Man Shing Global Holdings Limited
萬成環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8309)

Annual Report 2017

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Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "**Directors**") of Man Shing Global Holdings Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

Contents

BOARD OF DIRECTORS

Executive Directors

Mr. Wong Chong Shing *(Chairman)*
Mr. Wong Man Sing
Mr. Wong Chi Ho
Mr. Chan Shing Yi, Jacky

Independent Non-Executive Directors

Mr. Lee Pak Chung
Mr. Au-Yeung Tin Wah
Mr. Chiu Ka Wai

COMPANY SECRETARY

Mr. Li Kin Hing (resigned on 15 May 2017)
Mr. Chan Shiu Kwong, Stephen
(appointed on 15 May 2017)

COMPLIANCE OFFICER

Mr. Wong Chong Shing

AUDIT COMMITTEE

Mr. Au-Yeung Tin Wah *(Chairman)*
Mr. Lee Pak Chung
Mr. Chiu Ka Wai

REMUNERATION COMMITTEE

Mr. Chiu Ka Wai *(Chairman)*
Mr. Lee Pak Chung
Mr. Wong Man Sing

NOMINATION COMMITTEE

Mr. Wong Chong Shing *(Chairman)*
Mr. Chiu Ka Wai
Mr. Lee Pak Chung

RISK MANAGEMENT COMMITTEE

Mr. Wong Chong Shing *(Chairman)*
Mr. Lee Pak Chung
Mr. Au-Yeung Tin Wah

AUTHORISED REPRESENTATIVES

Mr. Wong Chong Shing
Mr. Wong Man Sing

REGISTERED OFFICE

PO BOX 309
Ugland House, Grand Cayman
KY1-1104, Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 10, 11/F., Trans Asia Centre
18 Kin Hong Street
Kwai Chung, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square, Grand Cayman
KY1-1102, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong.

COMPLIANCE ADVISER

Changjiang Corporate Finance (HK) Limited

AUDITORS

SHINEWING (HK) CPA Limited

HONG KONG LEGAL ADVISERS

KEITH LAM LAU & CHAN

PRINCIPAL BANKERS

Citibank, N.A., Hong Kong Branch
Shanghai Commercial Bank Limited
Fubon Bank (Hong Kong) Limited
CTBC Bank Co., Ltd.
O-Bank Co., Ltd. *(formerly known as Industrial Bank of Taiwan Co., Ltd.)*

WEBSITE ADDRESS

www.manshing.com.hk

STOCK CODE

8309

Three – Year Financial Summary

	Year ended 31 March		
	2015	2016	**2017**
	HK$'000	HK$'000	**HK$'000**
Revenue	316,320	346,999	**463,795**
Profit attributable to owners of the Company	14,354	12,522	**2,782**
Earnings per share (HK cents)			
– basic and diluted	N/A	192.88	**0.66**

	Year ended 31 March		
	2015	2016	**2017**
Assets and liabilities (HK$'000)	HK$'000	HK$'000	**HK$'000**
Non-current asset			
Plant and Equipment	18,007	17,743	**18,011**
Current assets			
Amount due from a shareholder	287	9,503	**–**
Trade receivables	38,387	41,008	**55,456**
Prepayments, deposits and other receivables	3,736	9,213	**12,792**
Pledged bank deposits	3,275	11,654	**25,420**
Bank balances and cash	32,150	38,744	**17,059**
Current Liabilities	66,955	86,780	**86,686**
Net current assets	10,880	23,342	**24,041**
Total assets less current liabilities	28,887	41,085	**42,052**
Share Capital	–	–	**380**
Reserve	16,173	28,695	**27,697**
	16,173	28,695	**28,077**
Non-current liabilities	12,714	12,390	**13,975**
	28,887	41,085	**42,052**

Dear Shareholders,

On behalf of the board of Directors (the "**Board**") of Man Shing Global Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**" or "**Man Shing Global**"), I am pleased to present the audited consolidated annual results of the Group for the year ended 31 March 2017 (the "**Year**" or the "**Reporting Period**").

2017 was a year of leap forward for Man Shing Global. We are very proud of our successful listing on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("**Listing**") on 13 April 2017 ("**Listing Date**"). Our transformation into a listed company has built a solid capital foundation for the Group and elevated our business to a whole new level.

During the Year, we have continued to increase market penetration. The Group has successfully acquired new contracts from existing and new customers across all sectors. The grant of these contracts by our customers represents their recognition of our quality service and our compliance with their stringent requirements and this further expands Man Shing Global's influence in the industry. Moving forward, we will establish closer ties with our existing and potential customers to secure various projects in the industry. While striving to explore further business opportunities and maximize our market share in our business segments, we believe that implementing rigid internal control to enhance operational efficiency and financial position is equally important.

During the Year, the Group focused on resource planning to provide scientific analysis and streamline operation processes. The Group also continued to arrange trainings on work safety, operating and supervisory skills for our senior management and employees to enhance operational efficiency.

For the existing business segments of the Group, we planned to maximize the market share of each service and customer while enhancing operational efficiency and maintaining long-term sustainable growth, and leveraging on our strong business foundation, comprehensive services and reliable management.

I would like to express my heartfelt gratitude to everyone at Man Shing Global for their dedication and hard work. Man Shing Global would not have made it this far without their contributions. I would also like to sincerely thank our shareholders and business partners for their continuous support and confidence in the Group.

Wong Chong Shing
Chairman of the Board

29 June 2017

BUSINESS REVIEW

With more than 29 years of experience in environmental cleaning solution industry in Hong Kong, we have steadily grown our business since our inception and now our wide range of services extend to cover all 18 districts throughout Hong Kong. Our comprehensive portfolio of environmental cleaning solutions are mainly divided into (i) street cleaning solutions which comprise street and public area cleaning, refuse collection point cleaning and pest control; (ii) building cleaning solution which comprise general building cleaning, refuse collection and waste disposal, toilet cleaning and janitorial services; (iii) bus and ferry cleaning solutions which comprise general depot and pier cleaning, vehicle and vessel cleaning, refuse collection and waste disposal, and toilet cleaning; and (iv) other cleaning services which include various one-off cleaning services such as external wall and window cleaning, confined space cleaning, as well as pest control and fumigation.

