CONTINUED)

Notes: (continued)

- (b) (continued)  
As at 31 March 2018, the amount of the Group's retention receivables expected to be recovered after more than twelve months was approximately HK\$5,425,000.

The carrying amounts of the Group's retention receivables are denominated in Hong Kong dollars.

- (c) As part of its normal business, the Group entered into a factoring arrangement and transferred certain trade and retention receivables to a bank. If these receivables are not paid at maturity, the bank has the right to request the Group to pay the unsettled balances. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amounts of the receivables. Cash received from the bank are recognised as factoring loans and are disclosed in note 25 to the consolidated financial statements.

As at 31 March 2019, the carrying amount of the trade receivables and retention receivables under contract assets or contract liabilities that have been transferred but have not been derecognised amounted to approximately HK\$10,097,000 (2018: approximately HK\$16,992,000). The carrying amount of the factoring loans financed as at 31 March 2019 is approximately HK\$6,030,000 (2018: approximately HK\$8,019,000).

## 19. 貿易應收款項及應收保固金(續)

附註：(續)

- (b) (續)  
於二零一八年三月三十一日，預計將於逾十二個月後收回的本集團應收保固金金額約5,425,000港元。

本集團應收保固金的賬面值乃按港元計值。

- (c) 作為日常業務的一部分，本集團訂立一項保理安排，將其若干貿易應收款項及應收保固金轉讓予一家銀行。倘該等應收款項並未到期支付，則銀行將有權要求本集團支付未結算結餘。由於本集團並無轉讓與該等應收款項有關的重大風險及回報，其繼續確認此等應收款項的全部賬面值。自銀行收取的現金確認為保理貸款及披露於綜合財務報表附註25。

於二零一九年三月三十一日，已轉讓但尚未終止確認合約資產或合約負債項下的貿易應收款項及應收保固金的賬面值約10,097,000港元(二零一八年：約16,992,000港元)。於二零一九年三月三十一日，籌措的保理貸款的賬面值約6,030,000港元(二零一八年：約8,019,000港元)。

## 20. CONTRACT ASSETS/(LIABILITIES) (2018: GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK)

## 20. 合約資產/(負債)(二零一八年：應收/(應付)客戶合約工程款項總額)

		2018 二零一八年 HK\$'000 千港元
Contract costs incurred plus recognised profits less recognised losses to date	截至該日止產生的合約成本加已確認溢利減已確認虧損	910,785
Less: Progress billings	減：進度款	(828,907)
		81,878
Gross amounts due from customers for contract work (note)	應收客戶合約工程款項總額(附註)	84,103
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	(2,225)
		81,878

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### 20. CONTRACT ASSETS/(LIABILITIES) (2018: GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK) (CONTINUED)

Upon the adoption of HKFRS 15, amounts previously included as “Gross amount due from customers for contract work”, “Gross amount due to customers for contract work” and “retention receivables” were reclassified to contract assets or contract liabilities on a net basis for a single contract with the customer.

### 20. 合約資產／(負債)(二零一八年：應收／(應付)客戶合約工程款項總額)(續)

於採納香港財務報告準則第15號後，原先列作「應收客戶合約工程款項總額」、「應付客戶合約工程款項總額」及「應收保固金」的款項乃就與客戶的單一合約按淨額基準重新分類至合約資產或合約負債。

		31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元
<b>Contract assets</b>	<b>合約資產</b>			
Arising from performance under construction contracts (note)	來自履行建築合約的收益(附註)	<b>150,009</b>	119,725	—

Amounts relating to contract assets are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance related milestones.

與合約資產相關的金額為本集團根據建築合約應收客戶的結餘，而其於本集團根據一系列與履約相關的里程碑自客戶收取付款時產生。

There were no significant changes in the contract assets balances during the reporting period.

合約資產結餘於報告期內並無顯著變化。

The amount of revenue recognised during the year from performance obligations satisfied (or partially satisfied) in previous period is approximately HK\$18,205,000, mainly due to the changes in estimate of the stage of completion of certain construction contracts.

年內，過往期間已履行(或部分履行)履約責任所確認收入金額約為18,205,000港元，此乃主要由於若干建築合約的預計完成階段發生變動。

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### 20. CONTRACT ASSETS/(LIABILITIES) (2018: GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK) (CONTINUED)

The amount of contract assets that is expected to be recovered after more than one year is approximately HK\$2,851,000 (2018: Nil).

### 20. 合約資產／(負債)(二零一八年：應收／(應付)客戶合約工程款項總額)(續)

預計在超過一年後收回的合約資產金額約為2,851,000港元(二零一八年：無)。

		31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元
<b>Contract liabilities</b>	<b>合約負債</b>			
Billings in advance of performance obligation	履約預收款項			
— Construction contracts	— 建築合約	531	161	—

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise if a particular milestone payment exceeds the revenue recognised to date under the cost-to-cost method.

有關建築合約的合約負債乃就建築合約應付客戶的結餘。倘特定里程碑付款超過根據成本比例法確認之迄今為止的收益，則會出現上述情況。

There were no significant changes in the contract liabilities balances during the reporting period.

