



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的有限公司)

Stock code 股份代號 : 1557



2016/17
Annual Report 年報

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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Mr. Yu Shiu Tin Paul (*Chairman*)
Mr. Yeung Sau Ming Boris (*Deputy Managing Director*)
Ms. Chan Lai Kuen

Independent Non-executive Directors

Mr. Chan Kee Huen Michael
Mr. Cheng Yan Kee
Mr. Cheung Chi Fai Frank
Professor Chung Hung Kwan Barnabas

Company Secretary

Mr. Ho Cheuk Wai (resigned on 1 October 2016)
Mr. Shum Hoi Luen (appointed on 1 October 2016)

Audit Committee

Mr. Cheung Chi Fai Frank (*Chairman*)
Mr. Chan Kee Huen Michael
Mr. Cheng Yan Kee
Professor Chung Hung Kwan Barnabas

Nomination Committee

Mr. Yu Shiu Tin Paul (*Chairman*)
Mr. Chan Kee Huen Michael
Mr. Cheng Yan Kee
Professor Chung Hung Kwan Barnabas
Mr. Yeung Sau Ming Boris

Remuneration Committee

Mr. Cheng Yan Kee (*Chairman*)
Ms. Chan Lai Kuen
Mr. Cheung Chi Fai Frank
Professor Chung Hung Kwan Barnabas
Mr. Yu Shiu Tin Paul

Registered Office

P. O. Box 1350
Clifton House
75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

董事會

執行董事

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

陳記煊先生
鄭恩基先生
張志輝先生
鍾鴻鈞教授

公司秘書

何焯偉先生(於二零一六年十月一日辭任)
沈凱聯先生(於二零一六年十月一日獲委任)

審核委員會

張志輝先生(*主席*)
陳記煊先生
鄭恩基先生
鍾鴻鈞教授

提名委員會

余嘯天先生(*主席*)
陳記煊先生
鄭恩基先生
鍾鴻鈞教授
楊秀明先生

薪酬委員會

鄭恩基先生(*主席*)
陳麗娟女士
張志輝先生
鍾鴻鈞教授
余嘯天先生

註冊辦事處

P. O. Box 1350
Clifton House
75 Fort Street
Grand Cayman
KY1-1108
Cayman Islands

CORPORATE INFORMATION 公司資料

Head Office and Principal Place of Business in Hong Kong

10/F, Liven House
61 King Yip Street
Kwun Tong
Kowloon
Hong Kong

Legal Adviser as to Hong Kong Laws

Stephenson Harwood

Compliance Adviser

Ample Capital Limited

Auditor

RSM Hong Kong
Certified Public Accountants

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

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) 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

香港總部及主要營業地點

香港
九龍
觀塘
敬業街61號
利維大廈10樓

香港法律之法律顧問

羅夏信律師事務所

合規顧問

豐盛融資有限公司

核數師

中瑞岳華(香港)會計師事務所
執業會計師

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

香港上海滙豐銀行有限公司
星展銀行(香港)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

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 2016/17 Annual Report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2017.

2016/17 is a difficult year for our Group. The Group's revenue decreased by approximately 74.6% to approximately HK\$125,589,000 during the year ended 31 March 2017 (2016: approximately HK\$494,135,000). The loss and total comprehensive income for the year ended 31 March 2017 attributable to owners of the Company amounted to approximately HK\$33,849,000 (2016: profit and total comprehensive income of approximately HK\$40,303,000).

The saturation of the construction industry in Macau accelerates the keen competition in the foundation market in Hong Kong in 2016. Also, the persistent filibustering in recent years in relation to the funding approval process for certain planned public works further deteriorates the construction industry in Hong Kong. The foundation industry in Hong Kong is expected to continue to be very challenging in 2017 unless there are any sudden supportive economic policies and measures adopted by the government of the Hong Kong Special Administrative Region.

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

In order to take on a more active and committed role in the construction industry in Hong Kong, one of the subsidiaries of the Company was further included in the "Large Diameter Bored Pile (with Bellout)" piling system under the Development Bureau of the government of the Hong Kong Special Administrative Region in 2016. The Group is also considering to apply for inclusion into the registered piling contractor list under the Hong Kong Housing Authority. Upon being registered in the registered piling contractor list, the Group will be allowed to conduct a wider business scope in the construction industry in Hong Kong.

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（統稱「本集團」）截至二零一七年三月三十一日止年度之二零一六／一七年年報。

二零一六／一七年對本集團而言是甚為艱難的一年。本集團截至二零一七年三月三十一日止年度之收益下跌約74.6%至約125,589,000港元（二零一六年：約494,135,000港元）。本公司擁有人應佔截至二零一七年三月三十一日止年度之虧損及全面收益總額約33,849,000港元（二零一六年：溢利及全面收益總額約40,303,000港元）。

於二零一六年，澳門建造業飽和，令香港地基市場競爭愈趨熾烈。此外，近年來數項已規劃的公共工程撥款進程屢遭拉布阻滯，更令香港建造業每況愈下。除非香港特別行政區政府突然採取任何扶持性經濟政策及措施，否則香港地基行業於二零一七年預期將繼續挑戰重重。

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業者的整體營運風險。

為更積極及致力參與香港建造業，本公司其中一間附屬公司於二零一六年獲香港特別行政區政府發展局進一步列入「大口徑鑽孔擴底樁」打樁系統之認可承建商。本集團亦正考慮申請列入香港房屋委員會的註冊打樁承建商名單。於列入註冊打樁承建商名單後，本集團於香港建造業的業務範圍將更為廣泛。

CHAIRMAN'S STATEMENT 主席報告

Housing and land use is one of the focused areas addressed in the recent 2017 policy address of the Hong Kong Special Administrative Region (the "2017 Policy Address"). As supported by the 2017 Policy Address and our newly elected Chief Executive of the Hong Kong Special Administrative Region, the Group believes that there will be more opportunities in the foundation industry in Hong Kong due to the boosting land supply for housing and commercial building developments for both private and public sectors as well as fostering infrastructure development plans in the long term.

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 the pursuance of its existing core business and furtherance of 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.

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 in last year.

Mr. Yu Shiu Tin Paul
Chairman

Hong Kong, 30 June 2017

房屋及土地用途被列入香港特別行政區之二零一七年施政報告(「二零一七年施政報告」)工作重點之一。在二零一七年施政報告及新當選之香港特別行政區行政長官的支持下，本集團相信香港地基行業長遠而言將會因不斷為私營及公營領域的住宅及商用樓宇發展增加土地供應以及推動基建發展計劃而出現更多機遇。

展望未來，董事會仍對香港地基行業的長遠前景保持審慎樂觀。本集團將繼續審慎從事其現有核心業務並推進其開發計劃，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。

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在過去一年的努力及貢獻衷心致謝。

主席
余嘯天先生

香港，二零一七年六月三十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

During the year ended 31 March 2017, the leasing of machinery (the "Leasing") in Hong Kong is considered as a new business segment of the Group and regarded as another principal activity of the Group. As such, during the year ended 31 March 2017, the Group was principally engaged in the provision of foundation services (the "Foundation") and the Leasing in Hong Kong.

As at 31 March 2016, there were 7 active projects in progress. 1 of them was still in progress and the remaining 6 were practically completed during the year ended 31 March 2017. In addition, there were another 8 active projects which were awarded after 31 March 2016. Out of these 8 active projects, 1 of them was completed while another 3 were still in progress during the year ended 31 March 2017. The remaining 4 will commence after 31 March 2017. As such, as at 31 March 2017, there were 4 active projects in progress.

Financial Review

Revenue

As mentioned above, during the year ended 31 March 2017, the business segment of the Leasing is considered as a new business segment of the Group. As such, the rental income from this new business segment is regarded as revenue of the Group in the current year.

Our Group's overall revenue is mainly generated by the Foundation business segment. The Group's overall revenue decreased by approximately 74.6% from approximately HK\$494,135,000 during the year ended 31 March 2016 to approximately HK\$125,589,000 during the year ended 31 March 2017. The overall decrease was mainly attributable to the achievement of significant progress or practical completion for most of the foundation projects on hand during the year ended 31 March 2016.

業務回顧

截至二零一七年三月三十一日止年度，於香港從事機械租賃（「租賃」）被視作本集團的新業務分類及本集團另一個主要業務。因此，截至二零一七年三月三十一日止年度，本集團之主要業務為在香港提供地基服務（「地基」）及租賃。

於二零一六年三月三十一日，共有7個進行中活躍項目，截至二零一七年三月三十一日止年度，1個項目仍在進行，其餘6個項目已實際竣工。此外，另有8個於二零一六年三月三十一日後獲授的活躍項目。截至二零一七年三月三十一日止年度，於此8個活躍項目中，經已完成1個項目，而另外3個項目則仍在進行中。餘下4個項目將於二零一七年三月三十一日後開展。因此，於二零一七年三月三十一日，共有4個進行中活躍項目。

財務回顧

收益

誠如上文所述，截至二零一七年三月三十一日止年度，租賃的業務分類被視為本集團的新業務分類。因此，來自此新業務分類之租金收入被視為本集團於本年度之收益。

本集團的整體收益主要來自地基的業務分類。本集團的整體收益由截至二零一六年三月三十一日止年度約494,135,000港元減少約74.6%至截至二零一七年三月三十一日止年度約125,589,000港元。整體減幅乃主要由於截至二零一六年三月三十一日止年度手頭上大部分地基項目取得重大進展或已實際竣工所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross Profit/Gross Profit Margin

The overall gross profit and gross profit margin decreased from approximately HK\$77,794,000 and approximately 15.7% respectively during the year ended 31 March 2016 to approximately HK\$4,575,000 and approximately 3.6% respectively during the year ended 31 March 2017. The decreases in both gross profit and gross profit margin were mainly due to:

1. significant decline in revenue as most of the foundation projects were substantially completed during the year ended 31 March 2016;
2. unanticipated variations of approximately HK\$6,053,000 arising from certain variation orders agreed at discounted rates after the practical completion stage of one of our foundation projects (representing approximately 2.0% of the awarded contract value of the project), was included in cost of sales as one-off non-cash expense and treated as an impairment loss of gross amounts due from customers for contract work, for speeding up the final account drafting process and tapping into and accessing to a potential new clientele base;
3. additional construction costs were incurred towards the completion stage of certain foundation projects; and
4. the gross profit margins for certain new foundation projects commenced during the year ended 31 March 2017 were generally lower than those undertaken in previous years as disclosed in the Company's annual report 2015/16.

If the one-off non-cash expense of approximately HK\$6,053,000 arising from the unanticipated variations was excluded, the overall gross profit margin would be adjusted to approximately 8.5% during the year ended 31 March 2017 which remained comparable as compared to the overall adjusted gross profit margin as set out in our interim results for the six months ended 30 September 2016.

Administrative Expenses

The Group's administrative expenses increased by approximately 35.8% from approximately HK\$28,139,000 during the year ended 31 March 2016 to approximately HK\$38,203,000 during the year ended 31 March 2017. The increase was mainly attributable to (i) the increase in employee benefits expense of approximately HK\$12,467,000 arising from increase in bonuses and salary increments; (ii) the increase in the Directors' remuneration of approximately HK\$977,000 after the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 18 March 2016 (the "Listing"); and (iii) the increase in the general operational costs and administrative expenses of the Group after the Listing. During the year ended 31 March 2017, the overall increase in administrative expenses was partially offset by the decrease in the one-off Listing expenses of approximately HK\$8,736,000 incurred during the year ended 31 March 2016.

毛利 / 毛利率

整體毛利及毛利率由截至二零一六年三月三十一日止年度分別約77,794,000港元及約15.7%下降至截至二零一七年三月三十一日止年度分別約4,575,000港元及約3.6%。毛利及毛利率均下降，乃主要由於：

1. 截至二零一六年三月三十一日止年度，大部分地基項目已大致竣工，導致收益大幅減少；
2. 若干工程變更導致出現未預料的變化約6,053,000港元，基於我們其中一項地基項目的實際竣工階段後按折扣金額協定，佔該項目獲授的合約價值約2.0%；為加快決算賬戶起草程序以及獲得潛在新客戶基礎，有關金額計入銷售成本內的一次性非現金開支，並以應收客戶合約工程款項總額的減值虧損處理；
3. 若干地基項目於邁向完成階段時產生額外建築成本；及
4. 誠如本公司二零一五／一六年報所披露，截至二零一七年三月三十一日止年度開展的若干新地基項目之毛利率一般較於過往年度開展之項目為低。

倘撇除未預料到的變化所導致約6,053,000港元之一次性非現金開支，截至二零一七年三月三十一日止年度之整體毛利率將被調整至約8.5%，與截至二零一六年九月三十日止六個月中期業績所載之經調整整體毛利率維持相若。

行政開支

本集團之行政開支由截至二零一六年三月三十一日止年度約28,139,000港元增加約35.8%至截至二零一七年三月三十一日止年度約38,203,000港元。增幅乃主要由於(i)僱員福利開支由於花紅增加及薪金增幅而增加約12,467,000港元；(ii)本公司股份於二零一六年三月十八日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)後，董事薪酬增加約977,000港元；及(iii)本集團之一般營運成本及行政開支於上市後增加。截至二零一七年三月三十一日止年度，行政開支的整體增幅部分被截至二零一六年三月三十一日止年度產生之一次性上市開支費用減少約8,736,000港元所抵銷。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Net Loss/Profit

As a result of the abovementioned, during the year under review, the Group reported a net loss of approximately HK\$33,849,000 (2016: net profit of approximately HK\$40,303,000).

Debts and Charge on Assets

The total interest-bearing bank borrowings of the Group, including bank loans and finance lease payables, decreased from approximately HK\$74,348,000 as at 31 March 2016 to approximately HK\$47,192,000 as at 31 March 2017. As at 31 March 2017, these banking facilities were secured by (i) the Group's trade receivables of approximately HK\$2,533,000 (31 March 2016: approximately HK\$23,930,000); (ii) the Group's pledged bank deposits of approximately HK\$12,436,000 (31 March 2016: approximately HK\$12,378,000); (iii) the Group's property, plant and equipment with total net carrying amounts of approximately HK\$41,851,000 (31 March 2016: approximately HK\$31,049,000); and (iv) corporate guarantee executed by the Company.

Borrowings were denominated in Hong Kong Dollars ("HK\$") and interests on borrowings were mainly 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 has normally funded the liquidity and capital requirements primarily through capital contributions from the shareholders, bank borrowings and net cash generated from operating activities.

As at 31 March 2017, the Group had pledged bank deposits, time deposits and bank and cash balances of approximately HK\$32,027,000 (31 March 2016: approximately HK\$83,586,000). The gearing ratio of the Group as at 31 March 2017 (defined as the total borrowings divided by total equity) was approximately 31.4% (31 March 2016: approximately 40.4%). As at 31 March 2017, the current ratio of the Group was approximately 2.2 (31 March 2016: approximately 2.0).

During the year ended 31 March 2017, the Group did not employ any financial instruments for hedging purpose.

淨虧損／純利

由於上文所述，於本回顧年度，本集團錄得淨虧損約33,849,000港元(二零一六：純利約40,303,000港元)。

債務及資產押記

本集團的計息銀行借款總額(包括銀行貸款及融資租賃應付款項)由二零一六年三月三十一日約74,348,000港元減少至二零一七年三月三十一日約47,192,000港元。於二零一七年三月三十一日，該等銀行融資以(i)本集團約2,533,000港元(二零一六年三月三十一日：約23,930,000港元)之貿易應收款項；(ii)本集團約12,436,000港元(二零一六年三月三十一日：約12,378,000港元)之已抵押銀行存款；(iii)本集團賬面淨值總額約41,851,000港元(二零一六年三月三十一日：約31,049,000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。

借款以港元(「港元」)計值，而借款主要以浮動利率計息。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、銀行借款及經營活動所得現金淨額撥付流動資金及資本需求。

於二零一七年三月三十一日，本集團持有已抵押銀行存款、定期存款以及銀行及現金結餘約32,027,000港元(二零一六年三月三十一日：約83,586,000港元)。於二零一七年三月三十一日，本集團的資產負債比率(定義為借款總額除以權益總額)約31.4%(二零一六年三月三十一日：約40.4%)。於二零一七年三月三十一日，本集團的流動比率約2.2(二零一六年三月三十一日：約2.0)。

截至二零一七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。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

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.

Significant Investments, Material Acquisitions or Disposals

During the year ended 31 March 2017, the Group did not have any significant investments, material acquisitions or disposals.

Other than certain material capital assets for our Foundation business segment with an amount of HK\$12,545,000 to be financed by part of the actual net proceeds from the placing and public offer (the "Share Offer") of approximately HK\$77,100,000 (the "IPO Proceeds") and general working capital of the Group, there was no formal plan authorised by the Board for any significant investments, material acquisitions or disposals as at 31 March 2017 and up to the date of this report.

Capital Commitments

As at 31 March 2017, the Group has capital commitments in respect of purchase of plant and equipment, which had been contracted but not provided for in the consolidated financial statements, were in the total amount of HK\$4,045,000 (31 March 2016: approximately HK\$2,960,000).

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 2017.

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。

重大投資、重大收購或出售

截至二零一七年三月三十一日止年度，本集團並無任何重大投資、重大收購或出售。

除了我們地基業務分類的若干重大資本資產之金額為12,545,000港元將由配售及公開發售(「股份發售」)之部分實際所得款項淨額約77,100,000港元(「首次公開發售所得款項」)及本集團一般營運資金撥付外，於二零一七年三月三十一日及截至本報告日期，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。

資本承擔

於二零一七年三月三十一日，本集團就購買機器及設備有已訂約但未於綜合財務報表計提撥備的資本承擔總額4,045,000港元(於二零一六年三月三十一日：約2,960,000港元)。

或然負債

除綜合財務報表附註34所披露者外，本集團於二零一七年三月三十一日並無任何重大或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Use of IPO Proceeds

The IPO Proceeds have been utilised subsequent to the Listing in accordance with the proposed applications set out in the section “Future Plans and Use of Proceeds” of the prospectus of the Company dated 8 March 2016 save as disclosed below.

As disclosed in the Company’s announcement dated 20 March 2017, the Board has resolved to change the use of approximately HK\$15.4 million out of the remaining unutilised IPO Proceeds from the Share Offer by reallocating the net proceeds originally intended for hiring of additional staff to operation of prospective projects. Details of the original allocation of the actual net proceeds (the “Original Allocation”), the revised allocation of the actual net proceeds (the “Revised Allocation”), the utilisation of the actual net proceeds as at the date of this report (the “Utilisation”) and the remaining balances of the actual net proceeds as at the date of this report (the “Remaining Balances”) are summarised below:

		Original Allocation 原來分配 HK\$ million 百萬港元	Revised Allocation 經修訂分配 HK\$ million 百萬港元	Utilisation 已動用款項 HK\$ million 百萬港元	Remaining Balances 尚未動用款項 HK\$ million 百萬港元
Operation of prospective projects	經營未來項目	30.9	46.3	(46.3)	-
Hiring of additional staff	增聘員工	15.4	-	-	-
Purchase of machinery and equipment	購買機器及設備	23.1	23.1	(23.1)	-
General working capital	一般營運資金	7.7	7.7	(7.7)	-
		77.1	77.1	(77.1)	-

Employees and Remuneration Policy

As at 31 March 2017, the Group had 119 employees (31 March 2016: 127 employees). Most of the Group’s employees are foundation workers in Hong Kong. The remuneration policy and package of the Group’s employees were 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 2017 were approximately HK\$51,382,000 (2016: approximately HK\$46,259,000).