As at 31 March 2017, we had 13 contracts in hand for street cleaning services with a total contract sum of approximately HK$569,262,000. During the year ended 31 March 2017, we have been awarded five mega new contracts for street cleaning services with a total contract sum of approximately HK$308,812,000 extending across two to five years service contract with the government department of Hong Kong responsible for public hygiene and food safety.

OUTLOOK

During the Reporting period, we entered into tender contracts and quotations for our street cleaning solutions. As at the latest practicable date, we had in place 9 subsisting tender contracts for our street cleaning solutions.

As for our Group, we are confident about the outlook and the prospects of the environmental cleaning service industry, and thereby investing heavily on purchase of additional cleaning machinery and equipment in order to achieve our plans to expand our business and enhance our ability to undertake a greater numbers of projects. Furthermore, we intend to build on our track record and capitalize on our customer relationships to secure additional opportunities to offer our services. We believe that our long-standing relationship with some of our key customers does provide us with significant advantages to continue to increase our market share. As many of our customers, such as government departments of Hong Kong, property management companies and a chain hotel operator, have multiple projects in Hong Kong, we will continue to foster their confidence in our service delivery with a view to identifying and acquiring new opportunities to serve them.

Undoubtedly, we intend to secure more tender contracts with government departments of Hong Kong that have not previously engaged our service. With our considerable resources, including our stable and sizeable labour force and growing fleet of specialized vehicles, we believe that we are particularly well-equipped to undertake new projects of government departments of Hong Kong, which generally require cleaning services providers with substantial resources such as our Group to undertake their medium-size and large scale projects.

By bolstering our sales and marketing manpower to promote our brand recognition in the coming years, we will endeavour to become more competitive and be able to compete for more sizeable and profitable projects.

FINANCIAL REVIEW

Revenue

During the Reporting Period, all of our Group's revenue was generated from provision of environmental cleaning solutions which amounted to approximately HK$463,795,000 (2016: approximately HK$346,999,000), representing an increase of approximately HK$116,796,000 or 33.7% from the year ended 31 March 2016. Such increase was mainly attributable to the commencement of five major projects with contract sum of approximately HK$455,319,000 which contributed approximately 35.7% towards the total revenue of our Group.

Gross profit and gross profit margin

Our Group's gross profit increased by approximately HK$5,934,000 or 15.5% from approximately HK$38,246,000 for the year ended 31 March 2016 to approximately HK$44,180,000 for the Reporting Period. Our Group's gross profit margin decreased from 11.0% for the year ended 31 March 2015 to 9.5 % for the Reporting Period, representing a decrease of approximately 1.5 percentage points. Such decrease was mainly attributable to the significant revenue contribution of a major project which has a lower gross profit margin compared to other projects.

Other income

Other income of our Group decreased by approximately HK$637,000 from approximately HK$765,000 for the year ended 31 March 2016 to approximately HK$128,000 for the Reporting Period. The decrease was mainly attributable to the loss of an income of approximately HK$562,000 in the last reporting period from a government subsidy for phasing out Pre-Euro Diesel Commercial vehicles upon disposal of certain motor vehicles, which is no longer granted to us. Also, there is no non-recurring gain for the year ended 31 March 2017 as compared to the gain on disposal of plant and machinery for the year ended 31 March 2016.

Administrative expenses

Administrative expenses of our Group increased by approximately HK$13,981,000 from approximately HK$21,158,000 for the year ended 31 March 2016 to approximately HK$35,139,000 for the Reporting Period. Administrative expenses consist primarily of staff costs and Directors' remuneration, insurance expense related to fees for our insurance policies and insurance expenses for our business operation, depreciation, maintenance, office supplies and transportation expense, legal and professional fee, Listing expenses, and other administrative expenses. The increase was attributable to the non-recurring Listing expenses of approximately HK$11,458,000 as compared to last year's legal and professional fee with an increase of approximately HK$498,000 and increase in staff costs due to the addition of administrative staff.

Finance costs

Finance costs for our Group increased by approximately HK$443,000 or 16.5% from approximately HK$2,678,000 for the year ended 31 March 2016 to approximately HK$3,121,000 for the Reporting Period. The increase was mainly attributable to increase in interest expenses on bank overdraft and borrowing

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Our liquidity is primarily dependent on our ability to maintain adequate cash inflow from operations to meet our debt obligations as they fall due and our ability to obtain external financing to meet our committed future capital expenditure.

We finance our operation principally through cash generated from operating activities as well as bank borrowings and overdrafts. Cash and bank balances are denominated in Hong Kong dollar. The current ratio of our Group as at 31 March 2017 was 1.28 times as compared to that of 1.27 times as at 31 March 2016. The current ratio remained at similar levels during the reporting period. The slight increase was mainly due to the decrease of bank borrowings and overdrafts during this year.

The total interest bearing debts of our Group, including bank borrowings, bank overdraft and finance lease liabilities, decreased from approximately HK$61,120,000 as at 31 March 2016 to approximately HK$39,621,000 as at 31 March 2017. All borrowings were denominated in Hong Kong dollar and were repayable within 5 years. Our Group did not carry out any hedging for its floating borrowings.

As at 31 March 2017, our Group had bank loans with outstanding balance of HK$21,330,000 and utilized tax loan with outstanding amount of HK$3,423,000. As at 31 March 2017, the general banking facilities were secured by combination of a second legal charge over a property owned by one of the Controlling Shareholders and unlimited personal guarantees for specified amount together with interest, fee and expenses, security agreement over Bank Account with fixed and floating charge executed by a subsidiary in favor of the Bank. The said property owned by the one Controlling Shareholder and the personal guarantees given by the two Controlling Shareholders were released and replaced by corporate guarantee given by the Company upon Listing. According to our repayment schedule, our Group also has a tax loan with an outstanding balance of HK$3,423,000 which will be fully repaid within the next financial year.