合約負債結餘於報告期內並無顯著變化。

Movements in contract liabilities:

合約負債變動：

		2019 二零一九年 HK\$'000 千港元
Balance at 1 April	於四月一日之結餘	161
Decrease in contract liabilities as a result of recognising revenue during the year was included in the contract liabilities at the beginning of the period	因年內確認收入導致的合約負債減少計入期初合約負債	(161)
Increase in contract liabilities as a result of billing in advance of construction activities	因建築活動預收款項導致合約負債增加	531
Balance at 31 March	於三月三十一日之結餘	531

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### 20. CONTRACT ASSETS/(LIABILITIES) (2018: GROSS AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK) (CONTINUED)

None of billings in advance of performance received that is expected to be recognised as income after more than one year (2018: Nil).

Note: During the year ended 31 March 2019, the Group has been negotiating the final settlement amount of a completed contract with a customer. The customer indicated that it is seeking to deduct from the final settlement amount the sum of approximately HK\$23,450,000 for the LD. Up to the date of these consolidated financial statements, the negotiations with the customer are still in progress.

The directors are of the opinion that the negotiations with the customer are still in progress and based on the opinion of an independent professional consultant, believe that such LD is unlikely to succeed and accordingly, the Group has not recognised any amounts in respect of the LD in the consolidated financial statements.

### 21. PLEDGED BANK DEPOSITS/BANK AND CASH BALANCES

The Group's pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group as set out in note 25 to the consolidated financial statements.

Pledged bank deposits and bank and cash balances are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong dollars	港元	81,950	22,664
Renminbi	人民幣	64	64
		<b>82,014</b>	22,728

### 20. 合約資產／(負債)(二零一八年：應收／(應付)客戶合約工程款項總額)(續)

預期並無於一年後確認為收入的履約預收款項(二零一八年：無)。

附註：於截至二零一九年三月三十一日止年度，本集團一直與一名客戶磋商一項已完成合約的最終結算款項。客戶表示其欲就違約金減少支付最終結算款項約23,450,000港元。截至本綜合財務報表日期，與客戶的磋商仍在進行中。

董事認為，與客戶的磋商仍在進行當中，且根據獨立專業顧問的意見，董事認為有關違約金不太可能申索成功，因此，本集團並無於綜合財務報表中就違約金確認任何金額。

### 21. 已抵押銀行存款／銀行及現金結餘

本集團的已抵押銀行存款指抵押予銀行的存款，以作為本集團獲授銀行融資的抵押(載於綜合財務報表附註25)。

已抵押銀行存款以及銀行及現金結餘按以下幣種計值：

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## 22. TRADE AND RETENTION PAYABLES

## 22. 貿易應付款項及應付保固金

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Trade payables	貿易應付款項	(a)	76,450	33,498
Retention payables	應付保固金	(b)	13,297	11,590
			<b>89,747</b>	<b>45,088</b>

Notes:

- (a) The ageing analysis of the Group's trade payables, based on the date of receipt of goods/services, is as follows:

附註:

- (a) 以下為本集團的貿易應付款項以收取貨物／服務日期為基準的賬齡分析:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 to 30 days	0至30日	50,319	16,602
31 to 60 days	31日至60日	8,139	9,469
61 to 90 days	61日至90日	7,201	538
Over 90 days	90日以上	10,791	6,889
		<b>76,450</b>	<b>33,498</b>

The carrying amounts of the Group's trade payables are denominated in Hong Kong dollars.

本集團貿易應付款項的賬面值乃按港元計值。

- (b) As at 31 March 2019, the amount of the Group's retention payables expected to be due after more than twelve months was approximately HK\$1,852,000 (2018: approximately HK\$2,073,000).

- (b) 於二零一九年三月三十一日，預計將於逾十二個月後到期的本集團應付保固金金額約1,852,000港元(二零一八年：約2,073,000港元)。

The carrying amounts of the Group's retention payables are denominated in Hong Kong dollars.

本集團應付保固金的賬面值乃按港元計值。

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### 23. ACCRUALS AND OTHER PAYABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Accruals	應計費用	6,412	6,665
Other payables	其他應付款項	5,033	265
		<b>11,445</b>	<b>6,930</b>

The carrying amounts of the Group's accruals and other payables are denominated in Hong Kong dollars.

本集團的應計費用及其他應付款項的賬面值乃按港元計值。

### 24. FINANCE LEASE PAYABLES

In the consolidated statement of financial position, obligations under finance leases due for repayment after one year which contain repayment on demand clause were classified as current liabilities. The maturity of obligations under finance leases is as follows:

### 24. 融資租賃應付款項

於綜合財務狀況表，載有按要求償還條款且須於一年後到期償還的融資租賃項下責任被分類為流動負債。融資租賃項下責任的到期情況如下：

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款的現值	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	9,995	12,562	9,433	11,535
In the second to fifth years, inclusive	第二至五年 (包括首尾兩年)	7,460	17,449	7,303	16,730
Less: Future finance charges	減：未來融資費用	17,455 (719)	30,011 (1,746)	16,736 N/A 不適用	28,265 N/A 不適用
Present value of lease obligations	租賃責任的現值	<b>16,736</b>	28,265	<b>16,736</b>	28,265
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：須於12個月內到期償付 的款項(於流動 負債項下列示)			(15,924)	(26,397)
Amount due for settlement after 12 months	須於12個月後到期償付 的款項			812	1,868