首次公開發售所得款項的用途

首次公開發售所得款項已經於上市後根據本公司日期為二零一六年三月八日之招股章程中「未來計劃及所得款項用途」一節中所載列的建議用途動用，惟下文披露者除外。

誠如本公司日期為二零一七年三月二十日之公告所披露，董事會已議決更改股份發售之尚未動用的首次公開發售所得款項約15,400,000港元，由擬定用作於增聘員工用途修訂至用作經營未來項目用途。原來實際所得款項淨額分配（「原來分配」）、經修訂之實際所得款項淨額分配（「經修訂分配」）、截至本報告日期已動用的實際所得款項淨額（「已動用款項」）及截至本報告日期尚未動用的實際所得款項淨額（「尚未動用款項」）概述如下：

僱員及薪酬政策

於二零一七年三月三十一日，本集團擁有119名僱員（二零一六年三月三十一日：127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。截至二零一七年三月三十一日止年度內，本集團產生的員工成本總額約51,382,000港元（二零一六年：約46,259,000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 2017 and up to the date of this report, the Company complied with all the code provisions, where applicable, as set out in the Corporate Governance Code (the “CG Code”) under Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) except for the deviations mentioned in the section of “Meetings and Attendance”, “Risk Management and Internal Controls” and “Company Secretary”.

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 2017.

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.

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。

截至二零一七年三月三十一日止年度及截至本報告日期，除「會議及出席情況」、「風險管理及內部監控」及「公司秘書」章節所述之違規事項外，本公司已遵守聯交所證券上市規則(「上市規則」)附錄14項下企業管治守則(「企業管治守則」)所載所有適用守則條文(如適用)。

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，彼等於截至二零一七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。

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」)。

本公司已為董事及高級管理層可能因從事公司業務時而面對之法律訴訟所承擔之責任作出適當之投保安排。

CORPORATE GOVERNANCE REPORT

企業管治報告

Composition

The Board currently comprises seven members, consisting of three executive Directors and four independent non-executive Directors. Details of the composition of the Board and biographies of the Directors are set out on page 2 of this annual report in the section of “Corporate Information” and on pages 41 to 45 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.

Meetings and Attendance

The attendance of individual members of the Board at various meetings during the year ended 31 March 2017, as well as the number of such meetings held, are set out below:

組成

董事會現由七名成員組成，包括三名執行董事及四名獨立非執行董事。董事會組成及董事履歷詳情分別載於本年報第2頁「公司資料」一節及本年報第41至45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。

會議及出席情況

截至二零一七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 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Annual General Meeting 股東週年大會
Executive Directors	執行董事					
Mr. Yu Shiu Tin Paul ^{(1) & (2)}	余嘯天先生 ^{(1)及(2)}	5/5	N/A 不適用	1/1	1/1	1/1
Mr. Yeung Sau Ming Boris ⁽³⁾	楊秀明先生 ⁽³⁾	5/5	N/A 不適用	1/1	N/A 不適用	1/1
Ms. Chan Lai Kuen	陳麗娟女士	5/5	N/A 不適用	N/A 不適用	1/1	1/1
Independent non-executive Directors	獨立非執行董事					
Mr. Chan Kee Huen Michael	陳記煊先生	5/5	4/4	1/1	N/A 不適用	1/1
Mr. Cheng Yan Kee ⁽⁴⁾	鄭恩基先生 ⁽⁴⁾	4/5	3/4	1/1	1/1	1/1
Mr. Cheung Chi Fai Frank ⁽⁵⁾	張志輝先生 ⁽⁵⁾	5/5	4/4	N/A 不適用	1/1	1/1
Professor Chung Hung Kwan Barnabas	鍾鴻鈞教授	4/5	3/4	1/1	1/1	1/1

- Chairman of the Board.
- Chairman of the Nomination Committee.
- Deputy managing Director of the Board.
- Chairman of the Remuneration Committee.
- Chairman of the Audit Committee.

- 董事會主席。
- 提名委員會主席。
- 董事會副董事總經理。
- 薪酬委員會主席。
- 審核委員會主席。

CORPORATE GOVERNANCE REPORT 企業管治報告

In respect of code provision A.2.7 of the CG Code, the chairman of the Board should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the presence of the executive Directors.

As Mr. Yu Shiu Tin Paul, the chairman of the Board, is also an executive Director, the Company has deviated from this code provision as it is not practicable. The independent non-executive Directors could communicate with the chairman of the Board directly at any time through other means (such as telephone or email) to give their opinions and share their views on the Company's affairs. It is therefore considered that there are ample opportunities for the chairman of the Board to communicate with the independent non-executive Directors without the presence of the executive Directors.

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 2017.

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.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for a fixed term of two years commencing from 18 March 2016 unless terminated by either party thereto giving not less than three months' prior written notice. Notwithstanding the specific term of appointments, the articles of association (the "Articles") of the Company provide that every Director shall be subject to retirement at an annual general meeting at least once every three years. At each annual general meeting, one-third of the Directors for the time will retire from office by rotation and be eligible for re-election by the Shareholders.

就企業管治守則之守則條文第A.2.7條而言，董事會主席應至少每年與非執行董事(包括獨立非執行董事)舉行一次並無執行董事出席之會議。

由於董事會主席余嘯天先生亦為執行董事，故此遵守該條文並不可行，導致本公司偏離此守則條文之規定。獨立非執行董事可於任何時間透過其他方式(例如電話或電郵)直接與董事會主席溝通，以就本公司事務給予其意見及分享其看法。因此，本公司認為，董事會主席與獨立非執行董事在並無執行董事出席之情況下具有充足溝通機會。

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

截至二零一七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。

各獨立非執行董事已與本公司訂立委任函，固定任期自二零一六年三月十八日起為期兩年，除非由其中一方給予對方不少於三個月書面通知。儘管委任為指定任期，惟本公司組織章程細則(「細則」)規定，每名董事須至少每三年一次於股東週年大會上退任。於每屆股東週年大會上，三分之一的時任董事將輪值退任並合資格接受股東重選連任。

Directors' Induction and Development

During the year ended 31 March 2017, the Company arranged a seminar provided by our Hong Kong legal adviser for all the Directors as continuing professional trainings for corporate governance and compliance purposes. Some Directors also participated in other seminars according to their own preferences.

Chairman and Chief Executive

Mr. Yu Shiu Tin Paul is the chairman of the Board and Mr. Yeung Sau Ming Boris is the deputy managing Director of the Board who performs the duty of the chief executive. The respective roles of the chairman of the Board and the chief executive are assumed by different individuals and are clearly established and segregated. Mr. Yu Shiu Tin Paul, the chairman of the Board, is responsible for overseeing the marketing work and the contract strategy of our Group and is appointed as our Group's authorised signatory under specialist contractor licensing. Mr. Yeung Sau Ming Boris, the deputy managing Director of the Board, who performs the duty of the chief executive, is responsible for overseeing the overall management of our Group, including our daily operations, business development, strategic planning and tendering. 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.

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.

董事就任及發展

截至二零一七年三月三十一日止年度，本公司為全體董事安排由我們的香港法律顧問提供之研討會，作為合規之持續專業培訓及企業管治。部分董事亦按照彼等自身的喜好參與其他研討會。

主席及行政總裁

余嘯天先生為董事會主席，而楊秀明先生為董事會副董事總經理，並履行行政總裁職務。董事會主席及行政總裁各自之職能由不同人士承擔，並已清楚確立及區分。董事會主席余嘯天先生負責監督本集團的市場營銷工作及合約策略，並獲委任為本集團專門承建商發牌的獲授權簽署人。董事會副董事總經理楊秀明先生履行行政總裁職務，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。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。

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 查閱。

CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to Rule 3.21 of the Listing Rules, the Audit Committee is made up of four independent non-executive Directors, including Mr. Cheung Chi Fai Frank (chairman of the Audit Committee), Mr. Chan Kee Huen Michael, Mr. Cheng Yan Kee and Professor Chung Hung Kwan Barnabas. Both Mr. Cheung Chi Fai Frank (chairman of the Audit Committee) and Mr. Chan Kee Huen Michael possess the appropriate professional qualifications or accounting or related financial management expertise as required.

The Audit Committee held four committee meetings during the year ended 31 March 2017.

Summary of work during the year ended 31 March 2017

The Audit Committee held one meeting and one telephone conference with the 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 2016 and for the six months ended 30 September 2016 and recommended the same to the Board for approval. The Audit Committee also held another meeting with the auditor, RSM Hong Kong, (without the presence of the executive Directors) to discuss the pre-audit planning of the Group's results for the year ended 31 March 2017.

In addition, the Audit Committee held a meeting with an external independent internal control adviser (without the presence of the executive Directors) to discuss the effectiveness of the Group's risk management and internal control function and its effectiveness.

Other than the above, the Audit Committee 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, the existing terms of reference of the Audit Committee and the Group's corporate governance functions.

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;

根據上市規則第3.21條，審核委員會由四名獨立非執行董事組成，包括張志輝先生(審核委員會主席)、陳記煊先生、鄭恩基先生及鍾鴻鈞教授。張志輝先生(審核委員會主席)及陳記煊先生均具備合適專業資格或會計或相關財務管理專業知識。

截至二零一七年三月三十一日止年度，審核委員會曾舉行四次委員會會議。

截至二零一七年三月三十一日止年度之工作概要

審核委員會曾與核數師中瑞岳華(香港)會計師事務所舉行一次會議及一次電話會議(並無執行董事列席)，以討論及審閱本集團截至二零一六年三月三十一日止年度及截至二零一六年九月三十日止六個月之業績，並向董事會建議審批。審核委員會亦曾與核數師中瑞岳華(香港)會計師事務所舉行另一次會議(並無執行董事列席)，以討論本集團截至二零一七年三月三十一日止年度的業績之審計前之計劃。

此外，審核委員會曾與外部獨立內部監控顧問亦舉行一次會議(並無執行董事列席)，以討論本集團風險管理及內部監控職能及其成效。

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、審核委員會現有之職權範圍及本集團之企業管治職能。

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)，並就對完成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) 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.

The Nomination Committee is made up of five members including Mr. Yu Shiu Tin Paul (chairman of the Nomination Committee), Mr. Chan Kee Huen Michael, Mr. Cheng Yan Kee, Professor Chung Hung Kwan Barnabas and Mr. Yeung Sau Ming Boris.

The Nomination Committee held one committee meeting during the year ended 31 March 2017.

Summary of work during the year ended 31 March 2017

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.

Board diversity policy

The Company has a diversity policy of Board members. Under this policy, 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 on the Board.

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.

(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。提名委員會現有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 查閱。

提名委員會由五名成員組成，包括余嘯天先生(提名委員會主席)、陳記煊先生、鄭恩基先生、鍾鴻鈞教授及楊秀明先生。

提名委員會於截至二零一七年三月三十一日止年度曾舉行一次會議。

截至二零一七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。

董事會多元化政策

本公司亦已制定董事會成員多元化政策。根據該政策，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成員多元化的裨益。

薪酬委員會

薪酬委員會的主要負責(a)就本公司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。薪酬委員會現有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 查閱。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Remuneration Committee is made up of five members including Mr. Cheng Yan Kee (chairman of the Remuneration Committee), Ms. Chan Lai Kuen, Mr. Cheung Chi Fai Frank, Professor Chung Hung Kwan Barnabas and Mr. Yu Shiu Tin Paul.

The Remuneration Committee held one committee meeting during the year ended 31 March 2017.

Summary of work during the year ended 31 March 2017

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

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 2017 is set out below:

Remuneration bands (HK\$)	薪酬範圍(港元)	Number of person(s) 人數
Nil to 1,000,000	零至1,000,000	3
1,000,001 to 1,500,000	1,000,001至1,500,000	2

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 2017, the Board has reviewed the Company's policies and practices on corporate governance.

Auditor's Remuneration

During the year ended 31 March 2017, the auditor, RSM Hong Kong, received HK\$600,000 for provision of audit service, HK\$120,000 for provision of interim review service and approximately HK\$38,300 for provision of tax filing service.

薪酬委員會由五名成員組成，包括鄭恩基先生(薪酬委員會主席)、陳麗娟女士、張志輝先生、鍾鴻鈞教授及余嘯天先生。

薪酬委員會曾於截至二零一七年三月三十一日止年度舉行一次會議。

截至二零一七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現有薪酬待遇及架構以及薪酬委員會現有之職權範圍。

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。

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，截至二零一七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：

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，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。截至二零一七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。

核數師薪酬

截至二零一七年三月三十一日止年度，核數師中瑞岳華(香港)會計師事務所就提供核數服務、提供中期審閱服務及報稅服務分別收取600,000港元、120,000港元及約38,300港元。

There were no disagreements between the Board and the Audit Committee regarding the re-appointment of the auditor, RSM Hong Kong, during the year ended 31 March 2017.

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, RSM Hong Kong, about its reporting responsibilities on the financial statements of the Group is set out in the independent auditor's report on pages 57 to 62 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.

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 2017, the Board put in place adequate measures to perform the IA function at different aspects of the Group as the Company considers that the 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.

截至二零一七年三月三十一日止年度，董事會及審核委員會於有關續聘核數師中瑞岳華（香港）會計師事務所方面並無意見分歧。

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。

核數師中瑞岳華（香港）會計師事務所就本集團財務報表所作之申報責任聲明載於本年報第57至62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。

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。儘管本公司於截至二零一七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。

CORPORATE GOVERNANCE REPORT 企業管治報告

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.

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 2017 through the Audit Committee. Same as last year's practice, the Company engaged an external independent internal control adviser to conduct a review on the internal control procedures 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 2017. 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.

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、自客戶獲得審批及合約的進度、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。

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二零一七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內部監控程序進行檢討。截至二零一七年三月三十一日止年度，有關檢討覆蓋重大範疇，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)經已實施，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。

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.

Company Secretary

The company secretary of the Company (the “Company Secretary”), who is also the financial controller of the Company, is a full time employee of the Company. During the year ended 31 March 2017, the Company Secretary undertook no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules. His biography is set out on page 47 of this annual report in the section of “Profile of Directors and Senior Management”.

Appointment of Company Secretary

In respect of code provision F.1.2 of the CG Code, a Board meeting should be held to discuss the appointment of the Company Secretary and the matter should be dealt with by a physical Board meeting rather than a written resolution. The appointment of the current Company Secretary was dealt with by a written resolution in September 2016. As all Directors were individually consulted on the matter without any dissenting opinion prior to the execution of the written resolution to appoint the current Company Secretary, it is considered that there was no need to approve the matter by a physical Board meeting.

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：

- 深明其於香港法例第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。

獲確認的高級管理層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。

公司秘書

本公司之公司秘書(「公司秘書」)(亦為本公司之財務總監)為本公司全職僱員。截至二零一七年三月三十一日止年度，公司秘書根據上市規則第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47頁「董事及高級管理層履歷」一節。

委任公司秘書

就企業管治守則之守則條文第F.1.2條而言，委任公司秘書事宜應透過董事會會議討論，並應舉行董事會會議而非以書面決議案處理。現任公司秘書之委任已於二零一六年九月以書面決議案處理。由於所有董事於簽署書面決議案以委任現任公司秘書前已就此事項被獨立諮詢且並無任何異議，故認為無需要舉行董事會會議批准此事項。

Shareholders' Rights

1. The way in which shareholders of the Company ("Shareholders") can convene an extraordinary general meeting ("EGM")

Pursuant to Article 64 of the Articles, EGMs shall also 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 10/F, Liven House, 61 King Yip Street, Kwun Tong, Hong Kong and may consist of several documents in like form each signed by one or more requisitionists.

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.

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，股東特別大會亦須應一名或多名於遞呈要求日期持有不少於本公司有權於本公司股東大會上投票的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，並送交本公司香港主要營業地點(地址為香港九龍觀塘敬業街61號利維大廈10樓)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。

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，亦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期限因建議性質而異，詳情如下：

- 倘議案於股東特別大會上構成一項普通決議案，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. 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 as required by Rule 13.51D of the Listing Rules, shall have been lodged to the Company Secretary at the Company's principal place of business at 10/F, Liven House, 61 King Yip Street, Kwun Tong, 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 10/F, Liven House, 61 King Yip Street, Kwun Tong, 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.

Investor Relations

During the year ended 31 March 2017, there were no changes in the Company's constitutional documents.

2. 股東可提名某人競選董事的程序

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根據上市規則第13.51D條之規定載列其個人履歷的書面通知，並須於股東大會舉行前最少7日送交本公司香港主要營業地點(地址為香港九龍觀塘敬業街61號利維大廈10樓)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(地址為香港九龍觀塘敬業街61號利維大廈10樓)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。

投資者關係

截至二零一七年三月三十一日止年度，本公司的章程文件概無變動。

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 first environmental, social and governance report for the year ended 31 March 2017 for the purpose of demonstration of 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 the Appendix 27 to the Listing Rules and is divided into two parts, namely environmental and social.

Major recent awards and recognitions

Environmental

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。本集團欣然提呈首份截至二零一七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。

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



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

* upgraded in May 2017
renewed in May 2017

於二零一七年五月升級
於二零一七年五月更新

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

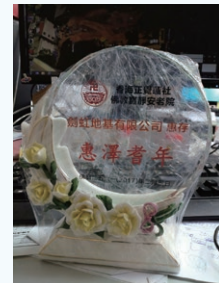
Social

社會

Family-friendly employer
家庭友善僱主

Happy company
開心企業

Charity events
慈善活動



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



* upgraded in May 2017

於二零一七年五月升級

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。

地盤一般環保規則

為確保公司各工程項目既定的環保政策切實執行及為閣下和其人士提供舒適環境工作，任何人士進入本地盤均請嚴格遵守下列規則：

- (一) 嚴禁在工地內焚燒什物
- (二) 在鑽石屎或鑿石塊時均須灑水避免塵埃飛揚
- (三) 嚴禁將化學劑或化學廢料傾入公共排水渠
- (四) 含化學劑之廢料(包括盛載化學劑的空桶)均需交往地盤化學廢料站處理
- (五) 若化學物料傾瀉需立刻通知地盤環保組處理
- (六) 使用低噪音的工具及機械
- (七) 嚴禁隨處大便或小便
- (八) 垃圾必須放入垃圾桶確保地盤清潔
- (九) 嚴禁損壞任何環保設施
- (十) 除依右邊貼示之建築噪音許可證訂明的機械及建築工程外，任何機械及工序禁止在晚上七時至翌日早上七時或星期日或公眾假期的任何時間在地盤使用

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.

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、減少及杜絕於施工期間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。
- 減少排放廢棄物及資源消耗。
- 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。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

- Encourage environmental protection among suppliers and subcontractors.
- Collect energy usage data for analysis and future planning and implementation.
- Commit to continual improvement of environmental performance.
- 鼓勵供應商及分包商提高環保意識。
- 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。

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

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。

A(I) EMISSIONS

Emissions

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

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

A(I) 排放物

排放物

本集團的溫室氣體(「溫室氣體」)排放主要產生自外購電力。本集團一直以節能減廢及減少耗電量為目標，從而解決溫室氣體排放問題。

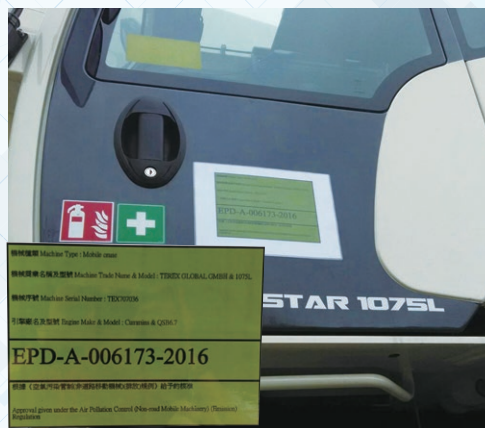
本集團亦已採取若干措施，透過於地盤灑水及使用帆布防塵，以達致減少粉塵擴散的效果。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Moreover, certain machineries of the Group have complied with the emission standards of Stage IIA of the European Union.



此外，本集團的若干機器設備已符合歐盟IIA期排放標準。



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大量有害廢棄物。

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. 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實現回收之效。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。





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.

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 site for suitable construction process. 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.

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.