We enter into finance lease agreements for certain of our vehicles. The average lease terms were five years during the Reporting Period. The effective interest rate for the obligations under finance leases for the year ended 31 March 2017 were under fixed rates and ranged from 1.80% to 3.75% per annum.

As at 31 March 2017, the finance lease liabilities amounted to approximately HK$14,868,000 (2016: approximately HK$16,573,000), were secured by the lessor's charge over the leased assets and pledged by equity interest of certain subsidiaries. If some leases required personal guarantees given by two of the Controlling Shareholders, such guarantees have been released upon Listing.

The gearing ratio, calculated based on all interest-bearing borrowings for our general business operation divided by total equity at the end of the year and multiplied by 100%, stood at approximately 88.2% as at 31 March 2017 (2016: approximately 155.2%). The decrease in our gearing ratio was primarily due to the change in our banking borrowing arrangements. Specifically we increased our bank borrowings at the beginning instead of at the end of each month and paid our bank borrowings at the end of each month. As such, the change in our bank borrowing arrangement decreased our bank borrowings at the end of each month, which in turn lowered our gearing ratio. With available bank balances and cash and bank credit facilities, we have sufficient liquidity to satisfy our funding requirements.

CAPITAL STRUCTURE

As at 31 March 2017, the share capital and total equity attributable to equity holders of the Company amounted to approximately HK$380,000 and HK$27,697,000 respectively.

CONTINGENT LIABILITIES

We have financial guarantee contracts on performance bonds issued by banks for due performance under several of our contracts. The said performance bonds were entered into between the Group and the banks. Generally, in case that there is a breach of contract regarding our service performance to our customer and the customer thus claims from the relevant bank, the bank may further deduct the amount of the said claim from our pledged deposits. As at 31 March 2017, the amounts of pledged deposit to banks as security for banking facilities was HK$25,420,000 (2016: approximately HK$11,654,000).

During the year ended 31 March 2017, the Group may from time to time be involved in litigation concerning personal injuries by its employees or third party claimants. In the opinion of the directors of the Company, no material potential liabilities arising from legal proceedings are accounted for in the consolidated financial statements as they are adequately covered by insurance protection.

A fatal traffic accident occurred in September 2016 which exposed a subsidiary of the Company to a potential claim. As at the date of this report, there is no legal proceeding initiated against the subsidiary. Based on the legal advice obtained, the directors of the Company considered that the exposure to the potential damages, if any, is expected to be lower than HK$1,000,000 and assuming that the third party insurance policy is in order, such damage is expected to be adequately covered by relevant third party insurance.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

Apart from the reorganisation in relation to the Listing, there were no significant investments held, acquisitions or disposals of subsidiaries and affiliated companies by our Group during the Reporting Period. Saved as disclosed in the prospectus of the Company dated 30 March 2017 (the "**Prospectus**"), our Group did not have other plans for significant investments, acquisitions and disposal of subsidiaries and affiliated companies as at 31 March 2017.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

Our Group's business operations were conducted in Hong Kong and the transactions, monetary assets and liabilities of our Group were denominated in Hong Kong dollar. As no monetary assets were denominated in foreign currencies, our Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the Reporting Period.

CHARGE OVER OUR GROUP'S ASSETS

The total interest bearing debts of our Group, including bank borrowings, bank overdraft and finance lease liabilities amounted to approximately HK$39,621,000 (2016: HK$61,120,000) as at 31 March 2017. As at 31 March 2017, our Group had general banking facilities amounted to HK$103,338,000 (2016: HK$104,300,000), comprising bank overdraft facilities of HK$11,670,000 and a tax loan of HK$14,213,000; Account Receivable loan of HK$35,413,000 and letter of guarantee of HK$42,042,000.

As at 31 March 2017, our Group had secured bank borrowing with outstanding balance of approximately HK$24,753,000 (2016: approximately HK$43,923,000) and unutilised secured bank overdraft facilities of approximately HK$NIL (2016: approximately HK$624,000) and utilized performance bond of approximately HK$42,042,000 (2016: approximately HK$34,200,000). As at 31 March 2017, the general banking facilities were secured by (i) unlimited personal guarantee jointly provided by our Directors, and (ii) certain cash deposits of subsidiaries and certain cash deposit and properties of the directors of the Company and certain trade receivable of a subsidiary.

Regarding the pledge of two properties owned by one of the Controlling Shareholders and two other properties owned by a company which is wholly owned by two Controlling Shareholders and their unlimited personal guarantees, such pledge of the said properties owned by the two Controlling Shareholders and the unlimited personal guarantees given by the two Controlling Shareholders were released and replaced by corporate guarantee given by the Company as at the latest practicable date of this report.

As at 31 March 2017, the finance lease liabilities amounted to approximately HK$14,868,000 (2016: approximately HK$16,573,000), were secured by the personal guarantees given by one of the Controlling Shareholders, and such guarantees have been released upon Listing.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2017, our Group had approximately 3,893 employees (2015: 2,707 employees). The total staff costs incurred, including Directors' emoluments, of our Group were approximately HK$367,051,000 for the Reporting Period (2016: approximately HK$274,618,000).

Remuneration is determined based on each employee's qualifications, position and seniority. In addition to a basic salary, year-end discretionary bonuses were offered with reference to our Group's performance as well as individual's performance to attract and retain appropriate and suitable personnel to serve our Group.

The Company also adopted a share option scheme on 20 March 2017 to attract and retain the best available personnel, and to provide additional incentive to eligible persons.

Furthermore, we offer other staff benefits like provision of retirement benefits, various types of trainings and sponsorship of training courses. We have also adopted an annual review system to assess the performance of our staff, which forms the basis of our decisions with respect to salary increment and promotions.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the Reporting Period (2016: HK$13,000,000).

Special dividends of approximately HK$13,000,000 has been declared in respect of the year ended 31 March 2016 to the shareholders, and was paid in December 2016 and January 2017 respectively.