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### 24. FINANCE LEASE PAYABLES (CONTINUED)

It is the Group's policy to lease certain of its property, plant and equipment under finance leases. The average lease term is 4 years (2018: 4 years). As at 31 March 2019, the average effective borrowing rate was approximately 3.71% (2018: approximately 3.75%). As at 31 March 2019, finance lease payables of approximately HK\$11,661,000 (2018: approximately HK\$17,702,000) bear fixed interest rate at the inception of the lease and thus expose the Group to fair value interest rate risk. The remaining finance lease payables are arranged at floating rates and expose the Group to cash flow interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. At the end of each lease term, the Group has the option to purchase the property, plant and equipment at a nominal price.

Except for finance lease payables amounted to approximately HK\$2,424,000 (2018: approximately HK\$3,031,000), the remaining finance lease payables contain clause which give the lenders the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

None of the portion of finance lease payables due for repayment after one year which contains a repayment on demand clause and that is classified as a current liability is expected to be settled within one year.

All finance lease payables are denominated in Hong Kong dollars.

In addition, most of the Group's finance lease payables are secured by (i) the Group's property, plant and equipment of approximately HK\$41,530,000 (2018: approximately HK\$53,312,000) and (ii) corporate guarantee executed by the Company.

### 24. 融資租賃應付款項(續)

以融資租賃租用若干物業、機器及設備為本集團的政策。平均租期為4年(二零一八年:4年)。於二零一九年三月三十一日,平均實際借款利率約3.71%(二零一八年:約3.75%)。於二零一九年三月三十一日,融資租賃應付款項約11,661,000港元(二零一八年:約17,702,000港元),均按租賃訂立時的固定利率計息,因而令本集團面臨公平值利率風險。餘下融資租賃應付款項按浮動利率計息,令本集團面臨現金流量利率風險。所有租賃按固定基準還款,而並無就或然租金付款訂立任何安排。於各租期結束時,本集團可選擇以名義價格購買物業、機器及設備。

除融資租賃應付款項約2,424,000港元(二零一八年:約3,031,000港元)外,餘下融資租賃應付款項包含給予放款人可要求於任何時間即時償付之全權酌情權之條文,而不論本集團是否已遵守契諾及符合計劃償付責任。

概無載有按要償還條款須於一年後到期償還且分類為流動負債的融資租賃應付款項部分預期於一年內清償。

所有融資租賃應付款項均以港元計值。

此外,本集團大部分的融資租賃應付款項由(i)本集團物業、機器及設備約41,530,000港元(二零一八年:約53,312,000港元)及(ii)本公司簽立之公司擔保抵押。

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### 25. BANK BORROWINGS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank loans	銀行貸款	8,333	10,000
Bank overdrafts	銀行透支	2,428	—
Trust receipt loans	信託收據貸款	10,607	11,988
Factoring loans	保理貸款	6,030	8,019
		<b>27,398</b>	<b>30,007</b>

The bank borrowings of the Group are repayable on demand and denominated in Hong Kong dollars.

本集團之銀行借款須按要求償還，並以港元計值。

The average interest rates of the bank borrowings of the Group at the end of the reporting period were as follows:

於報告期末，本集團銀行借款的平均利率如下：

		2019 二零一九年	2018 二零一八年
Bank overdrafts	銀行透支	4.73%	—
Bank loans	銀行貸款	4.73%	3.68%
Trust receipt loans	信託收據貸款	4.03%	4.16%
Factoring loans	保理貸款	4.88%	3.13%

All bank borrowings are arranged at floating rates and expose the Group to cash flow interest rate risk.

所有銀行借款均按浮動利率計息，令本集團面臨現金流量利率風險。

As at 31 March 2019, the Group's credit facilities are secured by:

於二零一九年三月三十一日，本集團的信貸融資由以下項目作為抵押：

- (i) The Group's trade receivables and retention receivables under contract assets or contract liabilities of approximately HK\$10,097,000 (2018: trade and retention receivables of approximately HK\$16,992,000);
- (ii) The Group's pledged bank deposits of approximately HK\$10,214,000 (2018: approximately HK\$10,138,000);
- (iii) Corporate guarantee executed by the Company.

- (i) 本集團合約資產或合約負債項下之貿易應收款項及應收保固金約10,097,000港元(二零一八年：貿易應收款項及應收保固金約16,992,000港元)；
- (ii) 本集團之已抵押銀行存款約10,214,000港元(二零一八年：約10,138,000港元)；
- (iii) 本公司簽立之公司擔保。

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### 25. BANK BORROWINGS (CONTINUED)

The Group's bank borrowings contain clauses which give the lenders the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations.

The Group regularly monitors its compliance with loan covenants. Its repayments up to date are in accordance with the scheduled repayments of the term loans. The Group does not consider that the banks will probably exercise their discretions to demand repayments so long as the Group continues to meet these requirements. Further details of the Group's management of liquidity risk are set out in note 6(c) to the consolidated financial statements.