概括而言，就董事所深知，於所有重大方面並無違反與氣體排放、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。

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，本集團就此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，我們會於若干地盤收集及處理施工廢水，再於合適的施工過程中重複使用。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。

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) 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.

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：

- 於整個能源規劃過程中，重點關注能源管理，將設計、檢討及監察表現在內的幾個方面納入為核心管理過程之重要考慮因素；
- 本集團遵守所有適用於對環境方面的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全面了解、履行及發展該原則；及
- 竭力持續改善。

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:

- 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.

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：

- 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。

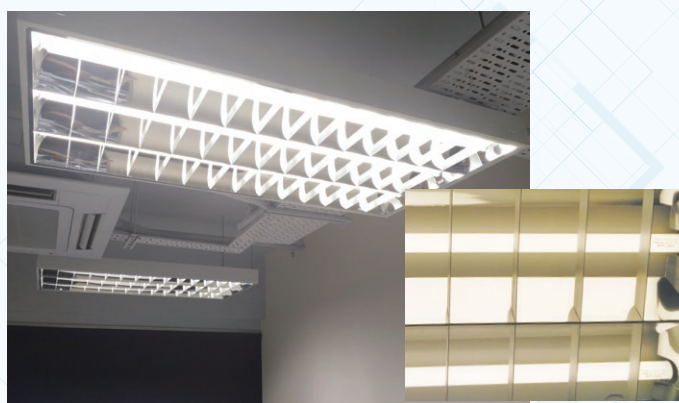


- Paper saving: Use of email and other computer system for document review purposes, reduction in printing and use of recycled paper.
- Reduction of the usage of bottled water: Recommendation to use reusable cups to reduce the use of plastic bottles.

- 節約用紙：使用電郵及其他電腦系統檢閱文件，減少列印並使用再造紙。
- 減少使用樽裝水：建議使用可再用水杯以便減少使用膠樽。

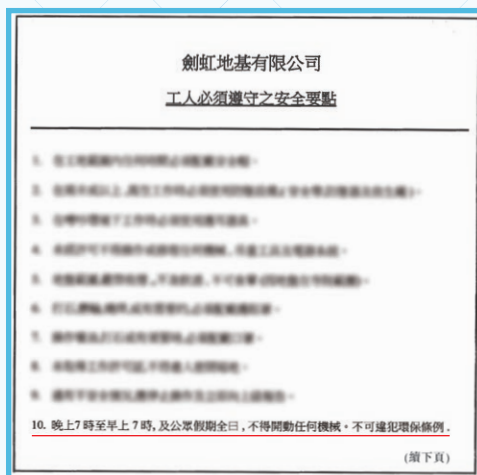
- T8 lamps: Implementation of T8 lamps phase by phase for environmental purpose.

- T8燈：分階段安裝T8燈以達致環保效果。



- Noise control: Site working hours restricted to 7:00 a.m. to 7:00 p.m..

- 噪音管制：地盤工作時間限定為早上7時正至晚上7時正。



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 2017, the Group had 4 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 2017, 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 has been awarded as a Family-Friendly Employer since 2014 by the Family Council. Also, the Group is awarded as a Happy Company in 2017 by the Promoting Happiness Index Foundation.

B. 社會

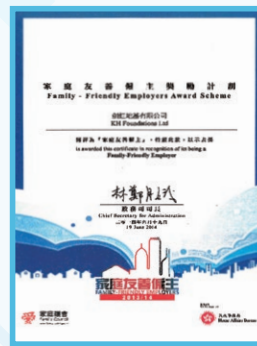
B(I) 僱傭

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)。於二零一七年三月三十一日，本集團有四名非華裔僱員。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。截至二零一七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。

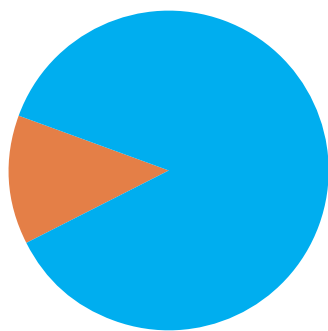


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

As at 31 March 2017, the Group had 119 employees. Most of the Group's employees are foundation workers in Hong Kong. Below is certain key charts in relation to our employment aspects.

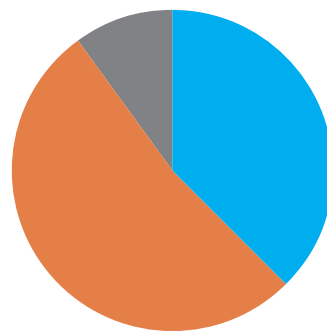
於二零一七年三月三十一日，本集團有119名僱員。本集團大部分僱員為香港地基工人。以下為與僱傭方面的若干主要圖表。

2017 Employee distribution by gender
二零一七年按性別劃分之員工比例



■ Male 男性 87% ■ Female 女性 13%

2017 Employee distribution by age
二零一七年按年齡劃分之員工比例



■ 21-40 ■ 41-60 ■ Over 60

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 measure 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 frequent rate to less than 0.6 reportable accident per 100,000 man-hour. We recorded zero reportable accident during the year ended 31 March 2017.

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保障的安全工作環境，並採取所有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。截至二零一七年三月三十一日止年度，我們錄得零宗的須予呈報事故。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

MONTH 月份	JAN 一月	FEB 二月	MAR 三月	APR 四月	MAY 五月	JUN 六月	JUL 七月	AUG 八月	SEP 九月	OCT 十月	NOV 十一月	DEC 十二月
TOTAL NO. OF ACCIDENTS 工傷數目	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE MAN-HOURS WORKED 累計工時	71830	1810	7550	14960	19360	23760	27610	31460	35310	39160	43010	46860
CUMULATIVE FREQUENCY RATE 累計工傷率	0	0	0	0	0	0	0	0	0	0	0	0

During the year ended 31 March 2017, to the best of our Directors' knowledge, there was no occurrence of any fatal accident.

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.

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

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

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

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

截至二零一七年三月三十一日止年度，就董事所深知，並無發生任何致命意外。

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。

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。

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。

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。

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 at least annually updates our safety policy 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最少每年更新我們的安全政策一次。

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。



The Group participated in the “Safety and Health at work” organised by the Occupational Safety & Health Council and the Construction Industry Council in relation to the project “Proposed Residential Development at NKIL 6527, Kai Tak Area 11, Site 3, Kowloon” in 2016.

本集團於二零一六年已參與職業安全健康局與建築業議會有關「新九龍內地段第6527號啟德第11區3號住宅發展」項目安排的「職業安全及工作健康活動」。

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 2017, 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 2017, to the best of our Directors' knowledge, we did not identify any material breaches in such area.

B(V) SUPPLY CHAIN MANAGEMENT

The Group was assessed and certified by the 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.



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。我們亦已設立員工培訓資助計劃，從而鼓勵及支持我們的員工透過外部培訓進行專業進修。

截至二零一七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任何重大風險。截至二零一七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。

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「健康與安全」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。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

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



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) 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.

The Group also obtained 3 letters of appreciation during the year ended 31 March 2017 from our customers.



The Company was awarded as one of the best investment value award for listed companies 2016 after its Listing in last year.


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，為求對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。

截至二零一七年三月三十一日止年度，本集團亦收到3封客戶感謝信。

本公司於去年上市後獲頒「二零一六年最具投資價值上市公司」的獎項。

Data Privacy and Intellectual Property Rights

The Group always emphasis 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(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 will be adopted on or before July 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 2017.

B(VIII) COMMUNITY INVESTMENT

Although there is no specific strategy in community investment, the Group tries to take our responsibilities to the communities of Hong Kong very seriously. The Group donates to certain charitable organisations every year. In February 2017, the Group made a visit and gave red pocket money to the elderlies in Buddhist Po Ching Home for the Aged Women.

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.

資料私隱及知識產權

本集團一直注重保障知識產權，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。

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，我們將於二零一七年七月或之前採用正式的檢舉政策。

據董事所深知，截至二零一七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政策，但本集團亦會認真地對香港社區的責任作出承擔。本集團每年均向若干慈善機構捐款。於二零一七年二月，本集團曾探訪佛教寶靜安老院並向長者派發利是。

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。



Long service awards 長期服務大獎

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 that occasion as “lucky draw gifts” or “games prizes” to our staffs.

Lucky draw events



此外，我們每年安排至少三次公司活動讓員工參與其中。我們的高級管理層及管理層在「幸運抽獎禮品」或「遊戲獎品」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。

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. Yu Shiu Tin Paul (“Mr. Yu”), aged 67, is our executive Director and Chairman since July 2015. He is also the chairman of our Nomination Committee and a member of our Remuneration Committee. He is primarily responsible for overseeing the marketing work and contract strategy of our Group and is appointed as our Group’s 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 Limited. He has over 40 years of experience in the foundation, construction and engineering industry in Hong Kong. Mr. Yu founded K. H. Foundations Limited in 1985 and has been the director of K. H. Foundations Limited since then. Over the 30 years of directorship in K. H. Foundations Limited, 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, 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.

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: 513), company listed on the Main Board of the Stock Exchange.

執行董事

余嘯天先生(「余先生」)，67歲，自二零一五年七月起為我們的執行董事及主席。彼亦為提名委員會主席兼薪酬委員會成員。彼主要負責監督本集團的市場營銷工作及合約策略，並獲委任為本集團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有限公司遵守香港法例第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有限公司，並自此一直擔任劍虹地基有限公司的董事。在劍虹地基有限公司擔任董事逾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。

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會團成員、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可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：513)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. Yeung Sau Ming Boris (“Mr. Yeung”), aged 50, is our executive Director and Deputy Managing Director since July 2015. He is also a member of our Nomination Committee. Mr. Yeung is primarily responsible for overseeing the overall management of our Group, including our 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 Limited 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.

Mr. Yeung graduated from The Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) 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. Mr. Yeung owns 40% of the issued share capital of New Grace Gain Limited (“New Grace Gain”) which in turn holds 300,000,000 shares of the Company. Mr. Yeung is deemed to be interested in the shares held by New Grace Gain under the SFO.

Ms. Chan Lai Kuen (“Ms. Chan”), aged 53, is our executive Director since July 2015. She is also a member of our Remuneration Committee. Ms. Chan is primarily responsible for overseeing the finance and account management aspects and as well as the corporate finance functions in our Group. 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 Limited during the same period. Ms. Chan was appointed as a director of K. H. Civil Engineering Limited in 2012.

楊秀明先生(「楊先生」)，50歲，自二零一五年七月起為我們的執行董事及副董事總經理。彼亦為提名委員會成員。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有限公司的董事。彼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個別註冊成立日期起亦擔任其董事。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。

楊先生於一九八九年十一月畢業於香港理工大學(前稱香港理工學院)，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。楊先生持有New Grace Gain Limited(「New Grace Gain」)40%之已發行股本，而New Grace Gain持有本公司300,000,000股股份。根據證券及期貨條例，楊先生被視為為New Grace Gain持有之股份中擁有權益。

陳麗娟女士(「陳女士」)，53歲，自二零一五年七月起為我們的執行董事。彼亦為薪酬委員會成員。陳女士主要負責本集團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。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

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 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.

Independent Non-executive Directors

Mr. Chan Kee Huen Michael ("Mr. Chan"), aged 65, was appointed as our independent non-executive Director on 19 February 2016. He is a member of our Audit Committee and Nomination Committee. Mr. Chan has over 35 years' experience in external audit, IT audit, training, accounting and finance, company secretarial and corporate administration, MIS management, internal audit, information security, risk management and compliance experience. Mr. Chan is a fellow of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, a fellow and specialist in Information Technology of CPA Australia and an associate of the Institute of Chartered Accountants in England and Wales. He was admitted as a certified information systems auditor with the Information Systems Audit and Control Association in 1985 and a fellow of the Hong Kong Institute of Directors in 2000. Mr. Chan was admitted as a member of the Chartered Institute of Arbitrators in 2000 and elected as a member of the Institute of Internal Auditors in 1997.

Mr. Chan is the chief executive of C&C Advisory Services Limited, and an independent non-executive director of Lansan Pharmaceutical Holdings Limited (stock code: 503) since 2010 and was an adjunct professor in the School of Accounting and Finance of The Hong Kong Polytechnic University from 2009 to 2014. With effect from 10 June 2016, Mr. Chan was appointed as an independent non-executive Director by Huarong Investment Stock Corporation Limited (stock code: 2277). Mr. Chan worked at CMG Life Assurance Limited from 1991 to 1997 and his last position was general manager, compliance and corporate affairs. He was employed by Dao Heng Bank in 1996 as the group auditor (which subsequently acquired by DBS Bank (Hong Kong) Limited) and he ceased working for the bank in 2004 with his last position as managing director and head of compliance, Hong Kong and Greater China. Mr. Chan was also

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。

獨立非執行董事

陳記煊先生(「陳先生」)，65歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。彼為我們的審核委員會兼提名委員會成員。陳先生在外聘審核、訊息科技審核、培訓、會計及金融、公司秘書及公司行政管理、資訊系統管理、內部審核、訊息安全、風險管理及合規等專業領域擁有超過35年的經驗。陳先生為香港會計師公會及英國特許公認會計師公會資深會員、澳洲會計師公會資深會員及訊息科技專家以及英格蘭及威爾士特許會計師公會會員。彼於一九八五年獲承認為國際信息系統審計與控制協會認可訊息系統審計師及於二零零零年獲承認為香港董事學會資深會員。陳先生於二零零零年獲認可為英國特許仲裁員協會會員並於一九九七年獲選為內部審計師學會(Institute of Internal Auditors)會員。

陳先生是思與智顧問有限公司的行政總裁，自二零一零年起為朗生醫藥控股有限公司(股份代號：503)的獨立非執行董事，且於二零零九年至二零一四年為香港理工大學會計及金融學院的兼任教授。陳先生獲委任為華融投資股份有限公司(股份代號：2277)之獨立非執行董事，自二零一六年六月十日起生效。陳先生於一九九一年至一九九七年在康聯人壽保險有限公司任職，離職前為合規及企業事務總經理。彼於一九九六年受僱於道亨銀行(後被星展銀行(香港)有限公司收購)，擔任集團核數師，彼於二零零四年從該銀行離職，離職前為香港及大中華地區董事總經理及合規主管。陳先生亦於二零零四年

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

the group financial controller of Lam Soon (Hong Kong) Limited from 2004 to 2005, the director of quality assurance of the Hong Kong Institute of Certified Public Accountants in 2005 and the deputy general manager of the compliance department of Ping An Insurance (Group) Company of China, Ltd. from 2006 to 2009. Mr. Chan graduated with a higher diploma in accountancy from Hong Kong Polytechnic in November 1976 and was awarded the postgraduate diploma in business administration from the University of Surrey in March 1998.

Mr. Cheng Yan Kee (“Mr. Cheng”), aged 62, was appointed as our independent non-executive Director on 19 February 2016. He is the chairman of our Remuneration Committee and a member of our Audit Committee and Nomination Committee. Mr. Cheng is an experienced professional in the structural and foundation design and supervision of building structures. Mr. Cheng obtained his Bachelor’s degree in Civil Engineering from Lehigh University, the United States of America in May 1977. Mr. Cheng has been a Fellow of the Institution of Civil Engineers since 2002. He has been a member of the American Society of Civil Engineers since 1981 and a member of the Hong Kong Institution of Engineers since 1980. Mr. Cheng is an Authorised Person and Registered Structural Engineer under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong). He is also a Class 1 structural engineer registered with the National Administration Board of Engineering Registration (Structural) of the People’s Republic of China (the “PRC”). He is the managing director of H. K. Cheng & Partners Limited, an engineering consultancy firm in Hong Kong.

Mr. Cheng was elected a Fellow of the Institution of Structural Engineers in 1990 and served as President of such institution, being the world’s leading professional body for qualifications and standards in structural engineering, for 2013. Mr. Cheng was chairman of the Council of the Hong Kong Baptist University from January 2013 to December 2015, he was reappointed to serve a second term from January 2016 to December 2018. He was a member of the Hospital Authority between 2009 and 2015, the Hong Kong Housing Authority between 2000 and 2006 and the Town Planning Board between 2006 and 2012. He served as a chairman of the Corruption Prevention Advisory Committee under the Independent Commission Against Corruption between 1999 and 2000. He is a council member of China Soong Ching Ling Foundation, a charitable organization based in Beijing. He was appointed as Justice of the Peace in 2000 and was awarded the Bronze Bauhinia Star by the government of the Hong Kong Special Administrative Region in 2015.

至二零零五年在南順(香港)有限公司擔任集團財務總監，於二零零五年擔任香港會計師公會專業水準審核總監，並於二零零六年至二零零九年擔任中國平安保險(集團)股份有限公司合規部副總經理。陳先生於一九七六年十一月畢業於香港理工學院，獲得高級會計文憑，並於一九九八年三月獲得薩里大學(University of Surrey)工商管理研究生文憑。

鄭恩基先生(「鄭先生」)，62歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。彼為薪酬委員會主席、審核委員會兼提名委員會成員。鄭先生在結構與地基設計以及監督樓宇結構方面為經驗豐富的專業人士。鄭先生於一九七七年五月獲得美利堅合眾國理海大學(Lehigh University)土木工程學士學位。鄭先生自二零零二年起一直為英國土木工程師學會資深會員。彼自一九八一年起一直為美國土木工程協會(American Society of Civil Engineers)會員及自一九八零年起一直為香港工程師學會會員。鄭先生屬於香港法例第123章《建築物條例》中的認可人士及註冊結構工程師。彼亦為中華人民共和國(「中國」)全國註冊工程師管理委員會(結構)的第一類註冊結構工程師。彼為一間香港工程顧問公司鄭漢鈞顧問工程師有限公司的董事總經理。

鄭先生於一九九零年獲選為結構工程師學會(為世界上領先的結構工程資格及標準專業機構)資深會員且於二零一三年擔任該學會會長。鄭先生於二零一三年一月至二零一五年十二月擔任香港浸會大學校董會主席，於二零一六年一月至二零一八年十二月，彼再次獲委任為主席。於二零零九年至二零一五年，彼為醫院管理局成員，於二零零零年至二零零六年為香港房屋委員會成員，及於二零零六年至二零一二年為城市規劃委員會成員。於一九九九年至二零零零年，彼擔任廉政公署防止貪污諮詢委員會主席。彼為中國宋慶齡基金會(位於北京的一個慈善組織)的理事成員。彼於二零零零年獲委任為太平紳士，並於二零一五年獲香港特別行政區政府授予銅紫荊星章。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. Cheung Chi Fai Frank (“Mr. Cheung”), aged 54, was appointed as our independent non-executive Director on 19 February 2016. He is chairman of our Audit Committee and a member of our Remuneration Committee. Mr. Cheung has been appointed as company secretary and chief financial officer of China Weaving Materials Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3778) in 2011. He has also been an independent non-executive director of Continental Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 513) since 2010. He obtained a MBA from the University of Technology, Sydney in September 1995 and a professional diploma in Accountancy from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1985. He has been admitted as an associate of the Hong Kong Institute of Certified Public Accountants since 1989 and a fellow of the Association of Chartered Certified Accountants since 1994. Mr. Cheung was a part-time tutor at The Open University of Hong Kong from March 2009 to July 2011. He was an executive director of Sun Innovation Holdings Limited (now known as Digital Domain Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 547) from 2004 to 2007, and acted as the chief financial officer and qualified accountant from 2007 to 2008. He was an independent non-executive director of LJ International Inc. (NASDAQ: JADE) from June 2007 to October 2007, a director of e-Lux (Hong Kong) Company Limited (now Quants Capital (Hong Kong) Limited), a subsidiary of e-Lux Corporation (JASDAQ: 6811) (now known as Quants Inc.) from 2001 to 2003, he was in charge of the telecommunications value added services in Hong Kong, Taiwan and the PRC. He was a director of New Media Corporation, a subsidiary of e-New Media Company Limited (now known as ENM Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 128) from 1999 to 2000.