EVENTS AFTER THE REPORTING PERIOD

On 13 April 2017, the shares of the Company (the "**Shares**") were successfully listed on the GEM of the Stock Exchange with stock code 8309.

A traffic accident occurred in June 2017 which exposed a subsidiary of the Company to a potential claim. As at the date of this report, there is no legal proceeding initiated against the subsidiary. Based on the legal advice obtained, the directors of the Company considered that the exposure to the potential damages, if any, is expected to be lower than HK$1,000,000 and assuming that the third party insurance policy is in order, such damage is expected to be adequately covered by relevant third party insurance. Save as disclosed herein, there is no significant event after the reporting period of our Group.

COMPARISON OF BUSINESS OBJECTIVES AND ACTUAL BUSINESS PROGRESS

The period from 22 March 2017, being the latest practicable date as defined in the Prospectus (the "**LPD**") to 31 March 2017 (the "**Relevant Period**") was relatively short and no proceeds was available during the Relevant Period because the Company was not listed until 13 April 2017. During the Relevant Period, our Group was in its preliminary stage of implementing its business objectives and strategies. An analysis comparing the business objectives set out in the Prospectus with our Group's actual business progress for the period from the LPD to the date of this report is set out below:

Business objectives up to 30 September 2016	Actual Business Progress up to the date of this report
Purchase of additional site equipment – purchase one suction sweeper, – two 16 ton water wagons, – one 16 tons grab lorry for use in our projects	Our Group has used approximately HK$2,130,000 for purchase of one suction sweeper, one 16 tons grab lorry. Our Group is in the process of looking for the best quote for the remaining specialized vehicles to be purchased and will continue monitoring the effectiveness and efficiency of all vehicles in use.
Further strengthening our manpower – Recruitment of one senior marketing office and one assistant marketing officer	Our Group recruited one assistant marketing officer to cope with the business development with staff costs of approximately HK$176,000. Our Group is in the process of recruiting more experienced and high caliber staff to fill the remaining roles.
Repayment of bank loans	We repaid tax loan of approximately HK$1,850,800 up to and as at the date of this report.
Purchase of automated cleaning machinery and equipment – 7 hot water pressure washers, – 15 cold water pressure washers, – 15 eater suction cleaners, – one marble floor refinishing machine, – one automated floor cleaning machine, – one lawn mower	Our Group has used approximately HK$51,100 for purchase of marble floor refinishing machine, water pressure washers.

USE OF PROCEEDS OBTAINED FROM THE LISTING AND CHANGE IN USE OF PROCEEDS

Our Group intends to apply the net proceeds to (i) purchase of new specialized vehicles; (ii) the repayment of loan; (iii) the strengthening of our sales and marketing activities; (iv) the purchase of new automated cleaning machinery and equipment; and (v) use as our Group's general working capital and other general corporate purpose. As the Company was not yet listed during the Reporting Period, no proceeds were received and used. As at the date of this report, approximately HK$2,130,000 had been used to purchase new specialised vehicles, approximately HK$1,850,800 had been used to early repayment of bank loans and approximately HK$176,000 had been used to strengthen our sales and marketing activities and approximately HK$51,100 for purchase of new automated cleaning machinery and equipment.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As the Company was listed on 13 April 2017, the Company was not required to comply with the requirements set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix 15 of the GEM Listing Rules during the Reporting Period. Having said that, the Directors consider that since the Listing Date and up to the date of this report, the Company has complied with all the applicable code provisions set out in the CG Code.

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

The Shares were listed on the GEM of the Stock Exchange on 13 April 2017. As the Shares had not yet been listed on the GEM of the Stock Exchange as at 31 March 2017, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period. Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities after the Listing Date and up to the date of this report.

COMPETING INTERESTS

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by our Group which competes or is likely to compete, directly or indirectly, with our Group's business during the Reporting Period and up to the date of this report.

DEED OF NON-COMPETITION

For the purpose of the Listing, each of our Controlling Shareholders has entered into the deed of non-competition undertakings (the "**Deed**") in favor of our company on 27 March 2017.

Pursuant to the Deed, the Controlling Shareholders have undertaken, jointly and severally, to the Company that they would not, and their close associates and/or companies controlled by the Controlling Shareholders would not, directly or indirectly, either on their own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, partner, agent or otherwise) any business which is or may be in competition with the existing business activity and any business activities which may be undertaken by our Group from time to time. Details of the Deed are set out in the paragraph headed "Non-Competition Undertakings" in the section headed "Relationship with Controlling Shareholders" of the Prospectus.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "**Code of Conduct**"). The Company has made specific enquiry to all Directors, and all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct from the Listing Date up to the date of this report.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, our Group has appointed Changjiang Corporate Finance (HK) Limited as our compliance adviser, which will provide advice and guidance to our Group in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to directors' duties and internal controls. Except for the compliance adviser agreement entered into between the Company and our compliance adviser dated 19 October 2016, neither our compliance advisor nor its Directors, employees or close associates had any interests in relation to the Company which is required to be notified to our Group pursuant to Rule 6A.32 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the best of the knowledge of the Directors, the Directors confirm that the company complies with the minimum public float of 25% as required under the GEM Listing Rules as at the date of this report.

AUDIT COMMITTEE

An audit committee has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs C.3.3 and C.3.7 of the CG Code. The audit committee consists of three members, namely Mr. Au-Yeung Tin Wah, Mr. Lee Pak Chung and Mr. Chiu Ka Wai, all being independent non-executive Directors. Mr. Au-Yeung Tin Wah currently serves as the chairman of the audit committee.

The committee is to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, by satisfying themselves as to the effectiveness of the internal controls of our Group, and as to the adequacy of the external and internal audits.

The audit committee has reviewed this report and the audited consolidated financial statements of the Group for the Reporting Period.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE

This report will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.manshing.com.hk). The annual report for the Reporting Period containing all the information required by the GEM Listing Rules will be published on the website of the Company and the Stock Exchange and despatched to the Company's shareholders in due course.