### 26. OTHER BORROWING, UNSECURED

Pursuant to the terms of the Sale and Purchase Agreement, New Grace Gain provided an unsecured loan of HK\$100,000,000 ("Unsecured Loan") to the Company on 25 May 2018. The Unsecured Loan was interest-free and repayable on 25 November 2020. New Grace Gain shall not be entitled to demand early repayment and the Company has no right to make early repayment of the Unsecured Loan.

At the inception date of 25 May 2018, the fair value of the Unsecured Loan was determined at approximately HK\$85,390,000, which was valued by an independent professional valuer using discounted cash flow approach. In subsequent periods, the Unsecured Loan is carried at amortised cost using the effective interest method. The effective interest rate of the Unsecured Loan is 6.52%.

During the year ended 31 March 2019, imputed interest income of approximately HK\$14,610,000 (2018: Nil) and imputed interest expense of approximately HK\$4,616,000 (2018: Nil) were recognised in the consolidated statement of profit or loss and other comprehensive income respectively.

As at 31 March 2019, the carrying amount of the Unsecured Loan was approximately HK\$90,006,000 (2018: Nil).

### 25. 銀行借款(續)

本集團銀行借款有附帶條款，不論本集團是否已遵守契諾及是否已履行預定的還款責任，該附帶條款給予貸款人全權酌情隨時要求本集團即時還款的權利。

本集團定期監察其是否已遵守貸款契諾。其截至目前的還款乃按定期貸款的還款時間表進行。本集團認為只要本集團繼續符合該等規定，則銀行不大可能行使其要求還款的酌情權。有關本集團流動資金風險管理的進一步詳情載於綜合財務報表附註6(c)。

### 26. 其他借款，無抵押

根據買賣協議之條款，New Grace Gain於二零一八年五月二十五日向本公司提供無抵押貸款100,000,000港元（「無抵押貸款」）。無抵押貸款為免息並應於二零二零年十一月二十五日償還。New Grace Gain將無權要求提前還款，且本公司並無權利就無抵押貸款提前還款。

於訂立日期二零一八年五月二十五日，無抵押貸款的公平值釐定為約85,390,000港元，此乃由一名獨立專業估值師使用貼現現金流量法評估得出。於其後期間，無抵押貸款使用實際利率方法按攤銷成本入賬。無抵押貸款的實際利率為6.52%。

於截至二零一九年三月三十一日止年度，推算利息收入約14,610,000港元（二零一八年：零）及推算利息開支約4,616,000港元（二零一八年：零）已分別於綜合損益及其他全面收益表確認。

於二零一九年三月三十一日，無抵押貸款的賬面值約為90,006,000港元（二零一八年：零）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
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### 27. DEFERRED TAX

The following is the deferred tax liabilities and assets recognised by the Group.

### 27. 遞延稅項

本集團已確認的遞延稅項負債及資產如下。

		Accelerated tax depreciation	Losses available for offsetting against future taxable profits	Total
		加速稅項折舊	可供抵銷未來應課稅溢利的虧損	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	3,907	—	3,907
Charge/(credit) to profit or loss for the year (note 11)	年內扣自/(計入)損益(附註11)	2,445	(6,352)	(3,907)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	6,352	(6,352)	—
Charge/(credit) to profit or loss for the year (note 11)	年內扣自/(計入)損益(附註11)	1,192	(1,192)	—
At 31 March 2019	於二零一九年三月三十一日	7,544	(7,544)	—

As at 31 March 2019, the Group has unused tax losses and other deductible temporary differences of approximately HK\$92,644,000 and HK\$743,000 (2018: approximately HK\$80,513,000 and Nil) respectively available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$45,721,000 (2018: HK\$38,495,000) of such tax losses. No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK\$46,923,000 (2018: HK\$42,018,000) and other deductible temporary differences due to the unpredictability of future profit streams. Unrecognised tax losses may be carried forward indefinitely.

於二零一九年三月三十一日，本集團可供抵銷未來溢利的未動用稅項虧損及其他可予扣減暫時差額分別為約92,644,000港元及743,000港元(二零一八年：約80,513,000港元及零)。已就有關稅項虧損45,721,000港元(二零一八年：38,495,000港元)確認遞延稅項資產。由於未來溢利流無法預測，故並無就餘下未動用稅項虧損46,923,000港元(二零一八年：42,018,000港元)及其他可予扣減暫時差額確認遞延稅項資產。未確認稅項虧損可無限期結轉。

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## 綜合財務報表附註

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## 28. SHARE CAPITAL

## 28. 股本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Authorised: 10,000,000,000 ordinary shares of HK\$0.01 each	法定： 10,000,000,000股每股 面值0.01港元之普通股	100,000	100,000
Issued and fully paid: 400,000,000 ordinary shares of HK\$0.01 each	已發行及繳足： 400,000,000股每股 面值0.01港元之普通股	4,000	4,000

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The externally imposed capital requirements for the Group are mainly: (i) in order to maintain its listing on the Stock Exchange, it has to have a public float of at least 25% of the total number of the shares in issue; and (ii) to meet financial covenants attached to the bank borrowings.

The Group receives a report from the share registrars monthly on substantial share interests showing the non-public float which demonstrates that the Group is continuing in compliance with the 25% limit throughout the year.