Professor Chung Hung Kwan Barnabas (“Professor Chung”), aged 69, was appointed as our independent non-executive Director on 19 February 2016. He is a member of our Audit Committee, Remuneration Committee and Nomination Committee. Professor Chung is an authorised person (surveyor) registered under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) and a registered professional surveyor (building surveyor) under the Surveyors Registration Ordinance (Chapter 417 of the Laws of Hong Kong). He is currently an Honorary Professor in the Department of Real Estate and Construction of The University of Hong Kong and the Chairman of the Board of Membership of the Hong Kong Institute of Surveyors. In addition, he was an honorary advisor of the Guangdong Province Association of Engineer Consultants from 2011 to 2015 and a visiting professor in the Department of Building & Real Estate of The Hong Kong Polytechnic University from July 2014 to September 2015.

張志輝先生(「張先生」)，54歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。彼為審核委員會主席兼薪酬委員會成員。張先生於二零一一年獲委任為中國織材控股有限公司(一家在聯交所主板上市的公司，股份代號：3778)的公司秘書兼財務總監。彼亦自二零一零年以來一直擔任恆和珠寶集團有限公司(一家在聯交所主板上市的公司，股份代號：513)的獨立非執行董事。彼於一九九五年九月取得悉尼科技大學的工商管理碩士學位及於一九八五年十一月取得香港理工學院(現稱香港理工大學)專業會計文憑。彼自一九八九年一直獲認為香港會計師公會會員及自一九九四年起為英國特許公認會計師公會資深會員。於二零零九年三月至二零一一年七月，張先生擔任香港公開大學的兼職導師。於二零零四年至二零零七年，彼擔任奧亮集團有限公司(現稱數字王國集團有限公司，一家在聯交所主板上市的公司，股份代號：547)的執行董事，於二零零七年至二零零八年擔任財務總監兼合資格會計師。彼於二零零七年六月至二零零七年十月為LJ International Inc.(納斯達克股份代號：JADE)的獨立非執行董事，彼於二零零一年至二零零三年為e-Lux Corporation(嘉斯達克股份代號：6811)(現稱Quants Inc.)的附屬公司e-Lux (Hong Kong) Company Limited (現稱Quants Capital (Hong Kong) Limited)的董事，負責在香港、台灣及中國的電信增值服務。彼於一九九九年至二零零零年擔任安寧數碼科技有限公司(現稱安寧控股有限公司，一家在聯交所主板上市的公司，股份代號：128)的附屬公司New Media Corporation的董事。

鍾鴻鈞教授(「鍾教授」)，69歲，於二零一六年二月十九日獲委任為我們的獨立非執行董事。彼為我們的審核委員會、薪酬委員會及提名委員會成員。鍾教授為根據香港法例第123章《建築物條例》註冊的授權人士(測量師)及根據香港法例第417章《測量師註冊條例》註冊的專業測量師(建築測量師)。彼現為香港大學房地產及建築系名譽教授及香港測量師學會的會籍委員會主席。此外，彼於二零一一年至二零一五年曾為廣東省建設監理協會榮譽顧問，及於二零一四年七月至二零一五年九月曾為香港理工大學建築與房地產系客座教授。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Senior Management

Mr. Wong Wai Nam (“Mr. Wong”), aged 54, serves as the director – technical of our Group. He is responsible for overseeing the technical designs of foundation works and technical department of our Group. 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 The Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) 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. Tse Wai Kwong (“Mr. Tse”), aged 52, serves as the project director of our Group. He is responsible for the overall management of our Group’s tendering process, foundation work, plant and resource allocation, time and cost control and quality, safety, environmental and energy management. Mr. Tse joined our Group as senior contracts manager in January 2014 and has over 25 years of experience in the foundation, construction and engineering industry. He was promoted to project director of our Group in April 2015. Mr. Tse obtained a master’s degree in civil and structural engineering from The University of Sheffield, the United Kingdom in December 1991 and obtained a higher diploma in civil engineering from The Hong Kong Polytechnic University (previously known as Hong Kong Polytechnic) in November 1988. Mr. Tse was employed as manager in Hsin Chong Construction Company Limited, a subsidiary of Hsin Chong Construction Group Ltd. (stock code: 404), between 2010 and 2014. Mr. Tse was previously employed in the foundation, construction and engineering industry with several companies between 1988 and 2010.

高級管理層

黃偉南先生(「黃先生」)，54歲，擔任本集團技術總監。彼負責監督本集團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大學(前稱香港理工學院)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術總監。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)。

謝偉光先生(「謝先生」)，52歲，擔任本集團項目總監。彼負責整體管理本集團的競標流程、地基工程、機器及資源分配、時間及成本監控以及質量、安全、環境及能源管理。謝先生於二零一四年一月加入本集團擔任高級合約經理，其在地基、建築及工程行業擁有逾25年經驗。彼於二零一五年四月被擢升為本集團項目總監。謝先生於一九九一年十二月取得英國謝菲爾德大學(The University of Sheffield)土木及結構工程碩士學位及於一九八八年十一月取得香港理工大學(前稱香港理工學院)土木工程高級文憑。謝先生於二零一零年至二零一四年受聘為新昌營造集團有限公司(股份代號：404)的附屬公司新昌營造廠有限公司的經理。謝先生過往於一九八八年至二零一零年間曾在地基、建築及工程行業受僱於多家公司。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. Fung Kin Shing (“Mr. Fung”), aged 44, serves as the project director of our Group. Mr. Fung was approved as the authorised signatory of K. H. Foundations Limited under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) in December 2014. He is responsible for the overall management of our Group’s tendering process, foundation work, cost and quality control and safety management. Mr. Fung joined our Group as project director in September 2013 and has over 23 years of experience in the foundation, construction and engineering industry. Mr. Fung obtained a Master’s degree in Civil Engineering from The Hong Kong University of Science and Technology in November 2002 and obtained a Bachelor’s degree in Building Management from the University of Northumbria at Newcastle, the United Kingdom, in June 1997. Mr. Fung became a registered professional engineer in civil engineering (general) with the Institution of Engineers, Australia, in September 2006. He was elected as member of the Chartered Professional Engineer of Engineers Australia in the Civil College in September 2006. He has been admitted as a member of The Hong Kong Institution of Engineers since September 2014, as a member of the Institution of Civil Engineers since September 2011, as a Chartered Engineer of the Engineering Council since October 2011 and as a Registered Professional Engineer (Civil) from June 2016 to May 2018. Mr. Fung was employed as a technical staff in the capacity of a senior field geotechnical engineer in On U Pty Ltd, Australia in 2013. He was employed as senior geotechnical engineer in Aargus Pty Ltd, Australia between 2012 and 2013. Mr. Fung was previously employed in the foundation, construction and engineering industry with several companies and the Water Supplies Department of the Government between 1992 and 2011.

Mr. Shum Hoi Luen (“Mr. Shum”), aged 42, joined our Group in August 2016 and was appointed as the Company Secretary and financial controller of the Company in October 2016. Mr. Shum is responsible for overseeing the finance and accounting functions and corporate finance and compliance matters of the Group. Mr. Shum obtained a Bachelor of degree (Honors) in Accounting from The Hong Kong Polytechnic University in 1997. He is a fellow member of the Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants, Institute of Chartered Secretaries and Administrators and Hong Kong Institute of Chartered Secretaries.

馮健誠先生(「馮先生」)，44歲，擔任本集團項目總監。馮先生於二零一四年十二月根據香港法例第123章《建築物條例》獲批准擔任劍虹地基有限公司的授權簽署人。彼負責整體管理本集團的競標流程、地基工程、成本與質量控制及安全管理。馮先生於二零一三年九月加入本集團擔任項目經理，其在地基、建築及工程行業擁有逾23年經驗。馮先生於二零零二年十一月取得香港科技大學土木工程學碩士學位及於一九九七年六月取得位於英國紐卡斯爾的諾森比亞大學(University of Northumbria)建築管理學學士學位。馮先生於二零零六年九月成為澳大利亞工程師學會的註冊專業工程師(土木工程(一般類))。彼於二零零六年九月獲選舉為土木學院澳大利亞工程師學會特許專業工程師。彼自二零一四年九月起獲認可為香港工程師學會會員、自二零一一年九月起獲認可為土木工程師學會會員，自二零一一年十月起獲認可為工程學會特許工程師，並於二零一六年六月至二零一八年五月為註冊專業工程師(土木工程)。馮先生於二零一三年以高級土力工程師技術人員身份受聘於澳大利亞On U Pty Ltd。彼於二零一二年至二零一三年受聘為澳大利亞Aargus Pty Ltd的高級土力工程師。馮先生過往於一九九二年至二零一一年間曾在地基、建築及工程行業受僱於多家公司及政府水務署。

沈凱聯先生(「沈先生」)，42歲，於二零一六年八月加入本集團，並於二零一六年十月一日獲委任為本公司之公司秘書及財務總監。沈先生負責監察本集團的融資及會計職能，以及企業融資及合規事宜。沈先生於一九九七年獲得香港理工大學的會計學學士學位。彼為英國特許會計師公會、香港會計師公會、英國特許秘書及行政人員公會及香港特許秘書公會之資深會員。

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 2017.

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 4 to 5 of this annual report and "Management Discussion and Analysis" set out on pages 6 to 10 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 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.

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

董事會謹此提呈本公司及本集團截至二零一七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4至5頁所載之「主席報告」及本年報第6至10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業務機會，並致力按時向客戶提供優質服務。

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。

DIRECTORS' REPORT 董事會報告

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 environment 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 23 to 40 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 comply 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. As 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 11 to 22.

Results and Dividends

The results of the Group for the year ended 31 March 2017 and the Group's financial position as at 31 March 2017 are set out in the consolidated financial statements on pages 63 to 65.

The Board does not recommend the payment of a final dividend to the Shareholders for the year ended 31 March 2017 (2016: Nil).

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 136 of this annual report. This summary does not form part of the audited financial statements.

Use of IPO Proceeds

Details of the use of IPO Proceeds are set out on page 10 of this annual report.

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23至40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11至22頁之企業管治報告。

業績及股息

本集團截至二零一七年三月三十一日止年度之業績及本集團於二零一七年三月三十一日之財務狀況載於第63至第65頁之綜合財務報表。

董事會不建議向股東派付截至二零一七年三月三十一日止年度的末期股息(二零一六年：無)。

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136頁。該概要並不構成經審核財務報表之一部分。

首次公開發售所得款項的用途

首次公開發售所得款項的用途詳情載於本年報第10頁。

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 2017, 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 2017, calculated under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, amounted to approximately HK\$84,316,000 (2016: approximately HK\$84,379,000). 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.

Charitable Contributions

During the year, the Group made charitable contributions totaling HK\$220,000.

Major Customers and Suppliers

The aggregate sales to the five largest customers of the Group accounted for approximately 79.2% of the Group's total revenue and sales to the largest customer accounted for approximately 29.5% of the Group's total revenue for the year ended 31 March 2017. The aggregate purchases/subcontracting fees from the five largest suppliers/subcontractors of the Group accounted for approximately 45.7% of the Group's total purchases/subcontracting fees and purchases/subcontracting fees from the largest supplier/subcontractor accounted for approximately 14.0% of the Group's total purchases/subcontracting fees for the year ended 31 March 2017.

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

截至二零一七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

於二零一七年三月三十一日，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84,316,000港元（二零一六年：約84,379,000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。

慈善捐獻

年內，本集團作出合共220,000港元之慈善捐獻。

主要客戶及供應商

截至二零一七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收入總額約79.2%，其中來自最大客戶的銷售額佔本集團總收益約29.5%。截至二零一七年三月三十一日止年度，本集團來自前五名最大供應商／分包商的採購總額／分包費用總額佔本集團採購總額／分包費用總額約45.7%，其中來自最大供應商之採購額／分包費用佔本集團採購總額／分包費用總額約14.0%。

DIRECTORS' REPORT 董事會報告

None of the Directors or any of their close associates (as defined under the Listing Rules) or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest customers or suppliers/subcontractors.

Directors

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

Executive Directors

Mr. Yu Shiu Tin Paul (*Chairman*)
Mr. Yeung Sau Ming Boris (*Deputy Managing Director*)
Ms. Chan Lai Kuen

Independent Non-Executive Directors

Mr. Chan Kee Huen Michael
Mr. Cheng Yan Kee
Mr. Cheung Chi Fai Frank
Professor Chung Hung Kwan Barnabas

In accordance with articles 108 and 109 of the Articles, Mr. Cheung Chi Fai Frank and Professor Chung Hung Kwan Barnabas, both being independent non-executive Directors and Mr. Yeung Sau Ming Boris 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 41 to 47 of the annual report.

概無董事或彼等任何緊密聯繫人士(定義見上市規則)或任何股東(據董事所深知,擁有本公司股本超過5%)於本集團五大客戶或供應商/分包商擁有任何實益權益。

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

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

陳記煊先生
鄭恩基先生
張志輝先生
鍾鴻鈞教授

根據細則第108及109條,獨立非執行董事張志輝先生及鍾鴻鈞教授以及執行董事楊秀明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41至第47頁之「董事及高級管理層履歷」一節。

DIRECTORS' REPORT 董事會報告

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 2017 are set out in note 14 to the consolidated financial statements.

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 2017 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.

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)的服務協議。

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。董事於截至二零一七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。

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

於截至二零一七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。

Disclosure of Interests

Directors' Interests in the Company and Associated Corporation

As at 31 March 2017, 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	Capacity/nature 身份/性質	Number of shares held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Yeung Sau Ming Boris ("Mr. Yeung") 楊秀明先生(「楊先生」)	Interest in a controlled corporation 受控法團權益	300,000,000 (Note 1) (附註1)	75%

Note:

- These shares are held by New Grace Gain. New Grace Gain is 40% beneficially owned by Mr. Yeung and therefore, Mr. Yeung is deemed to be interested in the shares held by New Grace Gain under the SFO.

(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	Capacity/nature 身份/性質	Number of shares held in associated corporation 於相聯法團所持股份數目	Approximate percentage of shareholding in associated corporation 佔相聯法團股權概約百分比
Mr. Yeung 楊先生	New Grace Gain	Beneficial owner 實益擁有人	400	40%

權益披露

董事於本公司及相聯法團的權益

於二零一七年三月三十一日，董事於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)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

Name of Director 董事姓名	Capacity/nature 身份/性質	Number of shares held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Yeung Sau Ming Boris ("Mr. Yeung") 楊秀明先生(「楊先生」)	Interest in a controlled corporation 受控法團權益	300,000,000 (Note 1) (附註1)	75%

附註：

- 該等股份由New Grace Gain持有。New Grace Gain則由楊先生實益擁有40%，因此，根據證券及期貨條例，楊先生被視為於New Grace Gain持有的股份中擁有權益。

(ii) 於相聯法團普通股的好倉

Name of Director 董事姓名	Name of associated corporation 相聯法團的名稱	Capacity/nature 身份/性質	Number of shares held in associated corporation 於相聯法團所持股份數目	Approximate percentage of shareholding in associated corporation 佔相聯法團股權概約百分比
Mr. Yeung 楊先生	New Grace Gain	Beneficial owner 實益擁有人	400	40%

DIRECTORS' REPORT
董事會報告

Substantial Shareholders' Interests in the Company

As at 31 March 2017, 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	Approximate percentage of interest in our Company
姓名／名稱	權益性質	所持股份數目	佔本公司權益的概約百分比
New Grace Gain	Beneficial owner 實益擁有人	300,000,000	75%
Mr. Yeung (Note 1) 楊先生(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%
Mr. Lau Tai Wah Gilbert ("Mr. Lau") (Note 1) 劉泰華先生 ("劉先生")(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%
Mr. Yue Suen Leung ("Mr. Yue") (Note 1) 余孫良先生 ("余先生")(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%

Note:

- These shares are held by New Grace Gain. New Grace Gain is owned as to 40% by Mr. Yeung, 30% by each of Mr. Lau and Mr. Yue respectively. Each of Mr. Yeung, Mr. Lau and Mr. Yue is deemed to be interested in the shares of the Company held by New Grace Gain under the SFO, while Mr. Yeung, Mr. Lau and Mr. Yue are a group of controlling shareholders of the Company. Mr. Yeung, Mr. Lau and Mr. Yue are not actual concert parties under the definition of the Codes on Takeovers and Mergers and Share Buy-backs.

Save as disclosed above, as at 31 March 2017, 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.

主要股東於本公司之權益

於二零一七年三月三十一日，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：

Name	Nature of interest	Number of shares held	Approximate percentage of interest in our Company
姓名／名稱	權益性質	所持股份數目	佔本公司權益的概約百分比
New Grace Gain	Beneficial owner 實益擁有人	300,000,000	75%
Mr. Yeung (Note 1) 楊先生(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%
Mr. Lau Tai Wah Gilbert ("Mr. Lau") (Note 1) 劉泰華先生 ("劉先生")(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%
Mr. Yue Suen Leung ("Mr. Yue") (Note 1) 余孫良先生 ("余先生")(附註1)	Interest in a controlled corporation 受控法團權益	300,000,000	75%

附註：

- 該等股份由New Grace Gain持有。New Grace Gain由楊先生、劉先生及余先生分別持有40%、30%及30%。根據證券及期貨條例，楊先生、劉先生及余先生各自被視為於New Grace Gain持有的本公司股份中擁有權益，而楊先生、劉先生及余先生為本公司一組控股股東。楊先生、劉先生及余先生並非公司收購、合併及股份回購守則所界定的真正一致行動人士。

除上文所披露者外，於二零一七年三月三十一日，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。

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.

Continuing Connected Transactions

A summary of significant related party transactions is disclosed in note 37 to the consolidated financial statements. These transactions constitute 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 were entered into or existed during the year.

Sufficiency of Public Float

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

Events after the Reporting Period

There have been no other material events occurring after 31 March 2017 and up to the date of this report.

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。

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。該等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

根據本公司公開可得的資料及據董事所知，本公司於年內及截至本報告日期已根據上市規則維持指定的公眾持股量。

報告期後事項

於二零一七年三月三十一日及截至本報告日期，概無發生其他重大事項。

DIRECTORS' REPORT 董事會報告

Annual General Meeting

The annual general meeting (the "2017 AGM") of the Company for the year ended 31 March 2017 is scheduled to be held on Wednesday, 23 August 2017. A notice convening the 2017 AGM will be issued and disseminated to the Shareholders in due course.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 18 August 2017 to Wednesday, 23 August 2017 (both days inclusive), during which no transfer of the shares will be registered. In order to be eligible to attend and vote at the 2017 AGM, all transfer of the shares accompanied by the relevant properly completed transfer forms and the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:00 p.m. on Thursday, 17 August 2017.

Auditor

The consolidated financial statements for the year ended 31 March 2017 have been audited by RSM Hong Kong, who will retire at the 2017 AGM and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment RSM Hong Kong as auditor of the Company will be proposed at the 2017 AGM.

On behalf of the Board
Mr. Yu Shiu Tin Paul
Chairman

Hong Kong, 30 June 2017

股東週年大會

本公司截至二零一七年三月三十一日止年度之股東週年大會(「二零一七年股東週年大會」)將訂於二零一七年八月二十三日(星期三)舉行。召開二零一七年股東週年大會之通告將於適當時候刊發及寄發予股東。

暫停辦理股份過戶登記手續

本公司將於二零一七年八月十八日(星期五)起至二零一七年八月二十三日(星期三)止(包括首尾兩日)之期間暫停辦理股份過戶登記手續,在此期間將不予辦理任何股份過戶事宜。為符合資格出席二零一七年股東週年大會並於會上投票,所有股份過戶申請,連同已適當填妥之相關股份轉讓表格及有關股票須於二零一七年八月十七日(星期四)下午四時正前交回本公司之香港股份過戶登記分處聯合證券登記有限公司,地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室。

核數師

截至二零一七年三月三十一日止年度的綜合財務報表已獲中瑞岳華(香港)會計師事務所審核,中瑞岳華(香港)會計師事務所將於二零一七年股東週年大會上退任,惟符合資格並願意膺選連任。續聘中瑞岳華(香港)會計師事務所為本公司核數師的決議案將於二零一七年股東週年大會上提呈。

代表董事會
主席
余嘯天先生

香港,二零一七年六月三十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 63 to 135, which comprise the consolidated statement of financial position as at 31 March 2017, 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 2017, 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 (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The logo for RSM (Robinson & Stammers) features the letters 'RSM' in a large, bold, black sans-serif font. Above the letters, there are three horizontal bars of varying lengths, with the longest bar on the right and two shorter bars on the left, all in a dark grey color.