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming annual general meeting ("**AGM**") of the Company will be held on Wednesday, 9 August 2017 at Basement 2, Unicorn & Phoenix Room, The Charterhouse, Causeway Bay, 209-219 Wanchai Road, Hong Kong. For the purpose of determining entitlement to attend and vote at the forthcoming AGM, the register of members of the Company will be closed from Friday, 4 August 2017 to Wednesday, 9 August 2017, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the forthcoming AGM, all transfer of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Hong Kong no later than 4:30 p.m. on Thursday, 3 August 2017.

EXECUTIVE DIRECTORS

Mr. Wong Chong Shing (黃創成) ("**Mr. C.S. Wong**"), aged 52, was appointed as an executive Director on 18 March 2016. He was also appointed as the chairman of the Board and compliance officer of our Group on 12 August 2016. He is a co-founder of our Group with Mr. M.S. Wong and is responsible for the overall strategic planning, business development and corporate policy making as well as the day-to-day management, marketing and administration of our Group's business operation. Mr. C.S. Wong is the chairman of the Nomination Committee and Risk Management Committee of our Group. Mr. C.S. Wong is the younger brother of Mr. M.S. Wong and the uncle of Mr. C.H. Wong.

Prior to co-founding our Group, Mr. C.S. Wong was employed as a warehouse keeper for Jianhua Logistics Company (健華貿易公司) from 1983 to 1984. He then joined the Hong Kong Police Force in April 1984. Mr. C.S. Wong left his position in the Hong Kong Police Force in 1987 to start up a cleaning business with Mr. M.S. Wong. In July 1998, Mr. C.S. Wong and Mr. M.S. Wong founded Man Shing Cleaning Service Company Limited. As a result of Mr. C.S. Wong's achievements in the cleaning industry, he was awarded as the permanent honorary chairman (永遠榮譽會長) of the Hong Kong Waste Disposal Industry Association (香港廢物處理業協會) in February 2011.

Mr. C.S. Wong completed secondary school and the Hong Kong Certificate of Education Examination in 1983. In furtherance of his cleaning business, he completed the Pest Control and Pesticide Safety Core Course at the University of Hong Kong, School of Professional and Continuing Education and the Restoration of Marble and Granite Course organised by the Hong Kong Marble and Granite Merchants Association (香港雲石商會) on 10 June 2005 and 30 December 2005 respectively.

Mr. Wong Man Sing (黃萬成) ("**Mr. M.S. Wong**"), aged 55, was appointed as an executive Director on 18 March 2016. He was also appointed as the chief executive officer of our Group on 12 August 2016. He is a co-founder of our Group with Mr. C.S. Wong and is responsible for the overall strategic planning, business development and corporate policy making as well as the day-to-day management, marketing and administration of our Group's business operation. Mr. M.S. Wong is the elder brother of Mr. C.S. Wong and the father of Mr. C.H. Wong.

Mr. M.S. Wong worked as a driver for East Asia (Cleaning Service) Limited (東亞(清潔服務)有限公司) and World Cleaning Company (世界清潔公司) from 1981 to 1983 and 1983 to 1985, respectively. From 1985 onwards, Mr. M.S. Wong began to venture into his own cleaning services business and co-founded Man Shing Cleaning Service Company Limited with Mr. C.S. Wong in July 1998. Mr. M.S. Wong attended Kwai Hsing College (葵星工業中學) up to Form 3 in 1980 and moved on to become an apprentice at Wing On Shing Shipyard Limited from 1980 to 1981.

Mr. Wong Chi Ho (黃志豪) ("**Mr. C.H. Wong**"), aged 27, was appointed as an executive Director on 18 March 2016. He was also appointed as the deputy chairman of the Board of our Group on 12 August 2016. Mr. C.H. Wong is responsible for the overall strategic planning, business development and corporate policy making as well as the day-to-day management, marketing and administration of our Group's business operation. Mr. C.H. Wong is the son of Mr. M.S. Wong and the nephew of Mr. C.S. Wong.

Mr. C.H. Wong joined our Group as the managing director of Jasen Services Limited on 19 December 2012 and has been managing the business of Jasen Services Limited since then. As a managing director of Jasen Services Limited, Mr. C.H. Wong has been responsible for its business development, tendering of cleaning contracts, improving its customer service, cost control and purchasing matters as well as overseeing its financial operations. Apart from being a managing director of Jasen Services Limited, Mr. C.H. Wong currently serves as the treasurer of the Hong Kong Waste Disposal Industry Association Limited for the year of 2016-2017.

Mr. C.H. Wong obtained a high diploma in Business Administration from the School of Business and Information Systems of the Vocational Training Council in July 2010 and graduated from the Queensland University of Technology in Brisbane, Australia with a Bachelor of Business (Management) degree in July 2013.

Mr. Chan Shing Yi, Jacky (陳承義), aged 49, was appointed as an executive Director on 12 August 2016. Mr. Chan is responsible for the overall strategic planning, business development, and corporate policy making as well as the day-to-day management, marketing and administration of our Group's business operation.

Mr. Chan has approximately 25 years of experience in the field of corporate management and has held directorship in various companies in Hong Kong, the British Virgin Islands and the Cayman Islands. Mr. Chan was appointed as Special Advisor to the Consulate General of the Republic of Guine-Bissau in November 1999. He was further appointed as Vice Honorary Consul of the Republic of Benin of Hong Kong in July 2005 and was responsible for the promotion and attraction of investment to the Republic of Benin. Mr. Chan attended Pui Ching Middle School (香港培正中學) up to Form 4 in March 1984 in Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lee Pak Chung (李伯仲), aged 76, was appointed as an independent non-executive Director on 12 August 2016. Mr. Lee is responsible for providing independent judgment on issues of strategy, policy, performance, resources and standards of conduct of our Group.