Pursuant to the joint announcement published on 7 August 2018 (the "Joint Announcement 2"), immediately after the close of mandatory unconditional cash offer, a total of 31,750,000 ordinary shares, representing approximately 7.94% of the total issued share capital of the Company as at the date of the Joint Announcement 2, are held by the public. Accordingly, the Company cannot fulfill the minimum public float requirement set out under Rule 8.08(1)(a) of the Listing Rules.

本集團管理資本的目標為保障本集團持續經營業務的能力及透過優化債務及股本平衡盡可能為股東提供更高回報。

本集團透過考慮資本成本及與各類資本相關聯的風險頻繁審核資本架構。本集團將透過派付股息、發行新股及股份回購以及發行新債務、贖回現有債務或出售資產以減少債務的方式平衡其整體資本架構。

本集團主要受限於以下外來資本規定：(i) 其公眾持股量須最少為已發行股份總數的25%，以維持其於聯交所的上市地位；及(ii) 滿足銀行借款所附的財務契諾。

本集團每月接獲股份過戶登記處發出顯示非公眾持股量的重大股份權益的報告，該報告顯示本集團於整個年度內一直遵守25%的限額。

根據於二零一八年八月七日刊發的聯合公告（「聯合公告2」），緊隨強制性無條件現金要約截止後，合共31,750,000股普通股（相當於聯合公告2日期本公司全部已發行股本之約7.94%）由公眾持有。因此，本公司未能符合上市規則第8.08(1)(a)條所載的最低公眾持股量規定。

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## 綜合財務報表附註

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### 28. SHARE CAPITAL (CONTINUED)

Subsequent to 7 August 2018, the Company arranged placement of the Company's shares on hand to restore the required minimum public float. Pursuant to the announcement published by the Company on 30 October 2018, immediately upon completion of a placing of 68,250,000 ordinary shares in the Company, a total of 100,000,000 shares, representing 25% of the issued shares of the Company are held by the public. As such, the public float of the Company has been restored to not less than 25% of the issued share capital of the Company in compliance with the Listing Rule with effect from the completion of the placing.

Save as mentioned above, the Company has maintained the prescribed public float under the Listing Rules during the years ended 31 March 2018 and 2019.

Breaches to fulfill the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any bank borrowings for the years ended 31 March 2019 and 2018.

### 29. SHARE-BASED PAYMENTS

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include the full-time or part-time employee of the Company or any member of the Group, including any executive, non-executive directors and independent non-executive directors, advisers, consultants, other contractors, business partners of the Company or any subsidiaries. The Scheme became effective on 19 February 2016 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at the Listing Date and any shares of the Company which may be allotted and issued by the Company pursuant to the offer size adjustment option. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any twelve months period is limited to 1% of the shares of the Company in issue at any time. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

### 28. 股本(續)

於二零一八年八月七日後，本公司安排配售本公司手頭上之股份，以恢復規定之最低公眾持股量。根據本公司於二零一八年十月三十日刊發的公告，緊隨本公司68,250,000股普通股配售完成後，合共100,000,000股股份(相當於本公司已發行股份之25%)由公眾持有。因此，自配售完成後，本公司之公眾持股量已恢復至不低於本公司已發行股本之25%，符合上市規則。

除上述者外，截至二零一八年及二零一九年三月三十一日止年度，本公司已維持上市規則規定的公眾持股量。

未能履行財務契諾時，銀行有權立即催收借款。截至二零一九年及二零一八年三月三十一日止年度，並無違反任何銀行借款的財務契諾。

### 29. 股份付款

本公司設立一項購股權計劃(「該計劃」)，旨在向為本集團經營成功作出貢獻的合資格參與者提供獎勵及回報。合資格參與者包括本公司或本集團任何成員公司的全職或兼職僱員，包括本公司或任何附屬公司的任何執行、非執行董事及獨立非執行董事、顧問、諮詢師、其他訂約人、業務合作夥伴。該計劃已於二零一六年二月十九日生效，除非遭另行撤銷或修訂，否則將自該日起計十年內持續有效。

根據該計劃現時可授出之未行使購股權之最高數目於行使時相等於本公司於上市日期之已發行股份及本公司根據發售量調整權可能配發及發行之本公司任何股份之10%。於任何十二個月期間內，根據該計劃授予各合資格參與者之購股權可予發行之最高股份數目以本公司任何時候已發行股份之1%為限。授出超過此限制之任何其他購股權需於股東大會上獲股東批准。

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### 29. SHARE-BASED PAYMENTS (CONTINUED)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any twelve months period up to and including the date of the grant, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotation sheets issued by the Stock Exchange on the offer date of the share options; (ii) the average closing price of the Company's shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the offer date; and (iii) the nominal value of the Company's shares on the offer date, when applicable.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

No share option has been granted under the Scheme since adoption of the Scheme.