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63至135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二零一七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 貴集團於二零一七年三月三十一日之綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵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「核數師就審該綜合財務報表須承擔之責任」內詳述。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 Matter

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. This matter was 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 this matter. The key audit matter we identified is the revenue and profit recognition for construction contracts.

關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，認為對本期綜合財務報表之審核最為重要之事項。該事項於吾等審核整體綜合財務報表及出具意見時處理，而吾等不會對該事項提供個別之意見。吾等識別之關鍵審核事項為建築合約之收益及溢利確認。

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 note 5(a) to the consolidated financial statements)

(參閱綜合財務報表附註5(a))

The Group's revenue from construction contracts amounted to approximately HK\$124,252,000 for the year ended 31 March 2017.

截至二零一七年三月三十一日止年度，貴集團來自建築合約之收益約為124,252,000港元。

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 contracted penalties for delays in completion of the construction works; and
就延誤完成建築工程之合約罰款作出適當撥備；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

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

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; and
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；及
- using the knowledge obtained from the above testing, assessing whether any provisions for penalties or loss making contracts made by management were appropriate.
基於自上述測試獲得之認知，評估管理層就罰款或虧損合約作出之任何撥備是否合適。

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.

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。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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.

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 HKSAAs 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.

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會履行彼等監察 貴集團的財務報告程序之責任。

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，並向閣下(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。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

As part of an audit in accordance with HKSAAs, 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.
- 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.

作為根據香港審計準則進行審核其中一環，吾等運用專業判斷，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。
- 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。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。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Tsang Kit Fong, Maria.

RSM Hong Kong
Certified Public Accountants
Hong Kong

Hong Kong, 30 June 2017

- 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 貴集團審核之方向、監督及執行。吾等為審核意見承擔全部責任。

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。

從與審核委員會溝通之事項中，吾等確定該等對本期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。

出具獨立核數師報告之審核項目合夥人為曾潔芳。

中瑞岳華(香港)會計師事務所
執業會計師
香港

香港，二零一七年六月三十日

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 2017
截至二零一七年三月三十一日止年度

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	7	125,589	494,135
Cost of sales	銷售成本		(121,014)	(416,341)
Gross profit	毛利		4,575	77,794
Other income	其他收入	8	171	2,046
Administrative expenses	行政開支		(38,203)	(28,139)
(Loss)/Profit from operations	經營所得(虧損)/溢利		(33,457)	51,701
Finance costs	融資成本	10	(936)	(995)
(Loss)/Profit before tax	除稅前(虧損)/溢利		(34,393)	50,706
Income tax credit/(expense)	所得稅抵免/(開支)	11	544	(10,403)
(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	12	(33,849)	40,303
			HK\$ 港元	HK\$ 港元
(Loss)/Earnings per share	每股(虧損)/盈利			
– Basic	– 基本	16(a)	(8.5 cents仙)	13.3 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 2017
於二零一七年三月三十一日

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	17	56,361	46,406
Current assets	流動資產			
Inventories	存貨	18	4,965	1,228
Trade and retention receivables	貿易應收款項及應收保固金	19	49,242	93,584
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	20	86,043	101,319
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		15,898	9,918
Pledged bank deposits	已抵押銀行存款	21	12,436	12,378
Time deposits	定期存款	21	7,501	50,000
Bank and cash balances	銀行及現金結餘	21	12,090	21,208
			188,175	289,635
Current liabilities	流動負債			
Trade and retention payables	貿易應付款項及應付保固金	22	28,653	54,743
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	20	3,057	3,967
Accruals and other payables	應計費用及其他應付款項	23	11,523	9,263
Finance lease payables	融資租賃應付款項	24	17,626	17,445
Current tax liabilities	即期稅項負債		–	6,475
Bank borrowings	銀行借款	25	26,537	56,618
			87,396	148,511
Net current assets	流動資產淨值		100,779	141,124
Total assets less current liabilities	總資產減流動負債		157,140	187,530

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017
於二零一七年三月三十一日

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Finance lease payables	融資租賃應付款項	24	3,029	285
Deferred tax liabilities	遞延稅項負債	27	3,907	3,192
			6,936	3,477
NET ASSETS	資產淨值		150,204	184,053
Capital and reserves	資本及儲備			
Share capital	股本	28	4,000	4,000
Reserves	儲備	31	146,204	180,053
TOTAL EQUITY	權益總額		150,204	184,053

Approved by the Board of Directors on 30 June 2017
and signed on its behalf by:

經董事會於二零一七年六月三十日批准並由以下董事代表
簽署：

Yu Shiu Tin Paul
余嘯天
Executive Director
執行董事

Yeung Sau Ming Boris
楊秀明
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 2017
截至二零一七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	Share premium 股份溢價	Retained profits 保留盈利	Total equity 權益總額
		HK\$'000 千港元 (note 28) (附註28)	HK\$'000 千港元 (note 31(b)) (附註31(b))	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	-*	-	80,547	80,547
Total comprehensive income for the year	年內全面收益總額	-	-	40,303	40,303
Group Reorganisation#	集團重組#	-*	-*	-	-
Issue of new shares pursuant to placing and public offer (note 28(c))	根據配售及公開發售發行新股份(附註28(c))	1,000	94,000	-	95,000
Cost of issuing new shares pursuant to placing and public offer	根據配售及公開發售發行新股份之成本	-	(6,597)	-	(6,597)
Capitalisation issue of shares (note 28(d))	資本化發行股份(附註28(d))	3,000	(3,000)	-	-
Dividend paid	已派付股息	-	-	(25,200)	(25,200)
Changes in equity for the year	年內權益變動	4,000	84,403	15,103	103,506
At 31 March 2016	於二零一六年三月三十一日	4,000	84,403	95,650	184,053
At 1 April 2016	於二零一六年四月一日	4,000	84,403	95,650	184,053
Total comprehensive income and changes in equity for the year	年內全面收益及權益變動總額	-	-	(33,849)	(33,849)
At 31 March 2017	於二零一七年三月三十一日	4,000	84,403	61,801	150,204

* Represents the amount less than HK\$1,000.

* 指金額少於1,000港元。

The Group has undergone a group reorganisation (the "Group Reorganisation") in the preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited. Further details of the Group Reorganisation are set out in the Company's annual report 2015/16.

為準備本公司股份於香港聯合交易所有限公司主板上市，本集團已進行一項集團重組(「集團重組」)。有關集團重組的進一步詳情載於本公司二零一五/一六年年報。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit before tax		(34,393)	50,706
Adjustments for:			
Depreciation	12	5,983	4,591
Finance costs	10	1,309	2,050
Impairment loss on gross amounts due from customers for contract work	12	6,053	–
Interest income	8	(101)	(63)
Loss on disposals of property, plant and equipment	12	48	15
Derecognition of financial guarantees	12	–	(61)
Operating (loss)/profit before working capital changes		(21,101)	57,238
Increase in inventories		(3,737)	(859)
Decrease in trade and retention receivables		44,342	21,962
Decrease/(increase) in gross amounts due from customers for contract work		9,223	(27,539)
Increase in prepayments, deposits and other receivables		(5,980)	(3,185)
Decrease in trade and retention payables		(26,090)	(33,794)
Decrease in gross amounts due to customers for contract work		(910)	(7,307)
Increase in accruals and other payables		2,260	2,695
Cash (used in)/generated from operations		(1,993)	9,211
Income taxes paid		(5,216)	(4,155)
Interest paid		(723)	(1,350)
Finance lease charges paid		(586)	(700)
Net cash (used in)/generated from operating activities		(8,518)	3,006
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		101	63
Purchases of property, plant and equipment	33	(4,455)	(5,453)
Proceeds from disposals of property, plant and equipment		208	14
(Increase)/decrease in pledged bank deposits		(58)	9,405
Increase in non-pledged time deposits with original maturity of more than three months when acquired		(2,000)	–
Net cash (used in)/generated from investing activities		(6,204)	4,029

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Repayment to related companies	向關聯公司還款	-	(11,622)
Repayment from the ultimate holding company	最終控股公司還款	-	23
Repayment to directors	向董事還款	-	(4,487)
Bank borrowings raised	已籌銀行借款	58,468	355,366
Repayment of bank borrowings	償還銀行借款	(88,549)	(334,843)
Proceeds from issue of new shares pursuant to placing and public offer	根據配售及公开发售發行新股份所得款項	-	95,000
New shares issuance costs pursuant to placing and public offer	根據配售及公开发售發行新股份成本	-	(6,597)
Repayment of finance lease payables	償還融資租賃應付款項	(8,814)	(6,734)
Dividend paid	已派付股息	-	(25,200)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(38,895)	60,906
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額	(53,617)	67,941
Cash and cash equivalents at beginning of year	年初現金及現金等價物	71,208	3,267
Cash and cash equivalents at end of year	年末現金及現金等價物	17,591	71,208
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析		
Non-pledged time deposits	無抵押定期存款	7,501	50,000
Less: non-pledged time deposits with original maturity of more than three months when acquired	減：於存放時原到期日多於三個月之無抵押定期存款	(2,000)	-
Non-pledged time deposits with original maturity of less than three months when acquired	於存放時原到期日少於三個月之無抵押定期存款	5,501	50,000
Bank and cash balances	銀行及現金結餘	12,090	21,208
		17,591	71,208

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017
截至二零一七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 at P. O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands. The address of its principal place of business is 10/F, Liven House, 61 King Yip Street, Kwun Tong, 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").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 32 to the consolidated financial statements.

2. Basis of Preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); 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 disclosed 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.

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觀塘敬業街61號利維大廈10樓。本公司股份自二零一六年三月十八日起於香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

本公司為一家投資控股公司。其附屬公司的主要活動載於綜合財務報表附註32。

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」)頒佈的所有適用香港財務報告準則(「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規定及香港法例第622章《香港公司條例》的披露規定。該等集團採納的重大會計政策披露於下文。

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所引致之資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

3. Adoption of New and Revised Hong Kong Financial Reporting Standards

(a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 April 2016. Of these, the following new or revised HKFRSs are relevant to the Group:

Amendments to HKAS 1 Presentation of Financial Statements: Disclosure Initiative

The amendments to HKAS 1 clarify, rather than significantly change, existing HKAS 1 requirements. The amendments clarify various presentation issues relating to:

- Assessment of materiality versus minimum disclosure requirements of a standard.
- Disaggregation of specific line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position. There is also new guidance on the use of subtotals.
- Confirmation that the notes do not need to be presented in a particular order.
- Presentation of other comprehensive income items arising from equity-accounted associates and joint ventures.

None of these developments have had a material effect on how the Group's results and financial position for the current or prior years have been prepared or presented.

3. 採納新訂及經修訂香港財務報告準則

(a) 採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各項自二零一六年四月一日或之後開始之會計期間首次生效之新訂及經修訂香港財務報告準則。其中，以下新訂或經修訂香港財務報告準則與本集團有關：

香港會計準則第1號呈列財務報表的修訂：披露計劃

香港會計準則第1號的修訂澄清香港會計準則第1號的現有要求，而非對其作出重大變動。該等修訂就以下各項呈列事項進行澄清：

- 對重要性的評估與某項準則最低限度的披露要求作對比。
- 劃分損益及其他全面收益表以及財務狀況表中的特定項目。亦就使用小計作出新指引。
- 確認附註毋須按特定順序呈列。
- 源自權益法計算的聯營公司及合營企業的其他全面收益項目的呈列。

該等變動並無對本集團已編製或呈列之本年度或過往年度之業績及財務狀況造成重大影響。

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3. Adoption of New and Revised Hong Kong Financial Reporting Standards (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 2016. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 7 Statement of Cash Flows: Disclosure initiative	1 January 2017
Amendments to HKAS 12 Income Taxes: Recognition of deferred tax assets for unrealised losses	1 January 2017
Amendments to HKFRS 2 Share-based Payment: Classification and Measurement of Share-based Payment	1 January 2018
HKFRS 9 Financial Instruments	1 January 2018
HKFRS 15 Revenue from Contracts with Customers	1 January 2018
HKFRS 16 Leases	1 January 2019
Amendments to HKFRS 10 Consolidated Financial Statements and HKAS 28 Investments in Associates and Joint Ventures: Sale or contribution of assets between an investor and its associate or joint venture	To be determined
Amendments to HKFRSs: Annual Improvements to HKFRSs 2014-2016 Cycle	1 January 2018
HK(IFRIC)-Int 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

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 the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course.

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

本集團並未提早採用以下於二零一六年四月一日開始之財政年度之已頒佈但尚未生效的新訂及經修訂香港財務報告準則。可能與本集團有關之新訂及經修訂香港財務報告準則包括以下各項。

	於以下日期或之後開始的會計期間生效
香港會計準則第7號 現金流量表的修訂： 披露計劃	二零一七年 一月一日
香港會計準則第12號 所得稅的修訂：就未變現虧損 確認遞延稅項資產	二零一七年 一月一日
香港財務報告準則第2號股份 付款的修訂：分類及計量 股份付款	二零一八年 一月一日
香港財務報告準則 第9號金融工具	二零一八年 一月一日
香港財務報告準則 第15號來自客戶 合約之收入	二零一八年 一月一日
香港財務報告準則 第16號租賃	二零一九年 一月一日
香港財務報告準則 第10號綜合財務報表 及香港會計準則 第28號於聯營公司 及合營企業的投資的修訂： 投資者與其聯營公司或合營 企業之間出售或注資	待確定
香港財務報告準則的修訂： 香港財務報告準則二零一四年 至二零一六年週期的年度改進	二零一八年 一月一日
香港(國際財務報告詮釋 委員會)－詮釋第22號 外幣交易及預付代價	二零一八年 一月一日

本集團正就初步應用期間所作的修訂及新準則的影響作出評估。到目前為止，本集團已確定新準則的若干方面可能對綜合財務報表產生重大影響。有關新訂準則之詳情於下文討論。由於本集團尚未完成其評估，可能會在適當時候確定進一步影響。

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3. Adoption of New and Revised Hong Kong Financial Reporting Standards (continued)

(b) New and revised HKFRSs in issue but not yet effective (continued)

HKFRS 9 Financial Instruments

The standard replaces HKAS 39 Financial Instruments: Recognition and Measurement.

The standard introduces a new approach to the classification of financial assets which is based on cash flow characteristics and the business model in which the asset is held. A debt instrument that is held within a business model whose objective is to collect the contractual cash flows and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at amortised cost. A debt instrument that is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the instruments and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at fair value through other comprehensive income. All other debt instruments are measured at fair value through profit or loss. Equity instruments are generally measured at fair value through profit or loss. However, an entity may make an irrevocable election on an instrument-by-instrument basis to measure equity instruments that are not held for trading at fair value through other comprehensive income.

The requirements for the classification and measurement of financial liabilities are carried forward largely unchanged from HKAS 39 except that when the fair value option is applied changes in fair value attributable to changes in own credit risk are recognised in other comprehensive income unless this creates an accounting mismatch.

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9號金融工具

此準則取代香港會計準則第39號金融工具：確認及計量。

此準則基於現金流量特性及持有資產的業務模式的金融資產分類推出新方法。於目的為收集合約現金流量的業務模式內所持有及合約現金流量僅為支付本金及尚未償還本金的利息的債務工具以攤銷成本計量。於其目的乃同時透過收集合約現金流量及出售工具的方式達成的業務模式內所持有及合約現金流量僅為支付本金及尚未償還本金的利息的債務工具透過其他全面收益以公平值計量。所有其他債務工具透過損益以公平值計量。權益工具一般透過損益以公平值計量。然而，實體可作出不可撤回的選擇，就各項債務工具逐一以不為交易持有的權益工具透過其他全面收益按公平值計量。

金融負債的分類及計量規定與香港會計準則第39號大致相同，惟當應用公平值選項時，自身信用風險變動所造成的公平值變動會於其他全面收益確認，除非此舉會產生會計錯配。

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3. Adoption of New and Revised Hong Kong Financial Reporting Standards (continued)

(b) New and revised HKFRSs in issue but not yet effective (continued)

HKFRS 9 Financial Instruments (continued)

HKFRS 9 introduces a new expected-loss impairment model to replace the incurred-loss impairment model in HKAS 39. It is no longer necessary for a credit event or impairment trigger to have occurred before impairment losses are recognised. For financial assets measured at amortised cost or fair value through other comprehensive income, an entity will generally recognise 12-month expected credit losses. If there has been a significant increase in credit risk since initial recognition, an entity will recognise lifetime expected credit losses. The standard includes a simplified approach for trade receivables to always recognise the lifetime expected credit losses.

The de-recognition requirements in HKAS 39 are carried forward largely unchanged.

HKFRS 9 substantially overhauls the hedge accounting requirements in HKAS 39 to align hedge accounting more closely with risk management and establish a more principle based approach.

The new expected credit loss impairment model in HKFRS 9 may result in the earlier recognition of impairment losses on the Group's trade receivables and other financial assets. The Group is unable to quantify the impact until a more detailed assessment is completed.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 replaces all existing revenue standards and interpretations.

The core principle of the standard is that an entity recognises revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to become entitled in exchange for those goods and services.

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9號金融工具(續)

香港財務報告準則第9號推出新的預期虧損減值模式，以取代香港會計準則第39號的錄得虧損減值模式。毋須再待發生信用事件或減值事件，亦可確認減值虧損。就透過其他全面收益以攤銷成本或公平值計量的金融資產而言，實體一般會確認十二個月的預期信用虧損。倘首次確認後信用風險大幅提高，實體會確認使用年限內之信用虧損。該準則包括應收貿易賬款經常確認全期預期信用虧損的簡化方法。

香港會計準則第39號的終止確認規定大致維持不變。

香港財務報告準則第9號對香港會計準則第39號中的對沖會計規定作出重大修訂，以使對沖會計法更貼近風險管理及建立一個更原則為本的方法。

香港財務報告準則第9號的新預期信用虧損減值模式可能會引致提早確認本集團的應收貿易賬款及其他金融資產的減值虧損。於完成更詳細的評估前，本集團無法量化該影響。

香港財務報告準則第15號來自客戶合約的收入

香港財務報告準則第15號取代所有現有的收入準則及詮釋。

該準則的核心原則為，實體確認收入以顯示貨品及服務轉移至客戶，而金額需反映該實體預期以該等貨品及服務所換取的代價。

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3. Adoption of New and Revised Hong Kong Financial Reporting Standards (continued)

(b) New and revised HKFRSs in issue but not yet effective (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

An entity recognises revenue in accordance with the core principle by applying a 5-step model:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies a performance obligation

The standard also includes comprehensive disclosure requirements relating to revenue.

The Group is currently assessing the impacts of adopting HKFRS 15 on the consolidated financial statements and has identified the following areas that are likely to be affected:

- The Group currently recognises revenue from construction contracts over time by reference to the stage of completion of the contract activity in accordance with the requirements in HKAS 11 Construction Contracts. Under HKFRS 15 revenue is recognised over time only if specific criteria are met otherwise revenue is recognised at a point in time which may not be until completion.
- HKFRS 15 also introduces new requirements on accounting for contract modifications (variations) and variable consideration (such as claims and incentive payments) which may impact the timing of revenue recognition over the contract period.
- In addition, certain costs of obtaining construction contracts which are currently expensed may need to be capitalised.