Mr. Lee possesses a solid background of 35 years in management. From August 1961 to January 1970, Mr. Lee worked as a postal clerk in the Post Office Department of the government of Hong Kong. From January 1970 to March 1973, he worked as a housing assistant in the Housing Division of the Urban Services Department. From April 1973 to September 1996, Mr. Lee worked in the Housing Department with the last position as the senior housing manager. From November 1996, Mr. Lee worked with Guardian Property Management Limited and had been an executive director before he left the company in December 2009. From March 2010 to April 2013, Mr. Lee entered the cleaning services industry and became the general manager of Cheung Kee Environmental Limited.

Mr. Lee became a fellow member of the Institute of Housing, London in September 1987 and a fellow member of the Hong Kong Institute of Housing in November 1989. Mr. Lee has become a member of the Association of Project Managers since June 1992, a member of the Hong Kong Institute of Facility Management since January 2008 and a fellow member of the Hong Kong Institute of Real Estate Administrators since March 2008. In November 2000, Mr. Lee was registered as a professional housing manager of the Housing Managers Registration Board. From October 2006 to October 2008, Mr. Lee was appointed as one of the committee members of the Property Management Industry Training Advisory Committee by the Education and Manpower Bureau of the government of Hong Kong and was appointed as Sector/Subject Specialist for a three year period until June 2012 by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. Mr. Lee obtained the Certificate in Housing Management (now known as the Diploma in Housing Management) from The University of Hong Kong in 1974. Mr. Lee subsequently obtained the Certificate in Project Management as awarded by the Royal Institute of Public Administration International Limited in May 1992.

Mr. Au-Yeung Tin Wah (歐陽天華), aged 54, was appointed as an independent non-executive Director on 12 August 2016. Mr. Au-Yeung is responsible for providing independent judgment on issues of strategy, policy, performance, resources and standards of conduct of our Group.

Mr. Au-Yeung has over 20 years of experience in auditing, finance and administration. He worked for Price Waterhouse (now known as PricewaterhouseCoopers Hong Kong) from August 1987 to July 1990 and his last position held was senior accountant. From July 1990 to December 1991, he acted as financial manager at Paramount Printing Group Limited (now known as Next Digital Limited), a company listed on the Main Board of the Stock Exchange (stock code: 282). From December 1991 onwards, he worked as financial manager at a major private company in Hong Kong. In 1992, Mr. Au-Yeung began to establish his CPA practice and he is now the director of Lau & Au Yeung C.P.A. Limited. Mr. Au-Yeung obtained a Professional Diploma in Accountancy from the Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1987. He is currently a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Society of Registered Financial Planners.

Furthermore, Mr. Au-Yeung has been acting as the independent non-executive director of AMVIG Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2300) since May 2006. Since March 2014, Mr. Au-Yeung has been acting as an independent non-executive director of Wai Chi Holdings Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1305).

Mr. Chiu Ka Wai (招家煒), aged 56, was appointed as an independent non-executive Director on 12 August 2016. Mr. Chiu is responsible for providing independent judgment on issues of strategy, policy, performance, resources and standards of conduct of our Group.

Mr. Chiu has over 23 years of experience in management. He has worked at Collier Petty Chartered Surveyors and was promoted to the position of management officer in April 1986. He then went on to work as estate manager at Pokfulam Development Company Limited ("**Pokfulam Development**"), a company listed on the Main Board of the Stock Exchange (stock code: 225), from June 1986 to September 2009. In June 1989, he was appointed as a director of Pokfulam Property Management Limited, a property management subsidiary of Pokfulam Development, and served in that capacity until September 2009. Mr. Chiu completed secondary education in Hong Kong in 1980 and a Certificate Programme on Estate Management organised by The Hong Kong Management Association in October 1985.

SENIOR MANAGEMENT

Mr. Li Kin Hing (李建興), aged 57, was appointed as the chief financial officer and company secretary of our Group on 5 November 2015 and 30 March 2016 respectively. He resigned as the company secretary of our Group with effect from 15 May 2017. He is responsible for overseeing our Group's financial planning and management.

Mr. Li possesses over 25 years of experience in the field of accounting, financial management and internal control. Before joining our Group, he worked at Milford International Limited in April 1988 as an accountant and was promoted in April 1990 to become the director of Milford Trading Limited, which was the principal Hong Kong trading company of Milford International Limited. He then worked at Mirage Textile (Holdings) Co., Ltd. as group financial controller from August 1993 to February 1995 and Chong Ngai Industrial Limited as financial controller from March 1995 to February 1998. From February 1998 to July 2000, he acted as the director of Pacific Rainbow International Travel Products Limited. In July 2000, Mr. Li started his own business in Hong Kong and incorporated Rainbow Sky Enterprises Limited in which he was a shareholder and a director. From June 2007 to January 2013, Mr. Li worked as financial controller in Sun Shine Toys Limited. From June 2013 to November 2014, he worked as financial controller in The Hong Kong Institute for Promotion of Chinese Culture Limited.

Mr. Li obtained a certificate in accountancy from the Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1982. He has been a member and fellow member of the Hong Kong Institute of Certified Public Accountants since 1999 and 2016 respectively. He has also been an associate and fellow member of the Association of International Accountants since 1998 and 2005 respectively.

Mr. Chan Ngai Kam (陳毅鑫), aged 41, joined our Group on 16 August 2010 as quality manager and was promoted to operation manager on 1 April 2012. Mr. Chan was appointed as the chief operating officer of our Group on 1 April 2016. He is responsible for overseeing our Group's business operations and day-to-day management.

From June 1994 to October 1994, Mr. Chan worked as a technician trainee at JLW Management Services Ltd.. From November 1994 to October 1997, Mr. Chan worked as a technician trainee at Broadview Property Services Limited. Mr. Chan worked at Centuryan Services Limited as foreman from December 1997 to July 2000 and became supervisor in January 2001. He left the company in June 2010 and his last position held was contract manager. From June 2006 to March 2007, Mr. Chan worked as a senior supervisor at Broad Capital Limited.

Mr. Chan was awarded the Craft Certificate for Electricians by the Hong Kong Institute of Vocational Education on 14 September 1999. He was also awarded the Certification of Gondola (SWP) Operator by the Working Committee on Certification of Gondola Operator of ECMA (環保工程商會吊船操作證書委員會) on 16 July 1998 and the Certificate of Competence in Manual Handling (體力處理操作合格證書) by the Occupational Safety & Health Council on 12 June 2014.