### 29. 股份付款(續)

授予本公司董事、主要行政人員或主要股東或彼等任何聯繫人士之購股權須經獨立非執行董事事先批准。此外，於任何十二個月期間(直至及包括授出日期)內，倘授予本公司主要股東或獨立非執行董事或彼等任何聯繫人士之任何購股權超逾本公司任何時候之已發行股份0.1%及根據於授出日期本公司股份價格計算之總值超過5,000,000港元，則須經股東於股東大會上事先批准。

授予購股權之要約可於承授人支付名義代價合共1港元後，自要約日期起計21天內接納。所授出購股權之行使期乃由董事釐定，並於某歸屬期後開始，及不遲於購股權要約日期起計五年或該計劃屆滿當日(以較早者為準)完結。

購股權之行使價由董事釐定，惟不得低於以下之最高者(i)本公司股份於購股權要約日期在聯交所發出的每日報價表所示之收市價；(ii)本公司股份於緊接要約日期前五個交易日在聯交所發出的每日報價表所示之平均收市價；及(iii)本公司股份於要約日期之面值(如適用)。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

自採納該計劃起，概無根據該計劃授出購股權。

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## 綜合財務報表附註

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### 30. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

#### (A) STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 30. 本公司財務狀況表及儲備變動

#### (A) 本公司財務狀況表

		At 31 March 2019 於二零一九年 三月三十一日 HK\$'000 千港元	At 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元
	Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investment in a subsidiary	於一家附屬公司的投資	—	—
Due from a subsidiary	應收一家附屬公司款項	82,183	88,119
		82,183	88,119
<b>Current assets</b>	<b>流動資產</b>		
Prepayments, deposits and other receivables	預付款項，按金及其他應收款項	1,114	—
Due from a subsidiary	應收一家附屬公司款項	50,000	22
Bank and cash balances	銀行及現金結餘	54,714	7
		105,828	29
<b>Current liabilities</b>	<b>流動負債</b>		
Accruals and other payables	應計費用及其他應付款項	5,768	—
Due to a subsidiary	應付一家附屬公司款項	—	—*
		5,768	—*
<b>Net current assets</b>	<b>流動資產淨值</b>	100,060	29
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	182,243	88,148
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Other borrowing, unsecured	其他借款，無抵押	90,006	—
<b>NET ASSETS</b>	<b>資產淨值</b>	92,237	88,148
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	4,000	4,000
Reserves	儲備	88,237	84,148
<b>TOTAL EQUITY</b>	<b>權益總額</b>	92,237	88,148

\* Represents the amount less than HK\$1,000.

\* 指金額少於1,000港元。

Approved by the Board of Directors on 28 June 2019  
and signed on its behalf by:

經董事會於二零一九年六月二十八日  
批准並由以下董事代表簽署：

**Chen Rongsheng**  
陳融聖  
Executive Director  
執行董事

**Guan Jingdong**  
關靜東  
Executive Director  
執行董事

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### 30. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

### 30. 本公司財務狀況表及儲備變動(續)

#### (B) RESERVE MOVEMENT OF THE COMPANY

#### (B) 本公司儲備變動

		Share premium 股份溢價 HK\$'000 千港元 (note 31(b)) (附註31(b))	(Accumulated losses)/ retained profits (累計虧損)/ 保留溢利 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	84,403	(87)	84,316
Loss and total comprehensive income and changes in equity for the year	年內虧損及全面收益總額及權益變動	—	(168)	(168)
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及二零一八年四月一日	84,403	(255)	84,148
Profit and total comprehensive income and changes in equity for the year	年內溢利及全面收益總額及權益變動	—	4,089	4,089
At 31 March 2019	於二零一九年三月三十一日	84,403	3,834	88,237

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## 綜合財務報表附註

For the year ended 31 March 2019

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### 31. RESERVES

#### (A) GROUP

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity on pages 73 and 76 of the consolidated financial statements respectively.

#### (B) SHARE PREMIUM

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and after deduction of capitalisation issue and issuance costs of shares.

### 31. 儲備

#### (A) 本集團

本集團儲備金額及其變動分別於綜合財務報表第73及76頁的綜合損益及其他全面收益表以及綜合權益變動表呈列。

#### (B) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中已到期的債務。

股份溢價指以高於每股股份面值的價格發行股份所產生的溢價，並已經扣除資本化發行及股份發行成本。

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## 綜合財務報表附註

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### 32. SUBSIDIARIES

Particulars of the subsidiaries as at 31 March 2019 are as follows:

Name 名稱	Place of incorporation/ establishment and operation 註冊成立/成立地點 及經營地點	Date of incorporation/ establishment 註冊成立/成立日期	Issued and paid up capital 已發行及繳足股本	Percentage of ownership interest/voting power/ profit sharing 擁有權益/投票權/ 分佔溢利百分比		Principal activity 主要業務
				Direct 直接	Indirect 間接	
K. H. Development Holdings Limited	British Virgin Islands 英屬處女群島	13 August 2015 二零一五年八月十三日	US\$100 100美元	100%	—	Investment holding 投資控股
K. H. Civil Engineering Limited 劍虹土木工程有限公司	Hong Kong 香港	5 March 2001 二零零一年三月五日	HK\$100 100港元	—	100%	Provision of foundation services 提供地基服務
K. H. Foundations Limited 劍虹地基有限公司	Hong Kong 香港	4 January 1985 一九八五年一月四日	HK\$32,962,000 32,962,000港元	—	100%	Provision of foundation services 提供地基服務
K. H. Holdings Limited 劍虹控股有限公司	Hong Kong 香港	15 September 2006 二零零六年九月十五日	HK\$1 1港元	—	100%	Investment holding 投資控股
K. H. Machinery Limited 劍虹機械有限公司	Hong Kong 香港	23 January 2007 二零零七年一月二十三日	HK\$3,000 3,000港元	—	100%	Leasing of machinery 機械租賃
K. H. Piling & Engineering Limited 劍虹打樁工程有限公司	Hong Kong 香港	8 November 2012 二零一二年十一月八日	HK\$100 100港元	—	100%	Inactive 暫不經營業務