The Group is currently assessing the impacts of adopting HKFRS 15 on the consolidated financial statements and is unable to estimate the impact of the new standard on the consolidated financial statements until a more detailed analysis is 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15號來自客戶合約之收入(續)

實體根據核心原則透過應用五個步驟模式確認收益：

1. 識別與客戶訂立之合約
2. 識別合約中之履約責任
3. 釐定交易價
4. 將交易價分配至合約中的履約責任
5. 於實體完成履約責任時(或就此)確認收益

該準則亦包括有關收益之詳盡披露要求。

本集團目前正評估採納香港財務報告準則第15號對綜合財務報表之影響，並識別以下方面將可能會受到影響：

- 本集團正根據香港會計準則第11號工程合約的規定，參考合約活動的完成階段以確認於一段時間內來自工程合約的收入。根據香港財務報告準則第15號，僅符合特定標準方可於一段時間內確認收入，否則收入可能在完成階段前已確認。
- 香港財務報告準則第15號亦引入有關可影響於合約期內確認收益時間之合約修改(修訂)及可變代價(如索賠及獎金)之新規定。
- 此外，就取得建築合約現已支出的若干成本可能需要資本化。

本集團目前正評估對綜合財務報表採用香港財務報告準則第15號之影響，並須於完成更為詳細之評估後方可估計新準則對綜合財務報表之影響。

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3. Adoption of New and Revised Hong Kong Financial Reporting Standards (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 financing leases.

The Group's office properties and warehouses 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.

As disclosed in note 36, the Group's future minimum lease payments under non-cancellable operating leases for its office properties and warehouses amounted to approximately HK\$2,645,000 as at 31 March 2017 (2016: approximately HK\$897,000). The Group will need to perform a more detailed assessment in order to determine the new assets and liabilities arising from these operating leases commitments after taking into account the transition reliefs available in HKFRS 16 and the effects of discounting.

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號租賃及相關詮釋。該新訂準則引入有關承租人的單一會計處理模式。承租人毋需區分經營及融資租賃，惟需就全部租賃確認使用權資產及租賃負債(短期租賃及低價值資產之租賃可獲選擇性豁免)。香港財務報告準則第16號大致保留香港會計準則第17號有關出租人的會計處理規定。因此，出租人需繼續將租賃分類為經營或融資租賃。

本集團之辦公室物業及倉庫租賃現分類為經營租賃，租賃款項(扣除來自出租人之任何獎勵)於租期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能需就該等租賃按未來最低租賃款項之現值確認及計量負債，並確認其相應使用權資產。租賃負債之利息開支及使用權資產之折舊將於損益中確認。本集團的資產及負債將增加且開支確認之時間亦將會受影響。

誠如附註36所披露，於二零一七年三月三十一日，本集團辦公室物業及倉庫租賃於不可撤銷經營租賃項下之未來最低租賃款項約2,645,000港元(二零一六年：約897,000港元)。本集團將需進行更詳盡之評估，以於考慮香港財務報告準則第16號允許之過渡安排及折讓影響後釐定該等經營租賃承擔所產生之新資產及負債。

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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

本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及較高複雜性、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。

編製本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。當本集團可以或有權利透過參與該實體而取得浮動回報及有能力透過其權力影響實體的回報即控制該實體。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。

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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.

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。

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4. Significant Accounting Policies (continued)

(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.

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.

4. 重大會計政策(續)

(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。

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。

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4. Significant Accounting Policies (continued)

(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.

(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 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.

4. 重大會計政策(續)

(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。

(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。

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4. Significant Accounting Policies (continued)

(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.

(f) Construction contracts

Contract revenue comprises the agreed contract amount and appropriate amounts from variation orders, claims and incentive payments. Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured. If the variations have not been agreed with customer, variations will be recognised only to the extent of contract costs incurred that are probable to be recoverable.

Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

The Group uses the “percentage-of-completion method” to determine the appropriate amount of revenue in a given period. When the outcome of a construction contract can be estimated reliably, revenue from a fixed price contract is recognised on the percentage-of-completion method, measured by reference to the proportion of costs incurred to date to the estimated total costs of the relevant contracts. Revenue from a cost plus construction contract is recognised on the percentage-of-completion method, by reference to the recoverable costs incurred during the period plus the related fee earned, measured by the proportion of costs incurred to date to the estimated total costs of the relevant contract.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that are probable to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

4. 重大會計政策(續)

(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。

(f) 建築合約

合約收益包括經協定合約金額及來自工程變更、索償及獎勵款項的適當金額。倘經與客戶協定並能夠可靠計量，合約工程變動、索償及獎勵款項計入合約收益。倘變動並無與客戶協定，變動僅根據已產生合約成本可能收回的幅度確認。

已產生合約成本包括直接材料、分包成本、直接勞工成本及分攤適當部分的可變與固定建築經常性支出。

本集團採用「完工百分比法」釐定在某期間的適當收益金額。倘建築合約結果能可靠估計，固定價格合約的收益採用完工百分比法確認，並參考迄今已產生成本佔有關合約估計總成本的比例計量。成本加成建築合約的收益按完工百分比法確認，並參照期內已產生可收回成本加上賺取的有關費用，按迄今已產生成本佔有關合約估計總成本的比例計量。

倘建築合約的結果不能可靠估計，收益僅根據已產生合約成本可能收回的幅度確認。倘合約總成本可能超過合約總收益，預計虧損即時確認為開支。

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4. Significant Accounting Policies (continued)

(f) Construction contracts (continued)

Construction contracts in progress at the end of the reporting period are recorded at the amount of costs incurred plus recognised profits less recognised losses and progress billings, and are presented in the consolidated statement of financial position as “Gross amounts due from customers for contract work”. When progress billings exceed costs incurred plus recognised profits less recognised losses, the surplus is recorded in the consolidated statement of financial position as “Gross amounts due to customers for contract work”. Progress billings not yet paid by customers are included in the consolidated statement of financial position under “Trade and retention receivables”. Amounts received before the related work is performed are included in the consolidated statement of financial position under “Accruals and other payables”.

(g) Recognition and derecognition of financial instruments

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

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

4. 重大會計政策(續)

(f) 建築合約(續)

於報告期末尚在進行中的建築合約按已產生成本加上已確認溢利，再減去已確認虧損及進度款項入賬，並於綜合財務狀況表中呈列為「應收客戶合約工程款項總額」。倘進度款項高於已產生成本加已確認溢利減去已確認虧損之差，盈餘於綜合財務狀況表中呈列為「應付客戶合約工程款項總額」。客戶尚未支付的進度款項於綜合財務狀況表中呈列為「貿易應收款項及應收保固金」。於有關工程進行前收到的款項於綜合財務狀況表中呈列為「應計費用及其他應付款項」。

(g) 確認及終止確認金融工具

金融資產及金融負債於本集團成為工具合約條文訂約方時於綜合財務狀況表確認。

倘自資產取得現金流量的合約權利屆滿；本集團轉讓資產所有權的絕大部分風險及回報；或本集團概無轉讓亦不保留資產所有權的絕大部分風險及回報但不保留資產的控制權，則終止確認金融資產。終止確認金融資產時，資產賬面值與已收代價連同已於其他全面收益確認的累計盈虧總和兩者間的差額於損益內確認。

倘相關合約訂明的責任獲解除、註銷或屆滿，則終止確認金融負債。已終止確認金融負債的賬面值與已付代價的差額於損益內確認。

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4. Significant Accounting Policies (continued)

(h) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs.

The Group classifies its financial assets as loans and receivable. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically trade and other receivables, bank and cash balances are classified in this category.

(i) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

4. 重大會計政策(續)

(h) 金融資產

金融資產於根據合約(有關條款規定須於相關市場制定的時限內交付金融資產)購買或出售金融資產時按交易日確認及終止確認，並初步按公平值加直接應佔交易成本計量。

本集團將金融資產分類為貸款及應收款項。分類取決於收購金融資產之目的。管理層於初步確認時釐定金融資產分類。

貸款及應收款項乃具有於交投活躍市場未有報價的固定或可議定付款的非衍生金融資產。該等資產以實際利率法(利息屬微不足道的短期應收款項除外)按攤銷成本減任何減值或不可收回款項扣減列賬。一般而言，貿易及其他應收款項、銀行及現金結餘乃分類為此類別。

(i) 貿易及其他應收款項

貿易應收款項為日常業務過程中就所售商品或所提供服務而應收客戶的款項。倘貿易及其他應收款項預期於一年或以內(或如屬較長時間，則為一般營運週期)收回，則分類為流動資產，否則呈列為非流動資產。

貿易及其他應收款項初步按公平值確認，其後以實際利率法按攤銷成本扣除減值撥備計量。

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4. Significant Accounting Policies (continued)

(j) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which 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.

(k) 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.

4. 重大會計政策(續)

(j) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物指銀行現金及手頭現金、銀行及其他金融機構的活期存款，以及可隨時兌換為確實數額的現金及存在非重大價值變動風險的短期高流通性投資。須按求償還並構成本集團現金管理的整體的一部分的銀行透支亦入賬列作現金及現金等價物部分。

(k) 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。

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4. Significant Accounting Policies (continued)

(k) Financial liabilities and equity instruments (continued)

(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.

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(i) Construction contracts income

Revenue from construction contracts is recognised based on the stage of completion of the contract activity as detailed in note 4(f) above.

(ii) Rental income

Rental income is recognised on a straight-line basis over the lease term.

(iii) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

4. 重大會計政策(續)

(k) 金融負債及股本工具(續)

(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。

(iii) 股本工具

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。

(l) 收益確認

收益按已收或應收代價的公平值計量，並於經濟利益可能流向本集團及收益金額能可靠計量時確認。

(i) 建築合約收入

建築合約收益根據合約活動完工進度確認，詳述於上文附註4(f)。

(ii) 租金收入

租金收入按直線法於租期內確認。

(iii) 利息收入

利息收入按時間比例基準採用實際利率法確認。

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4. Significant Accounting Policies (continued)

(m) 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.

4. 重大會計政策(續)

(m) 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

離職福利於本集團再無能力提供福利時或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。

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4. Significant Accounting Policies (continued)

(n) 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.

(o) 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.

4. 重大會計政策(續)

(n) 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)。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。

(o) 借貸成本

直接用作購入、建造或生產合資格資產(即需要相當長時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。

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4. Significant Accounting Policies (continued)

(p) 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.

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.

4. 重大會計政策(續)

(p) 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。

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。

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4. Significant Accounting Policies (continued)

(p) Taxation (continued)

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.

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.

(q) 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.

4. 重大會計政策(續)

(p) 稅項(續)

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，則在此情況下亦會於其他全面收益或直接於權益確認。

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。

(q) 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。

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4. Significant Accounting Policies (continued)

(q) Impairment of non-financial assets (continued)

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.

(r) Impairment of financial assets

At the end of each reporting period, the Group assesses whether its financial assets 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 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.

Only for trade receivables, the carrying amounts are 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.

4. 重大會計政策(續)

(q) 非金融資產減值(續)

使用價值指預計資產／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，倘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。

(r) 金融資產減值

於各報告期末，本集團會根據客觀證據(即(一組)金融資產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)評估其金融資產有否減值。

就個別評估並無減值的貿易應收款項而言，本集團會根據本集團的過往收款經驗、投資組合延遲還款情況增加、與應收款項違約情況有連帶關係的經濟狀況出現明顯改變等共同評估有否減值。

僅貿易應收款項的賬面值會使用撥備賬扣減，而其後收回先前已撇銷的金額乃計入撥備賬。撥備賬的賬面值變動於損益內確認。

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4. Significant Accounting Policies (continued)

(r) Impairment of financial assets (continued)

For all other financial assets, the carrying amounts are 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 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.

(s) 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)

(r) 金融資產減值(續)

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，倘減值虧損的金額於其後期間減少，而該減少可以客觀地與於確認減值後發生的事件有關時，則先前已確認的減值虧損透過過損益(直接或藉著調整貿易應收款之撥備賬)撥回。然而，撥回不得導致賬面值超出於假設並無確認減值時該項金融資產於撥回減值當日原有的攤銷成本。

(s) 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)

(t) 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.

(u) Dividend distribution

Dividends are recognised as liabilities when they are declared (i.e. the dividends are appropriately authorised and no longer at the discretion of the equity). Typically, dividends are recognised as liabilities in the period in which their distribution is approved at the shareholders' annual general meeting. Interim dividends are recognised when paid.

5. Critical Judgements and Key Estimates

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made judgements relating to revenue recognition of construction contracts that have the most significant effect on the amounts recognised in the consolidated financial statements relating to accounting for variation orders of construction contracts.

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.

4. 重大會計政策(續)

(t) 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。

(u) 股息分派

股息獲宣派時(即股息經適當授權且企業不再具有裁決能力)均會獲確認為負債。一般情況下，股息均獲確認為期內負債而其分派於股東週年大會上獲批准。中期股息於派付時獲確認。

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，董事就建築合約收益確認作出判斷，而有關判斷對有關建築合約工程變更的會計處理的綜合財務報表內所確認的金額具最重大影響。

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，本集團可能就額外進行的工程提出索償。倘有關索償金額無法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。

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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.

(a) Revenue and profit recognition of construction contracts

As disclosed in note 4(f) 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。

(a) 建築合約收益及溢利確認

如綜合財務報表附註4(f)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竣工程。隨著合約工程進展，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、修訂令及索償撥備須運用重大判斷，因而或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)

(b) 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 2017 was approximately HK\$56,361,000 (2016: approximately HK\$46,406,000).

(c) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables and gross amounts due from customers for contract work, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables, gross amounts due from customers for contract work and doubtful debt expenses in the year in which such estimate has been changed.

As at 31 March 2017, no impairment loss on trade and other receivables was made and impairment loss on gross amounts due from customers for contract work of approximately HK\$6,053,000 (2016: Nil) was made.

5. 重要判斷及主要估計(續)

估計不明朗因素的主要來源(續)

(b) 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。該等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，或將已棄用或出售技術過時或非策略資產作出撤銷。

於二零一七年三月三十一日，物業、機器及設備的賬面值約56,361,000港元(二零一六年：約46,406,000港元)。

(c) 呆壞賬減值虧損

本集團根據對貿易及其他應收款項以及應收客戶合約工程款項總額可收回程度(包括各債務人當前信用狀況及過往付款記錄)的評估，作出呆壞賬減值虧損。倘有事件或情況有變顯示餘額可能無法收回時，將出現減值。識別是否出現呆壞賬須作出判斷及估計。倘實際結果有別於原本估計，該差額將影響該項估計發生變動年內的貿易及其他應收款項、應收客戶合約工程款項總額以及呆壞賬開支的賬面值。

於二零一七年三月三十一日，並無就貿易及其他應收款項作出減值虧損，但有就應收客戶合約工程款項總額約6,053,000港元(二零一六年：無)作出減值虧損。

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5. Critical Judgements and Key Estimates (continued)

Key sources of estimation uncertainty (continued)

(d) Income taxes

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the year, approximately HK\$544,000 of income tax was credited (2016: approximately HK\$10,403,000 of income tax was charged) to profit or loss based on the estimated (adjusted loss)/assessable profits.

(e) 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. In making its judgements, 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 2017 and 2016, no provision for claims was made.

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) 所得稅

計提所得稅撥備時須作出重大估計。於日常業務過程中，有多項交易及計算方式均會導致無法確定最終稅項。倘若該等事項的最終稅項結果與初始記錄金額不同，有關差額將對作出有關決定期間內的所得稅及遞延稅項撥備造成影響。年內，根據估計(經調整虧損)/應課稅溢利，約544,000港元的所得稅於損益內扣減(二零一六年：約10,403,000港元的所得稅計入損益)。

(e) 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發生的可能性。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。在作出判斷時，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。

於二零一七及二零一六年三月三十一日，概無作出索償撥備。

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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.

(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, Hong Kong dollars. 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

The Group's credit risk is primarily attributable to its bank deposits, bank and cash balances, trade and retention receivables and other receivables. In order to minimise credit risk, the directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

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。

(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港元計值，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

本集團的信貸風險主要歸因於銀行存款、銀行及現金結餘、貿易應收款項及應收保固金及其他應收款項。為盡量減低信貸風險，董事定期檢討各個別貿易債項可收回金額，確保就不可收回債項確認足夠減值虧損。就此，董事認為本集團的信貸風險已大幅減低。

本集團已制訂政策以確保向擁有合適信貸記錄的客戶進行銷售。

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6. Financial Risk Management (continued)

(b) Credit risk (continued)

As at 31 March 2017, there were 3 customers (2016: 3 customers) which individually contributed over 10% of the Group's trade and retention receivables. The aggregate amounts of trade and retention receivables from these customers amounted to approximately 68% (2016: approximately 74%) of the Group's total trade and retention receivables as at 31 March 2017.

The credit risk on bank deposits and bank and cash balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

(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.

Specifically, for bank 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.

6. 財務風險管理(續)

(b) 信貸風險(續)

於二零一七年三月三十一日，有3名客戶(二零一六年：3名客戶)單獨佔本集團貿易應收款項及應收保固金比例超過10%。於二零一七年三月三十一日，來自該等客戶的貿易應收款項及應收保固金總額分別佔本集團貿易應收款項及應收保固金總額約68%(二零一六年：約74%)。

銀行存款以及銀行及現金結餘的信貸風險有限，因為對方為獲國際信用評級機構給予高度信用評級的銀行。

(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。

具體而言，對於包含按要求償還條款而有關係款可由銀行全權酌情行使的銀行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。

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6. Financial Risk Management (continued)

(c) Liquidity risk (continued)

The maturity analysis of the Group's financial liabilities based on contractual undiscounted cash flows is as follows:

		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 2017	於二零一七年三月三十一日					
Financial liabilities subject to a repayment on demand clause	受限於按要求償還條款的金融負債					
Bank borrowings	銀行借款	26,537	-	-	-	26,537
Finance lease payables	融資租賃應付款項	16,493	-	-	-	16,493
Financial liabilities not subject to a repayment on demand clause	毋須受限於按要求償還條款的金融負債					
Trade and retention payables	貿易應付款項及應付保固金	-	27,908	745	-	28,653
Accruals and other payables	應計費用及其他應付款項	-	11,523	-	-	11,523
Finance lease payables	融資租賃應付款項	-	1,225	1,225	1,908	4,358

6. 財務風險管理(續)

(c) 流動資金風險(續)

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：

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6. Financial Risk Management (continued)
(c) Liquidity risk (continued)

6. 財務風險管理(續)
(c) 流動資金風險(續)

		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 2016	於二零一六年 三月三十一日					
Financial liabilities subject to a repayment on demand clause	受限於按要求的償還條款之金融負債					
Bank borrowings	銀行借款	56,618	-	-	-	56,618
Finance lease payables	融資租賃應付款項	17,316	-	-	-	17,316
Financial liabilities not subject to a repayment on demand clause	毋須受限於按要求的償還條款之金融負債					
Trade and retention payables	貿易應付款項及應付保固金	-	45,624	9,119	-	54,743
Accruals and other payables	應計費用及其他應付款項	-	9,263	-	-	9,263
Finance lease payables	融資租賃應付款項	-	142	142	153	437

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6. Financial Risk Management (continued)

(c) Liquidity risk (continued)

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.

6. 財務風險管理(續)

(c) 流動資金風險(續)

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。

		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 2017	於二零一七年 三月三十一日				
Bank borrowings	銀行借款	26,698	-	-	26,698
Finance lease payables	融資租賃應付款項	8,595	4,895	3,734	17,224
At 31 March 2016	於二零一六年 三月三十一日				
Bank borrowings	銀行借款	56,820	-	-	56,820
Finance lease payables	融資租賃應付款項	8,081	6,533	3,463	18,077

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6. Financial Risk Management (continued)

(d) Interest rate risk

As at 31 March 2017, the Group's finance lease payables of approximately HK\$1,152,000 (2016: approximately HK\$414,000) 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 and the remaining finance lease payables and therefore bear interests at variable rates varied with the then prevailing market condition.