Ms. Chow Pui Ying (周佩英), aged 38, joined our Group as administrator officer on 27 April 2010 and was appointed as the administrative and personnel manager of our Group on 1 April 2016. She is responsible for overseeing our Group's daily administration, insurance and human resources matters.

Before joining our Group, Ms. Chow worked at McDonald's Restaurants (Hong Kong) Limited from July 1997 to October 2009. She first joined the company as a manager trainee and was promoted to become the second assistant manager after 5 months in December 1997 and the first assistant manager in September 2006. Ms. Chow completed secondary school at Saint Too Girls' College in 1996 and obtained a Foundation Certificate in Food Hygiene from the Chartered Institute of Environmental Health on 11 August 2005.

Mr. Wong Chi Ming (黃志明), aged 52, was appointed as the transportation and purchasing manager of our Group on 1 April 2016 and is responsible for overseeing the procurement of materials and vehicle fleet management of our Group. He started serving as the senior manager of Jasen Services Limited and Man Shing Cleaning Service Company Limited on 1 May 2013.

Mr. Wong worked at Pollution & Protection Services Limited from July 1995 to February 2006 and his last position held was deputy operations manager. After that, he joined Cheung Kee Environmental Limited as deputy general manager from February 2006 to April 2013. Mr. Wong was awarded the Certificate of Competence in Manual Handling and the Combined Certificate for Safety & Health Supervisor (Environmental Hygiene) by the Occupational Safety & Health Council on 20 April 2001 and 28 December 2010 respectively. He was appointed as the Fire Safety Ambassador by the Fire Services Department on 13 May 2004.

Mr. Wong graduated from CMA Prevocational School in 1979 and was trained in metalwork, practical electricity and fabrication. He subsequently received technical education on motor vehicle mechanics at Lee Wai Lee Technical Institute from 1979 to 1982 and received a certificate of completion of apprenticeship as a vehicle mechanic at Dah Chong Hong (Motor Service Centre) Limited on 3 February 1983.

COMPANY SECRETARY

Mr. Li Kin Hing (李建興), aged 57, the chief financial officer, was appointed as company secretary of our Group on 30 March 2016 and resigned as company secretary with effect from 15 May 2017.

Following the resignation of Mr. Li, **Mr. Chan Shiu Kwong, Stephen (陳紹光)**, aged 60, has been appointed as the company secretary of our Group with effect from 15 May 2017. Mr. Chan has over 30 years of experience in property development, manufacturing, travel and gaming related industries. His profound experience was derived from merger and acquisition transactions, treasury, strategies and risk management, corporate finance, accounting, tax planning and company secretary practice with many multinational companies in China and listed companies in Hong Kong.

Mr. Chan holds a Master degree in Professional Accounting from The Hong Kong Polytechnic University and a Bachelor of Commerce from Curtin University, Australia. He is currently a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of Certified Public Accountants (Australia), a fellow member of the Institute of Chartered Secretaries and Administrators, a fellow member of the Hong Kong Institute of Chartered Secretaries, a member of the Hong Kong Securities and Investment Institute and an affiliated member of the American Society of Appraisers.

COMPLIANCE OFFICER

Mr. C.S. Wong, an executive Director and the chairman of the Board of our Group, is also the compliance officer of our Group, whose biographical details are set out in the sub-section headed “Executive Directors” above in this section.

CORPORATE GOVERNANCE PRACTICES

The maintenance of good business ethics and corporate governance practices has always been one of the Group's goals. The Board and the management of the Company are committed in maintaining high standards of corporate governance practices and procedures in the best interests of the Company. The Company believes that good corporate governance provides the essential framework for effective management, successful operation, business growth and a sound corporate culture, thereby leading to the enhancement of shareholders' value.

The Board has adopted as basis of its corporate governance practices the Corporate Governance Code (the "**CG Code**") as set out in Appendix 15 to the GEM Listing Rules. The Board will continuously review and improve the Corporate Governance practices and standards of the Company to ensure that the business activities and decision making processes are regulated in a proper and prudent manner. The Board has adopted terms of reference for the audit committee, remuneration committee, nomination committee and risk management committee on 20 March 2017.

Save as disclosed below, the Company has complied with the code provisions of the CG Code throughout the year ended 31 March 2017.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by Directors. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the standard set out in the said code of conduct throughout the year ended 31 March 2017 and from the Listing Date up to the date of this report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. The roles of the chairman and the chief executive officer of the Company are segregated and performed by Mr. Wong Chong Shing and Mr. Wong Man Sing, respectively.

Mr. Wong Chong Shing serves as the chairman of the Company and is responsible for overall business development strategy and overall management and major business decisions of our Group. Mr. Wong Man Sing serves as the chief executive officer of the Company and is responsible for general management and day-to-day operation of our Group.

BOARD OF DIRECTORS

The Board comprises:

Executive Directors:	Mr. Wong Chong Shing *(Chairman)*
	Mr. Wong Man Sing
	Mr. Wong Chi Ho
	Mr. Chan Shing Yi, Jacky
Independent Non-Executive Directors:	Mr. Lee Pak Chung
	Mr. Au-Yeung Tin Wah
	Mr. Chiu Ka Wai

For the biographical details of the Directors and other senior management, please refer to pages 14 to 18 of this report.

THE INDEPENDENT NON-EXECUTIVE DIRECTORS

As required by Rule 5.05A and 5.05(1) of the GEM Listing Rules, there were 3 independent non-executive Directors during the Year (representing not less than one-third of the Board). Furthermore, the Company complied with Rule 5.05(2) of the GEM Listing Rules as at least one of the independent non-executive Directors possesses the appropriate professional qualifications or accounting or related financial management expertise.