### 32. 附屬公司

於二零一九年三月三十一日的附屬公司詳情如下：

### 33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (A) MAJOR NON-CASH TRANSACTION

- (i) Additions of property, plant and equipment for the year ended 31 March 2018 amounted to approximately HK\$20,221,000 were financed by finance leases.

### 33. 綜合現金流量表附註

#### (A) 重大非現金交易

- (i) 截至二零一八年三月三十一日止年度，金額約20,221,000港元的物業、機器及設備添置由融資租賃撥付資金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### 33. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

#### (A) MAJOR NON-CASH TRANSACTION (CONTINUED)

- (ii) During the year ended 31 March 2019, imputed interest income of approximately HK\$14,610,000 (2018: Nil) and imputed interest expense of approximately HK\$4,616,000 (2018: Nil) were recognised in the consolidated statement of profit or loss and other comprehensive income respectively.

#### (B) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below shows details of the 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 flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 33. 綜合現金流量表附註 (續)

#### (A) 重大非現金交易(續)

- (ii) 截至二零一九年三月三十一日止年度，推算利息收入約14,610,000港元(二零一八年：無)及推算利息開支約4,616,000港元(二零一八年：無)乃分別於綜合損益及其他全面收益表確認。

#### (B) 融資活動所產生負債的對賬

下表列示本集團融資活動所產生負債的變動詳情，包括現金及非現金變動。融資活動所產生負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動所得現金流量的負債。

		Finance lease payables 融資租賃應付款項 HK\$'000 千港元 (note 24) (附註24)	Bank borrowings 銀行借款 HK\$'000 千港元 (note 25) (附註25)	Other borrowing, unsecured 其他借款，無抵押 HK\$'000 千港元 (note 26) (附註26)	Total 總計 HK\$'000 千港元
As at 1 April 2018	於二零一八年四月一日	28,265	30,007	—	58,272
<b>Changes from financing cash flows:</b>	<b>來自融資現金流量之變動：</b>				
Borrowings raised	已籌銀行借款	—	81,611	100,000	181,611
Repayment of bank borrowings	償還銀行借款	—	(86,648)	—	(86,648)
Repayment of finance lease payables	償還融資租賃應付款項	(11,529)	—	—	(11,529)
<b>Other changes:</b>	<b>其他變動：</b>				
Imputed interest income (note 33(a)(ii))	推算利息收入(附註33(a)(ii))	—	—	(14,610)	(14,610)
Imputed interest expense (note 33(a)(ii))	推算利息開支(附註33(a)(ii))	—	—	4,616	4,616
		(11,529)	(5,037)	90,006	73,440
As at 31 March 2019	於二零一九年三月三十一日	16,736	24,970	90,006	131,712

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



### 34. CONTINGENT LIABILITIES

- (a) At the end of the reporting period, the Group has provided guarantees to an insurance company as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Guarantees on performance bonds for construction contracts 為建築合約履約保證金提供擔保	50,312	33,388

- (b) In May 2015, a subcontractor claimed against the Group for certain construction works (the "Dispute"). The total amount of claim by the subcontractor is approximately HK\$20,329,000. The Group and the subcontractor agreed to resolve their Dispute by arbitration or by other means of dispute resolution.

Up to the date of these consolidated financial statements, the arbitration is still in the process and there is no conclusive decision to resolve the Dispute. The management, after taking external legal advice, considers that it is pre-mature to assess the outcome for the said claim.

Pursuant to the deed of indemnity executed by the then controlling and substantial shareholder of the Company, New Grace Gain and its ultimate beneficial owners, Mr. Yeung Sau Ming, Boris, Mr. Lau Tai Wah, Gilbert and Mr. Yue Suen Leung, in favour of our Company, each of them has irrevocably and unconditionally, jointly and severally, agreed to indemnify the Group against, among others, all loss and damages arising from the Dispute.

Accordingly, no provision has been made for the claim.

### 34. 或然負債

- (a) 於報告期末，本集團已向一家保險公司提供如下擔保：

- (b) 於二零一五年五月，一名分包商就若干建築工程（「糾紛」）向本集團提出索償。該分包商的索償總額約為20,329,000港元。本集團及該分包商已同意透過仲裁或其他糾紛解決方式解決其糾紛。

截至本綜合財務報表日期，仲裁仍在進行，且並無解決糾紛的最終裁定。管理層在考慮外部法律意見後認為，評估上述索償結果的時機尚不成熟。

根據本公司當時控股股東及主要股東New Grace Gain及其最終實益擁有人楊秀明先生、劉泰華先生及余孫良先生以本公司為受益人而簽立的彌償保證契據，彼等各自已不可撤銷及無條件地共同及個別同意，就（其中包括）因糾紛而產生的一切損失及損害賠償向本集團作出彌償。

因此，並無就該索償計提撥備。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度

### 35. CAPITAL COMMITMENTS

No Group's capital commitments at the end of reporting period (2018: Nil).