As at 31 March 2017 and 2016, 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)/profit after tax for the year.

(e) Categories of financial instruments at the end of the reporting period

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets:		
Loans and receivables (including cash and cash equivalents)	80,199	185,200
Financial liabilities:		
Financial liabilities at amortised cost	87,368	138,354

(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.

6. 財務風險管理(續)

(d) 利率風險

於二零一七年三月三十一日，本集團按固定利率計息的融資租賃應付款項約1,152,000港元(二零一六年：約414,000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。

於二零一七年及二零一六年三月三十一日，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)/溢利將不會發生重大變動。

(e) 於報告期末的金融工具類別

(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各自的公平值相若。

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7. Revenue

An analysis of the Group's revenue is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Provision of foundation services	提供地基服務	124,252	492,649
Leasing of machinery	租賃機械	1,337	1,486
		125,589	494,135

8. Other Income

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest income	利息收入	101	63
Rental income on warehouse	倉庫的租金收入	10	48
Sales of scrapped materials	銷售廢料	-	1,267
Others	其他	60	668
		171	2,046

7. 收益

本集團的收益分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Provision of foundation services	提供地基服務	124,252	492,649
Leasing of machinery	租賃機械	1,337	1,486
		125,589	494,135

8. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest income	利息收入	101	63
Rental income on warehouse	倉庫的租金收入	10	48
Sales of scrapped materials	銷售廢料	-	1,267
Others	其他	60	668
		171	2,046

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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.

The Board 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.

		Foundation 地基		Leasing 租賃		Total 合計	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Reportable segment revenue	須予呈報分類收益	124,252	492,649	1,337	1,486	125,589	494,135
Reportable segment results	須予呈報分類業績	(7,658)	71,788	(220)	(565)	(7,878)	71,223
Unallocated corporate income	未分配企業收入					10	48
Central administrative expenses and directors' remuneration	中央行政開支及董事薪酬					(26,525)	(20,565)
(Loss)/profit before tax	除稅前(虧損)/溢利					(34,393)	50,706
Reportable segment results include:	須予呈報分類業績包括:						
Interest income	利息收入	101	63	-	-	101	63
Finance costs	融資成本	818	801	118	194	936	995
Depreciation	折舊	4,730	3,361	1,253	1,230	5,983	4,591
Additions to property, plant and equipment	添置物業、機器及設備	16,194	11,101	-	-	16,194	11,101
Impairment loss on gross amounts due from customers for contract work	應收客戶合約工程款項總額的減值虧損	6,053	-	-	-	6,053	-

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本集團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。

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。

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9. Segment Information (continued)

Operating segment information (continued)

All of the segment revenue reported above is from external customers.

Segment results represent profit or loss attributable to the segment without allocation of corporate income, central administrative expenses and directors' remuneration.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

9. 分類資料(續)

運營分類資料(續)

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薪酬前之分類應佔溢利或虧損。

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：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
SEGMENT ASSETS	分類資產		
Foundation	地基	233,083	322,180
Leasing	租賃	11,000	13,127
Total segment assets	分類資產合計	244,083	335,307
Unallocated assets	未分配資產	453	734
Consolidated assets	綜合資產	244,536	336,041
SEGMENT LIABILITIES	分類負債		
Foundation	地基	91,154	146,635
Leasing	租賃	2,520	5,229
Total segment liabilities	分類負債合計	93,674	151,864
Unallocated liabilities	未分配負債	658	124
Consolidated liabilities	綜合負債	94,332	151,988

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9. Segment Information (continued)

Segment assets and liabilities (continued)

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.

Geographical information

All non-current assets as at 31 March 2017 and 2016 and the Group's revenue from external customers during the years ended 31 March 2017 and 2016 are located in 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 2017 and 2016 is set out as below:

Foundation

Customer 1
Customer 2
Customer 3
Customer 4

地基

客戶1
客戶2
客戶3
客戶4

2017
二零一七年
HK\$'000
千港元

2016
二零一六年
HK\$'000
千港元

37,057

N/A不適用*

22,143

N/A不適用*

21,174

121,886

N/A不適用*

276,725

* Amount represented less than 10% of the revenue during the year.

* 金額佔年度的收益少於10%。

9. 分類資料(續)

分類資產及負債(續)

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未分配負債外，所有負債均被分配至須予呈報分類。

季節性的營運

本集團的營運不會受到重大季節性因素影響。

地區資料

於二零一七年及二零一六年三月三十一日的所有非流動資產以及截至二零一七年及二零一六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香港。

主要客戶收益

截至二零一七年及二零一六年三月三十一日止年度，有關交易佔本集團10%收益的客戶群載列如下：

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10. Finance Costs

10. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finance lease charges	融資租賃費用	586	700
Interest on bank borrowings	銀行借款利息	723	1,350
		1,309	2,050
Less: Amount attributable to contract work	減：合約工程應佔金額	(373)	(1,055)
		936	995

11. Income Tax (Credit)/Expense

11. 所得稅(抵免)/開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the year	年內撥備	–	8,798
Over-provision in prior years	過往年度超額撥備	(1,259)	–
		(1,259)	8,798
Deferred tax (note 27)	遞延稅項(附註27)	715	1,605
		(544)	10,403

No provision for Hong Kong Profits Tax is required since the Group has no assessable profits for the year ended 31 March 2017.

Hong Kong Profits Tax had been provided at a rate of 16.5% on the estimated assessable profits for the year ended 31 March 2016.

由於本集團截至二零一七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。

香港利得稅乃按16.5%的稅率就截至二零一六年三月三十一日止年度的估計應課稅溢利計提撥備。

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11. Income Tax (Credit)/Expense (continued)

The reconciliation between the income tax (credit)/expense and the product of (loss)/profit before tax multiplied by the Hong Kong Profits Tax rate is as follows:

11. 所得稅(抵免)/開支(續)

所得稅(抵免)/開支與除稅前(虧損)/溢利乘以香港利得稅稅率所得乘積的對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss)/Profit before tax	除稅前(虧損)/溢利	(34,393)	50,706
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	(5,675)	8,366
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(1)	(10)
Tax effect of expenses that are not deductible	不可扣減開支的稅務影響	255	1,605
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	(676)	299
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	6,812	163
Over-provision in prior years	過往年度超額撥備	(1,259)	-
Tax reduction	稅務寬減	-	(20)
Income tax (credit)/expense	所得稅(抵免)/開支	(544)	10,403

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12. (Loss)/Profit for the Year

The Group's (loss)/profit for the year is stated after charging/
(crediting) the following:

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬		600	1,150
Costs of construction materials	建築材料成本	(a)	11,636	137,700
Depreciation	折舊	(b)	5,983	4,591
Impairment loss on gross amounts due from customers for contract work	應收客戶合約工程款項 總額的減值虧損	(a)	6,053	–
Listing expenses	上市開支費用		–	8,736
Loss on disposals of property, plant and equipment	出售物業、機器及設備 的虧損	(c)	48	15
Operating lease charges	經營租賃開支	(d)		
– Hire of plant and equipment	– 租用機器及設備		4,990	8,746
– Land and buildings	– 土地及樓宇		2,813	1,863
			7,803	10,609
Derecognition of financial guarantees	財務擔保終止確認		–	(61)

Notes:

- (a) The amounts included in cost of sales.
- (b) The amounts included in cost of sales for the years ended 31 March 2017 and 2016 amounted to approximately HK\$1,640,000 and approximately HK\$4,304,000 respectively.
- (c) The amounts included in cost of sales for the years ended 31 March 2017 and 2016 amounted to approximately HK\$42,000 and approximately HK\$3,000 respectively.
- (d) The amounts included in cost of sales for the years ended 31 March 2017 and 2016 amounted to approximately HK\$6,107,000 and approximately HK\$8,746,000 respectively.

12. 年內(虧損)/溢利

本集團的年內(虧損)/溢利已扣除/(計入)下列各項：

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Auditor's remuneration		600	1,150
Costs of construction materials	(a)	11,636	137,700
Depreciation	(b)	5,983	4,591
Impairment loss on gross amounts due from customers for contract work	(a)	6,053	–
Listing expenses		–	8,736
Loss on disposals of property, plant and equipment	(c)	48	15
Operating lease charges	(d)		
– Hire of plant and equipment		4,990	8,746
– Land and buildings		2,813	1,863
		7,803	10,609
Derecognition of financial guarantees		–	(61)

附註：

- (a) 該金額已計入銷售成本。
- (b) 該金額內已計入截至二零一七年及二零一六年三月三十一日止年度的銷售成本，分別約1,640,000港元及約4,304,000港元。
- (c) 該金額內已計入截至二零一七年及二零一六年三月三十一日止年度的銷售成本，分別約42,000港元及約3,000港元。
- (d) 該金額內已計入截至二零一七年及二零一六年三月三十一日止年度的銷售成本，分別約6,107,000港元及約8,746,000港元。

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For the year ended 31 March 2017
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13. Employee Benefits Expense

13. 僱員福利開支

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Employee benefits expense (including directors' emoluments):			
Salaries, bonuses and allowances		49,947	44,771
Retirement benefits scheme contributions	(a)	1,435	1,488
	(b)	51,382	46,259

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 2017 and 2016 amounted to approximately HK\$28,811,000 and approximately HK\$37,132,000 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) 該金額內已計入截至二零一七年及二零一六年三月三十一日止年度的銷售成本，分別約28,811,000港元及約37,132,000港元。

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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 (2016: 1) directors whose emoluments are reflected in the analysis presented in note 14. The emoluments of the remaining 3 (2016: 4) individuals are set out below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	3,379	4,360
Performance related bonuses	表現花紅	-	1,164
Retirement benefits scheme contributions	退休福利計劃供款	54	72
		3,433	5,596

The emoluments fell within the following bands:

屬於下列範圍的酬金：

		2017 二零一七年 Number of person 人數	2016 二零一六年 Number of person 人數
Band of emoluments (HK\$)	酬金範圍(港元)		
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	2	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	2

13. 僱員福利開支(續)

附註：(續)

(c) 五位最高薪酬人士：

年內的五位最高薪酬人士中包括2名(二零一六年：1名)董事，其酬金已反映在附註14的分析內。餘下3名(二零一六年：4名)人士的酬金載列如下：

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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 就身為董事(不論本公司或其附屬公司業務)之個人服務已付或應收之酬金					
		Fees	Salaries	Performance related bonuses	Estimated money value of other benefits	Retirement benefits scheme contributions	Total
		袍金	薪金	表現花紅	估計金錢價值 其他福利之	退休福利計劃 供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
					(note iii) (附註iii)		
Executive directors:	執行董事：						
Mr. Yu Shiu Tin Paul (Chairman)	余耀天先生(主席)	-	1,500	-	-	-	1,500
Mr. Yeung Sau Ming Boris	楊秀明先生	-	1,200	-	-	18	1,218
Ms. Chan Lai Kuen	陳麗娟女士	-	480	-	19	18	517
Independent non-executive directors:	獨立非執行董事：						
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
Total for 2017	二零一七年總計	600	3,180	-	19	36	3,835

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14. Benefits and Interests of Directors (continued) (a) Directors' emoluments: (continued)

14. 董事福利及權益(續) (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
就身為董事(不論本公司或其附屬公司業務)之個人服務已付或應收之酬金

	Fees	Salaries	Performance related bonuses	Estimated money value of other benefits	Retirement benefits contributions	Total
	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	表現花紅 HK\$'000 千港元	其他福利之 估計金錢價值 HK\$'000 千港元 (note iii) (附註iii)	退休福利計劃 供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors (note i):	執行董事(附註i)：					
Mr. Yu Shiu Tin Paul (Chairman)	-	1,237	200	-	-	1,437
Mr. Yeung Sau Ming Boris	-	741	200	-	13	954
Ms. Chan Lai Kuen	-	282	150	-	11	443
Independent non-executive directors (note ii):	獨立非執行董事(附註ii)：					
Mr. Chan Kee Huen Michael	6	-	-	-	-	6
Mr. Cheng Yan Kee	6	-	-	-	-	6
Mr. Cheung Chi Fai Frank	6	-	-	-	-	6
Professor Chung Hung Kwan Barnabas	6	-	-	-	-	6
Total for 2016	24	2,260	550	-	24	2,858
		二零一六年總計				

Notes:

- (i) Appointed on 23 July 2015.
- (ii) Appointed on 19 February 2016.
- (iii) 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 (2016: Nil).

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2016: Nil).

附註：

- (i) 於二零一五年七月二十三日獲委任。
- (ii) 於二零一六年二月十九日獲委任。
- (iii) 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(二零一六年：無)。

年內，並無董事放棄或同意放棄任何薪酬的安排(二零一六年：無)。

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14. Benefits and Interests of Directors (continued)

(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 transactions, arrangements and contracts 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

During the year ended 31 March 2016, the Group declared and paid special dividend of HK\$25,200,000 to its then shareholder.

The Board does not recommend the payment of a final dividend to the shareholders for the year ended 31 March 2017.

14. 董事福利及權益(續)

(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

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	
Special dividend paid	已派付特別股息	-	25,200

截至二零一六年三月三十一日止年度，本集團向其當時的股東宣派及派付特別股息25,200,000港元。

董事會不建議向股東派付截至二零一七年三月三十一日止年度的末期股息。

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16. (Loss)/Earnings Per Share

(a) **Basic (loss)/earnings per share**

The calculation of the basic (loss)/earnings per share is based on the following:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss)/Earnings (Loss)/Earnings for the purpose of calculating basic (loss)/earnings per share	(33,849)	40,303
Number of shares Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share (note)	400,000	304,098

Note: In determining the number of shares in issue, the total of 300,000,000 shares issued (10,000 shares issued upon the incorporation of the Company and 299,990,000 shares issued on capitalisation issue (note 28(d)) were deemed to have been in issue since 1 April 2015.

(b) **Diluted (loss)/earnings per share**

No diluted (loss)/earnings per share is presented as the Company did not have any dilutive potential ordinary shares during the years ended 31 March 2017 and 2016.

16. 每股(虧損)/盈利

(a) **每股基本(虧損)/盈利**

每股基本(虧損)/盈利乃按以下方式計算：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(虧損)/盈利 計算每股基本(虧損)/盈利之(虧損)/盈利	(33,849)	40,303
股份數目 計算每股基本(虧損)/盈利之普通股加權平均數(附註)	400,000	304,098

附註：於釐定已發行股份數目時，自二零一五年四月一日以來，合共300,000,000股股份(於本公司註冊成立時已發行10,000股股份及於資本化發行(附註28(d))時已發行299,990,000股股份)被視為已發行。

(b) **每股攤薄(虧損)/盈利**

由於本公司截至二零一七年及二零一六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)/盈利。

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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
Cost	成本				
At 1 April 2015	於二零一五年四月一日	872	47,061	1,054	48,987
Additions	添置	357	10,690	54	11,101
Disposals/write off	出售/撇銷	(298)	(392)	(238)	(928)
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及 二零一六年四月一日	931	57,359	870	59,160
Additions	添置	1,104	13,351	1,739	16,194
Disposals	出售	(36)	(263)	(41)	(340)
At 31 March 2017	於二零一七年三月三十一日	1,999	70,447	2,568	75,014
Accumulated depreciation	累計折舊				
At 1 April 2015	於二零一五年四月一日	458	8,230	374	9,062
Charge for the year	年內支出	161	4,170	260	4,591
Disposals/write off	出售/撇銷	(298)	(390)	(211)	(899)
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及 二零一六年四月一日	321	12,010	423	12,754
Charge for the year	年內支出	283	4,999	701	5,983
Disposals	出售	(4)	(52)	(28)	(84)
At 31 March 2017	於二零一七年三月三十一日	600	16,957	1,096	18,653
Carrying amount	賬面值				
At 31 March 2017	於二零一七年三月三十一日	1,399	53,490	1,472	56,361
At 31 March 2016	於二零一六年三月三十一日	610	45,349	447	46,406

As at 31 March 2017, the carrying amount of property, plant and equipment held by the Group under finance leases amounted to approximately HK\$41,851,000 (2016: approximately HK\$31,049,000).

於二零一七年三月三十一日，本集團以融資租賃持有的物業、機器及設備的賬面值約41,851,000港元(二零一六年：約31,049,000港元)。

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18. Inventories

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Construction materials	建築材料	4,965	1,228

19. Trade and Retention Receivables

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	貿易應收款項	(a)	11,253	49,484
Retention receivables	應收保固金	(b)	37,989	44,100
			49,242	93,584

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 trade receivables, based on the progress payment, is as follows:

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。

以下為貿易應收款項以進度付款為基準的賬齡分析：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	6,664	29,733
31 to 60 days	31日至60日	1,356	14,020
Over 60 days	60日以上	3,233	5,731
		11,253	49,484

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19. Trade and Retention Receivables (continued)

Notes: (continued)

(a) (continued)

As part of its normal business, the Group entered into a trade receivable factoring arrangement and transferred certain trade receivables to a bank. If the trade 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 trade 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.

There were no factoring loans financed as at 31 March 2017 (2016: approximately HK\$26,730,000).

As at 31 March 2017, the Group's trade receivables of approximately HK\$4,589,000 (2016: approximately HK\$19,774,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

Less than 3 months	少於3個月
3 to 6 months	3至6個月
Over 6 months	多於6個月

The carrying amounts of the Group's trade receivables are denominated in Hong Kong dollars.

19. 貿易應收款項及應收保固金 (續)

附註：(續)

(a) (續)

作為日常業務的一部分，本集團訂立貿易應收款項保理安排，將其若干貿易應收款項轉讓予一家銀行。倘該等貿易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貿易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。

於二零一七年三月三十一日，概無保理貸款(二零一六年：約26,730,000港元)。

於二零一七年三月三十一日，本集團已逾期但尚未減值的貿易應收款項約4,589,000港元(二零一六年：約19,774,000港元)。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：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,356	19,443
-	331
3,233	-
4,589	19,774

本集團貿易應收款項的賬面值乃按港元計值。

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19. Trade and Retention Receivables (continued)

Notes: (continued)

- (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).

As at 31 March 2017, the Group's retention receivables of approximately HK\$5,077,000 (2016: approximately HK\$6,720,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these retention receivables is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Up to 3 months	3個月以內	2,071	-
3 to 6 months	3至6個月	-	1,070
Over 6 months	6個月以上	3,006	5,650
		5,077	6,720

As at 31 March 2017, the amount of the Group's retention receivables expected to be recovered after more than twelve months was approximately HK\$2,538,000 (2016: approximately HK\$17,342,000).

The carrying amounts of the Group's retention receivables are denominated in Hong Kong dollars.

19. 貿易應收款項及應收保固金 (續)

附註：(續)

- (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。

於二零一七年三月三十一日，本集團已逾期但尚未減值的應收保固金約5,077,000港元(二零一六年：約6,720,000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：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Up to 3 months	3個月以內	2,071	-
3 to 6 months	3至6個月	-	1,070
Over 6 months	6個月以上	3,006	5,650
		5,077	6,720

於二零一七年三月三十一日，預計將於逾十二個月後收回的本集團應收保固金金額約2,538,000港元(二零一六年：約17,342,000港元)。

本集團應收保固金的賬面值乃按港元計值。

20. Gross Amounts due from/(to) Customers for Contract Work

20. 應收／(應付)客戶合約工程 款項總額

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 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	795,191	1,114,674
Less: Progress billings	減：進度款	(712,205)	(1,017,322)
		82,986	97,352
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	86,043	101,319
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	(3,057)	(3,967)
		82,986	97,352

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21. Pledged Bank Deposits/Time 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, time deposits and bank and cash balances are denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong dollars	港元	31,963	83,401
Renminbi	人民幣	64	185
		32,027	83,586

22. Trade and Retention Payables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	17,878	41,599
Retention payables	應付保固金	10,775	13,144
		28,653	54,743

21. 已抵押銀行存款／定期存款／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、定期存款以及銀行及現金結餘按以下幣種計值：

22. 貿易應付款項及應付保固金

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22. Trade and Retention Payables (continued)

Notes:

- (a) The ageing analysis of trade payables, based on the date of receipt of goods/services, is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	9,990	24,998
31 to 60 days	31日至60日	2,350	11,537
61 to 90 days	61日至90日	456	333
Over 90 days	90日以上	5,082	4,731
		17,878	41,599

The carrying amounts of the Group's trade payables are denominated in Hong Kong dollars.