### 36. LEASE COMMITMENTS

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	3,732	2,597
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	517	316
		4,249	2,913

Operating lease payments mainly represent rentals payable by the Group for its offices, staff quarters and warehouses. Leases are negotiated for an average term of two years and rentals are fixed over the lease terms and do not include contingent rentals.

### 35. 資本承擔

於報告期末，本集團概無資本承擔(二零一八年：無)。

### 36. 租賃承擔

於報告期末，不可撤銷經營租賃下應付未來最低租賃付款總額如下：

經營租賃付款主要指本集團就辦公室、員工宿舍及倉庫應付的租金。租約經商議後平均為期兩年，租金於租期內固定且並不包括或然租金。

### 37. RELATED PARTY TRANSACTIONS

(a) In addition to those related party transactions and balances disclosed elsewhere to the consolidated financial statements, the Group had the following material transaction with its related party during the year:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Rental expenses charged by a related company	一家關聯公司收取的 租金開支	1,468	1,368

### 37. 關聯方交易

(a) 除綜合財務報表其他地方披露的該等關聯方交易及結餘外，本集團於年內曾與其關聯方進行以下重大交易：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019  
截至二零一九年三月三十一日止年度



### 37. RELATED PARTY TRANSACTIONS (CONTINUED)

Mr. Yeung Sau Ming, Boris, a former director of the Company, who resigned on 13 August 2018 but still retained as a director of the subsidiaries of the Group during the year ended 31 March 2019, has beneficial interest in this related company.

- (b) Compensation of key management personnel of the Group:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	9,619	8,237
Pension scheme contributions	退休計劃供款	79	97
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	9,698	8,334

Further details of employee benefits expense and directors' emoluments are included in note 13 and note 14 respectively to the consolidated financial statements.

### 38. APPROVED OF FINANCIAL STATEMENTS

The Consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 June 2019.

### 37. 關聯方交易(續)

本公司前董事楊秀明先生(已於二零一八年八月十三日辭任本公司董事,但於截至二零一九年三月三十一日止年度仍留任本集團附屬公司董事)於該關聯公司擁有實益權益。

- (b) 本集團主要管理人員薪酬:

有關僱員福利開支及董事酬金的進一步詳情分別載於綜合財務報表附註13及附註14。

### 38. 批准財務報表

綜合財務報表已於二零一九年六月二十八日獲董事會批准及授權刊發。

# FINANCIAL SUMMARY

## 財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below:

本集團過去五個財政年度的業績及資產及負債概要載列如下：

### RESULTS FOR THE YEAR ENDED 31 MARCH

### 截至三月三十一日止年度之業績

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	203,015	225,579	125,589	494,135	357,313
Cost of sales	銷售成本	(201,188)	(222,759)	(121,014)	(416,341)	(287,401)
Gross profit	毛利	1,827	2,820	4,575	77,794	69,912
Other income	其他收入	15,921	137	171	2,046	749
Administrative and other operating expenses	行政及其他經營開支	(40,589)	(30,624)	(38,203)	(28,139)	(13,600)
(Loss)/Profit from operations	經營所得(虧損)/溢利	(22,841)	(27,667)	(33,457)	51,701	57,061
Finance costs	融資成本	(6,266)	(1,430)	(936)	(995)	(778)
(Loss)/Profit before tax	除稅前(虧損)/溢利	(29,107)	(29,097)	(34,393)	50,706	56,283
Income tax credit/(expense)	所得稅抵免/(開支)	—	3,907	544	(10,403)	(9,702)
(Loss)/Profit and total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年內(虧損)/溢利及全面收益總額	(29,107)	(25,190)	(33,849)	40,303	46,581

### ASSETS AND LIABILITIES AS AT 31 MARCH

### 於三月三十一日之資產及負債

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	資產總值	327,270	237,529	244,536	336,041	264,095
Total liabilities	負債總額	(235,863)	(112,515)	(94,332)	(151,988)	(183,548)
Net assets	資產淨值	91,407	125,014	150,204	184,053	80,547

Note:

The summary of the results of the Group for the year ended 31 March 2015 and of the assets and liabilities as at 31 March 2015 has been extracted from the prospectus of the Company dated 8 March 2016 and certain comparative figures were reclassified to conform to the presentation following the identification of the business segment of Leasing during the year ended 31 March 2017.

附註：

本集團於截至二零一五年三月三十一日止年度的業績及於二零一五年三月三十一日的資產及負債概要乃摘錄自本公司日期為二零一六年三月八日之招股章程，且若干比較數字已於截至二零一七年三月三十一日止年度識別租賃的業務分類後重新分類，以符合呈列。



**K. H. GROUP HOLDINGS LIMITED**  
**劍虹集團控股有限公司**