- (b) As at 31 March 2017, the amount of the Group's retention payables expected to be due after more than twelve months was approximately HK\$745,000 (2016: approximately HK\$9,119,000).

The carrying amounts of the Group's retention payables are denominated in Hong Kong dollars.

23. Accruals and Other Payables

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accruals	應計費用	11,343	8,828
Other payables	其他應付款項	180	435
		11,523	9,263

The carrying amounts of the Group's accruals and other payables are denominated in Hong Kong dollars.

22. 貿易應付款項及應付保固金 (續)

附註：

- (a) 以下為貿易應付款項以收取貨物／服務日期為基準的賬齡分析：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	9,990	24,998
31 to 60 days	31日至60日	2,350	11,537
61 to 90 days	61日至90日	456	333
Over 90 days	90日以上	5,082	4,731
		17,878	41,599

本集團貿易應付款項的賬面值乃按港元計值。

- (b) 於二零一七年三月三十一日，預計將於逾十二個月後到期的本集團應付保固金金額約745,000港元(二零一六年：約9,119,000港元)。

本集團應付保固金的賬面值乃按港元計值。

23. 應計費用及其他應付款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accruals	應計費用	11,343	8,828
Other payables	其他應付款項	180	435
		11,523	9,263

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。

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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:

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款的現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 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
Within one year	一年內	9,821	8,223	9,300	7,730
In the second to fifth years, inclusive	第二至五年(包括首尾兩年)	11,762	10,291	11,355	10,000
		21,583	18,514	20,655	17,730
Less: Future finance charges	減：未來融資費用	(928)	(784)	N/A不適用	N/A不適用
Present value of lease obligations	租賃責任的現值	20,655	17,730	20,655	17,730
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)			(17,626)	(17,445)
Amount due for settlement after 12 months	須於12個月後到期償付的款項			3,029	285

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：

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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 (2016: 4 years). As at 31 March 2017, the average effective borrowing rate was approximately 3.24% (2016: approximately 3.47%). As at 31 March 2017, finance lease payables of approximately HK\$1,152,000 (2016: approximately HK\$414,000) 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.

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, the Group's finance lease payables are secured by 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(二零一六年：4年)。於二零一七年三月三十一日，平均實際借款利率約3.24%(二零一六年：約3.47%)。於二零一七年三月三十一日，融資租賃應付款項約1,152,000港元(二零一六年：約414,000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價值利率風險。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。

載有按要求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預期毋須於一年內清償。

所有融資租賃應付款項均以港元計值。

此外，本集團的融資租賃應付款項由本公司簽立之公司擔保抵押。

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25. Bank Borrowings

25. 銀行借款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank loans	銀行貸款	10,000	13,334
Trust receipt loans	信託收據貸款	16,537	16,554
Factoring loans	保理貸款	-	26,730
		26,537	56,618

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：

		2017 二零一七年	2016 二零一六年
Bank loans	銀行貸款	3.20%	2.91%
Trust receipt loans	信託收據貸款	3.73%	4.17%
Factoring loans	保理貸款	N/A不適用	2.11%

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利率風險。

The security of the Group's bank borrowings are disclosed in note 26(a) to the consolidated financial statements.

本集團銀行借款的抵押品已於綜合財務報表附註26(a)披露。

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26. Credit Facilities

- (a) As at 31 March 2017, the Group's credit facilities are secured by:
- (i) The Group's trade receivables of approximately HK\$2,533,000 (2016: approximately HK\$23,930,000);
 - (ii) The Group's pledged bank deposits of approximately HK\$12,436,000 (2016: approximately HK\$12,378,000);
 - (iii) The Group's property, plant and equipment of approximately HK\$41,851,000 (2016: approximately HK\$31,049,000); and
 - (iv) Corporate guarantee executed by the Company.

Except for finance lease payables amounted to approximately HK\$4,162,000 (2016: approximately HK\$414,000), the Group's bank borrowings and finance lease payables 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. 信貸融資

- (a) 於二零一七年三月三十一日，本集團的信貸融資由以下項目作為抵押：
- (i) 本集團之貿易應收款項約2,533,000港元(二零一六年：約23,930,000港元)；
 - (ii) 本集團之已抵押銀行存款約12,436,000港元(二零一六年：約12,378,000港元)；
 - (iii) 本集團之物業、機器及設備約41,851,000港元(二零一六年：約31,049,000港元)；及
 - (iv) 本公司簽立之公司擔保。

除為數約4,162,000港元(二零一六年：約414,000港元)融資租賃應付款項外，本集團銀行借款及融資租賃應付款項均有附帶條款，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。本集團並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)。

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For the year ended 31 March 2017
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26. Credit Facilities (continued)

(b) As at 31 March 2017, the Group had other facilities from an insurance company for the issuance of performance bonds in its ordinary course of business. Certain of these performance bonds are secured by:

- (i) The Group's other receivables of approximately HK\$128,000 (2016: approximately HK\$5,116,000); and
- (ii) Corporate guarantee executed by the Company.

27. Deferred Tax

The following is the deferred tax liabilities recognised by the Group.

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	(1,587)
Charge for the year (note 11)	年內支出(附註11)	(1,605)
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及 二零一六年四月一日	(3,192)
Charge for the year (note 11)	年內支出(附註11)	(715)
At 31 March 2017	於二零一七年三月三十一日	(3,907)

As at 31 March 2017, the Group has unused tax losses of approximately HK\$50,253,000 (2016: approximately HK\$8,732,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Unrecognised tax losses may be carried forward indefinitely.

As at 31 March 2017, the aggregate amount of temporary differences associated with accelerated tax depreciation for which deferred tax liabilities have not been recognised is approximately HK\$6,618,000 (2016: approximately HK\$6,928,000). No deferred tax liability has been recognised in respect of these differences because it is probable that such differences will not reverse in the foreseeable future.

26. 信貸融資(續)

(b) 於二零一七年三月三十一日，本集團在一家保險公司獲得其他融資，就本集團日常業務中提供履約保證金。若干履約保證金由以下項目作為抵押：

- (i) 本集團之其他應收款項約128,000港元(二零一六年：約5,116,000港元)；及
- (ii) 本公司簽立之公司擔保。

27. 遞延稅項

本集團已確認的遞延稅項負債如下。

於二零一七年三月三十一日，本集團可供抵銷未來溢利的未動用稅項虧損約50,253,000港元(二零一六年：約8,732,000港元)。由於未來溢利流無法預測，故並無確認遞延稅項資產。未確認稅項虧損可無限期結轉。

於二零一七年三月三十一日，與尚未確認遞延稅項負債的加速稅項折舊有關的暫時差別的總金額約6,618,000港元(二零一六年：約6,928,000港元)。由於該等差額不大可能會於可見將來撥回，故並無就該等差額確認遞延稅項負債。

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28. Share Capital

28. 股本

		Note 附註	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
<i>Authorised:</i>	法定：			
Ordinary shares of HK\$0.01 each Upon incorporation	每股面值0.01港元之普通股 於註冊成立後	(a)	5,000	50
Increase in authorised share capital	法定股本增加	(b)	9,995,000	99,950
At 31 March 2016, 1 April 2016 and 31 March 2017	於二零一六年三月 三十一日、二零一六年 四月一日及二零一七年 三月三十一日		10,000,000	100,000
<i>Issued and fully paid:</i>	已發行及繳足：			
Ordinary shares of HK\$0.01 each Upon incorporation	每股面值0.01港元之普通股 於註冊成立後	(a)	10	—*
Issue of new shares pursuant to placing and public offer	根據配售及公開發售發行 新股份	(c)	100,000	1,000
Capitalisation issue of shares	資本化發行股份	(d)	299,990	3,000
At 31 March 2016, 1 April 2016 and 31 March 2017	於二零一六年三月 三十一日、二零一六年 四月一日及二零一七年 三月三十一日		400,000	4,000

* Represents the amount less than HK\$1,000.

* 指金額少於1,000港元。

Notes:

附註：

- (a) The Company was incorporated under the laws of Cayman Islands with limited liability on 23 July 2015 with an authorised share capital of HK\$50,000 divided into 5,000,000 ordinary shares with a par value of HK\$0.01 each, of which 10,000 ordinary shares were allotted and issued at par credited as fully paid to New Grace Gain Limited ("Shareholder"), a company incorporated in British Virgin Islands, on the same date.
- (b) Pursuant to the written resolution passed on 19 February 2016 by the Shareholder, the authorised ordinary share capital of the Company was increased from HK\$50,000 to HK\$100,000,000 by the creation of 9,995,000 ordinary shares of HK\$0.01 each, such new shares ranking pari passu in all respects with the existing shares of the Company.
- (c) On 17 March 2016, 100,000,000 ordinary shares were allotted and issued at price of HK\$0.95 each following the Listing.
- (d) On 18 March 2016, 299,990,000 ordinary shares were allotted and issued at par to the Shareholder by way of capitalisation of the sum of HK\$2,999,900 standing to the credit of the share premium account of the Company.

- (a) 本公司於二零一五年七月二十三日根據開曼群島法律註冊成立為一家有限公司，其法定股本為50,000港元，分為5,000,000股每股面值0.01港元的普通股，其中10,000股入賬列作繳足的普通股並於同日按面值配發及發行予New Grace Gain Limited（「股東」）。New Grace Gain Limited為一家同日於英屬處女群島註冊成立的公司。
- (b) 根據股東於二零一六年二月十九日通過的書面決議案，透過增設9,995,000,000股每股面值0.01港元的普通股，本公司的法定普通股本由50,000港元增至100,000,000港元，該等新股份在各方面與本公司現有股份享有同等地位。
- (c) 於二零一六年三月十七日，於上市後已按每股0.95港元之價格配發及發行100,000,000股普通股。
- (d) 於二零一六年三月十八日，本公司以資本化發行方式將金額2,999,900港元進賬至本公司股份溢價賬，按面值向股東配發及發行299,990,000股普通股。

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28. Share Capital (continued)

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 Group monitors capital on the basis of the gearing ratio, which is the total borrowings divided by the total equity of the Group. The total borrowings include finance lease payables and bank borrowings.

The gearing ratios at the end of the reporting period were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings	銀行借款	26,537	56,618
Finance lease payables	融資租賃應付款項	20,655	17,730
Total debts	總債務	47,192	74,348
Total equity	權益總額	150,204	184,053
		2017 二零一七年	2016 二零一六年
Gearing ratio	資產負債比率	31.4%	40.4%

28. 股本(續)

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資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股本架構。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負債的方式平衡其整體資本架構。

本集團根據資產負債比率監控資本，資產負債比率為本集團的借款總額除以權益總額。借款總額包括融資租賃應付款項及銀行借款。

於報告期末的資產負債比率如下：

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28. Share Capital (continued)

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 weekly 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. As at 31 March 2017, 25% (2016: 25%) of the total number of shares in issue were in public hands.

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 2017 and 2016.

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 at any time. 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)

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。

本集團每週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。於二零一七年三月三十一日，公眾持股量為已發行股份總數的25%(二零一六年：25%)。

未能履行財務契諾時，銀行有權立即僅收借款。截至二零一七年及二零一六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任何時間之已發行股份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.

During the years ended 31 March 2017 and 2016, no share option was granted under 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。

根據該計劃授予購股權之要約可由承授人於要約日期起計21天內於支付名義代價合共1港元後接納。所授出購股權之行使期乃由董事釐定，並於若干歸屬期後開始，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。

於截至二零一七年及二零一六年三月三十一日止年度，概無根據計劃授出購股權。

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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 2017 於二零一七年 三月三十一日 HK\$'000 千港元	At 31 March 2016 於二零一六年 三月三十一日 HK\$'000 千港元
	Note 附註		
Non-current assets	非流動資產		
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	88,119	-
		88,119	-*
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	-	62
Due from a subsidiary	應收一家附屬公司款項	-	88,119
Bank and cash balances	銀行及現金結餘	197	263
		197	88,444
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	-	65
Due to a subsidiary	應付一家附屬公司款項	-*	-*
		-*	65
Net current assets	流動資產淨值	197	88,379
Total assets less current liabilities	總資產減流動負債	88,316	88,379
NET ASSETS	資產淨值	88,316	88,379
Capital and reserves	資本及儲備		
Share capital	股本	28	4,000
Reserves	儲備	30(b)	84,316
TOTAL EQUITY	權益總額	88,316	88,379

* Represents the amount less than HK\$1,000.

* 指金額少於1,000港元。

Approved by the Board of Directors on 30 June 2017
and signed on its behalf by:

經董事會於二零一七年六月三十日批准並由以下董事
代表簽署：

Yu Shiu Tin Paul
余嘯天
Executive Director
執行董事

Yeung Sau Ming Boris
楊秀明
Executive Director
執行董事

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30. Statement of Financial Position and Reserve
Movement of the Company (continued)

(b) Reserve movement of the Company

30. 本公司財務狀況表及儲備變動(續)

(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 累計虧損 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
Upon incorporation [#]	於註冊成立後 [#]	-	-	-
Total comprehensive income for the year	年內全面收益總額	-	(24)	(24)
Issue of new shares pursuant to placing and public offer	根據配售及公開發售發行新股份	94,000	-	94,000
Cost of issuing new shares pursuant to placing and public offer	根據配售及公開發售發行新股份之成本	(6,597)	-	(6,597)
Capitalisation issue of shares (note 28(d))	資本化發行股份(附註28(d))	(3,000)	-	(3,000)
Changes in equity for the year	年內權益變動	84,403	(24)	84,379
At 31 March 2016	於二零一六年三月三十一日	84,403	(24)	84,379
At 1 April 2016	於二零一六年四月一日	84,403	(24)	84,379
Total comprehensive income and changes in equity for the year	年內全面收益及權益變動總額	-	(63)	(63)
At 31 March 2017	於二零一七年三月三十一日	84,403	(87)	84,316

[#] Included as one of the steps of the Group Reorganisation.

[#] 計入為集團重組之其中一個步驟。

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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 page 63 and 66 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63及66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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

32. Subsidiaries

Particulars of the subsidiaries as at 31 March 2017 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\$22,962,000 22,962,000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

於二零一七年三月三十一日的附屬公司詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

33. Note to the Consolidated Statement of Cash Flows

Major non-cash transaction

Additions of property, plant and equipment for the year ended 31 March 2017 amounted to approximately HK\$11,739,000 (2016: approximately HK\$5,648,000) were financed by finance leases.

34. Contingent Liabilities

- (a) At the end of the reporting period, the Group has provided guarantees to an insurance company as follows:

Guarantees on performance bonds for construction contracts	為建築合約履約保證金提供擔保

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
13,060	19,155

- (b) During the year ended 31 March 2016, a subcontractor claimed against the Group for certain construction works. The Group and the subcontractor agree to resolve their disputes by arbitration or by other means of dispute resolution. The Group assessed the maximum liability on the claim would be approximately HK\$7,734,000.

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, the controlling shareholders of the Company have irrevocably and unconditionally, jointly and severally, agreed to indemnify the Group against, among others, all loss and damages arising from the disputes.

Accordingly, no provision has been made for the claim.

33. 綜合現金流量表附註

重大非現金交易

截至二零一七年三月三十一日止年度，金額約11,739,000港元(二零一六年：約5,648,000港元)的物業、機器及設備添置由融資租賃撥付資金。

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) 截至二零一六年三月三十一日止年度，一名分包商就若干建築工程向本集團提出索償。本集團及該分包商同意透過仲裁或其他糾紛解決方式解決其糾紛。本集團評估的最高索償責任約7,734,000港元。

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。

根據彌償保證契據，本公司控股股東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 2017
截至二零一七年三月三十一日止年度

35. Capital Commitments

The Group's capital commitments at the end of the reporting period are as follows:

		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Contracted but not provided for:	已訂約但未計提撥備：		
Property, plant and equipment	物業、機器及設備	4,045	2,960

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:

		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	2,337	897
In the second to fifth years inclusive	第二至五年(包括首尾兩年)	308	-
		2,645	897

Operating lease payments mainly represent rentals payable by the Group for its offices 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

本集團於報告期末的資本承擔如下：

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2017
截至二零一七年三月三十一日止年度

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 transactions with its related parties during the year:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Rental income received from a related company	收取自一家關聯公司的租金收入	10	48
Secondment fees charged by a related company	一家關聯公司收取的借調費	-	608
Rental expenses charged by a related company	一家關聯公司收取的租金開支	1,302	1,285

Mr. Yeung Sau Ming Boris, a director of the Company, has beneficial interest in these related companies.

本公司董事楊秀明先生於該等關聯公司擁有實益權益。

- (b) Compensation of key management personnel of the Group:

- (b) 本集團主要管理人員薪酬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	8,519	8,099
Pension scheme contributions	退休計劃供款	111	95
Total compensation paid to key management personnel	向主要管理人員支付的薪酬總額	8,630	8,194

Further details of employees' and directors' emoluments are included in note 13 and note 14 respectively to the consolidated financial statements.

有關僱員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. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation following the identification of the business segment of Leasing during the current year. The new classification of the accounting items was considered to provide a more appropriate presentation of the state of affairs of the Group.

38. 比較數字

於本年度識別租賃的業務分類後，若干比較數字已獲重新分類，以符合本年度的呈列方式。會計項目的新分類被視為可為本集團事務狀況提供更適當的呈列方式。

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

		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	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Revenue	收益	125,589	494,135	357,313	235,036	174,865
Cost of sales	銷售成本	(121,014)	(416,341)	(287,401)	(188,023)	(152,696)
Gross profit	毛利	4,575	77,794	69,912	47,013	22,169
Other income	其他收入	171	2,046	749	615	1,712
Administrative expenses	行政開支	(38,203)	(28,139)	(13,600)	(10,459)	(9,114)
Other operating expenses	其他經營開支	-	-	-	(125)	(353)
(Loss)/Profit from operations	經營所得 (虧損)/溢利	(33,457)	51,701	57,061	37,044	14,414
Finance costs	融資成本	(936)	(995)	(778)	(526)	(339)
(Loss)/Profit before tax	除稅前 (虧損)/溢利	(34,393)	50,706	56,283	36,518	14,075
Income tax credit/(expense)	所得稅抵免/ (開支)	544	(10,403)	(9,702)	(6,329)	(2,471)
(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	(33,849)	40,303	46,581	30,189	11,604

Assets and liabilities as at 31 March

於三月三十一日之資產及負債

		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	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Total assets	資產總值	244,536	336,041	264,095	164,297	85,476
Total liabilities	負債總額	(94,332)	(151,988)	(183,548)	(130,331)	(81,699)
Net assets	資產淨值	150,204	184,053	80,547	33,966	3,777

Note:

The summary of the results of the Group for the three years ended 31 March 2013, 2014 and 2015 and of the assets and liabilities as at 31 March 2013, 2014 and 2015 have been extracted from the prospectus of the Company dated 8 March 2016 and certain comparative figures have been reclassified to conform to the current year's presentation following the identification of the business segment of Leasing during the current year.

附註：

本集團於截至二零一三年、二零一四年及二零一五年三月三十一日止三個年度的業績及於二零一三年、二零一四年及二零一五年三月三十一日的資產及負債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本年度識別租賃的業務分類後重新分類，以符合本年度之呈列。



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