Pursuant to Rule 5.09 of the GEM Listing Rules, each independent non-executive Director has provided the Company with a written confirmation of his independence. Based on such confirmations, the Company considers the independent non-executive Directors, namely Mr. Lee Pak Chung, Mr. Au-Yeung Tin Wah and Mr. Chiu Ka Wai to be independent.

BOARD MEETINGS

Pursuant to the code provision A.1.1 of the CG Code, the Board should meet regularly and Board meetings should be held at least four times a year. Additional meetings would be arranged if and when required. Directors may participate either in person or through electronic means of communications. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered to have conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions.

During the Reporting Period, the Company held 3 board meetings to consider and approve the relevant resolutions in relation to the listing of the Company on GEM and all the Directors attended such meetings. As the Company was listed on 13 April 2017, the Company was not required to comply with the code provision A.1.1 of the CG Code.

A Board meeting was scheduled on 29 June 2017, which is the first Board meeting of the Company since the Listing Date.

RESPONSIBILITIES OF THE BOARD

Being the highest decision-making body of the Company, the Board is responsible for the leadership and control of the Company. While overseeing the business of the Group, the Board directs, supervises and oversees the Group's affairs. The Board assumes responsibility for the Group's overall strategic planning, corporate policy formulation, business development, material acquisitions, disposals and capital investment, risk management, internal control, and other major operational and financial matters. The Board has delegated authority and responsibility to the senior management in relation to the day-to-day operations, management and administration of the Group. Key matters will remain as the responsibility of the Board whose approval will be required. In addition, the Board has also delegated responsibilities to various management committees. Details of such committees are set out in this corporate governance report.

RELATIONSHIP BETWEEN THE DIRECTORS

Mr. Wong Chong Shing is the younger brother of Mr. Wong Man Sing and the uncle of Mr. Wong Chi Ho who is the son of Mr. Wong Man Sing.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The current Articles of Association of the Company stipulate that at every annual general meeting, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to, but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years.

In the forthcoming annual general meeting ("**AGM**") of the Company, Mr. Wong Chi Ho, Mr. Lee Pak Chung and Mr. Chiu Ka Wai will retire from their offices as Directors and offer themselves for re-election as the Directors.

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date, which shall be renewable automatically for successive terms of three years unless terminated by either party by giving at least three months' prior notice in writing to the other party.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for an initial term of three years commencing from the Listing Date ("**Three-Year Term**"), which shall continue and remain in effect for and throughout the duration of the Three-Year Term unless and until terminated by either party giving to the other not less than three months' prior notice in writing. Such an appointment shall continue upon the expiry of the Three-Year Term on a yearly basis up to a maximum of three years subject to termination by either party giving to the other one month's prior notice in writing or the Director ceasing to be a director of the Company for any reason whatsoever at any particular time.

CONTINUOUS PROFESSIONAL DEVELOPMENT

Our Group acknowledges the importance of continuing professional development of the Directors in enhancing the Group's corporate governance and internal control system. In this regard and in compliance with the code provision A.6.5 in the CG Code, our Group has arranged for and provided funding to all Directors to participate in continuous professional development training and seminars to keep them refreshed of their knowledge and skills, as well as their understanding of our Group and its business, and to update them on the latest development or changes in the relevant statutes and regulations, the GEM Listing Rules and corporate governance practices.

Pursuant to the code provision A.6.5 of the CG Code, during the year ended 31 March 2017, all Directors had participated in continuous professional development training in the following manner:

Name of directors	**Attending training on the roles, functions and duties of a listed company director conducted by the Company's legal consultant**	**Reading materials concerning directors' duties and corporate governance, and the relevant laws, rules and regulations**
Executive Directors		
Mr. Wong Chong Shing	✓	✓
Mr. Wong Man Sing	✓	✓
Mr. Wong Chi Ho	✓	✓
Mr. Chan Shing Yi, Jacky	✓	✓
Independent non-executive Directors		
Mr. Lee Pak Chung	✓	✓
Mr. Au-Yeung Tin Wah	✓	✓
Mr. Chiu Ka Wai	✓	✓

BOARD COMMITTEES

Our Group has established four committees, namely audit committee, remuneration committee, nomination committee and risk management committee on 20 March 2017 in compliance with the GEM Listing Rules in order to assist the Board to discharge its duties. The relevant terms of reference of each of the four committees can be found on our Group's website (www.manshing.com.hk) and the website of the Stock Exchange.

AUDIT COMMITTEE

An audit committee has been established on 20 March 2017 with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs C.3.3 and C.3.7 of the CG Code. The audit committee consists of three members, namely Mr. Au-Yeung Tin Wai, Mr. Lee Pak Chung and Mr. Chiu Ka Wai, all being independent non-executive Directors. Mr. Au-Yeung Tin Wah currently serves as the chairman of the audit committee.

The audit committee is to assist the Board in fulfilling its responsibilities by providing independent review and supervision of our Group's financial reporting process, and assessing the effectiveness of the internal control system of our Group, and the adequacy of the external and internal audits.

With reference to the terms of reference, the primary responsibilities of the audit committee are, among others, as follows:

(a) to be primarily responsible for reviewing and supervising the financial reporting process including to understand the accounting policies and practices applied by our Group;

(b) to make recommendations to the Board on the appointment, reappointment and removal of the external auditors, and to approve and review the remuneration and terms of engagement of the external auditors;

(c) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

(d) to monitor the integrity of our Group's financial statements and annual report and accounts, half-year report and quarterly reports, and to review significant financial reporting judgments contained in them; and

(e) to discuss the internal control system with management of our Group to ensure that the management has performed its duty to have an effective internal control system.

The members of the audit committee should meet at least twice a year. Due to the fact that the Company was listed on the Stock Exchange on 13 April 2017, the audit committee had not held any meeting during the Reporting Period. The first meeting of the audit committee was held on 29 June 2017. Mr. Lee Pak Chung and Mr. Chiu Ka Wai attended such meeting.

Our Group's audited annual results in respect of the year ended 31 March 2017, the accounting policies and practices adopted by our Group, and our Group's financial reporting and internal control matters have been reviewed by the audit committee. There was no disagreement between the Board and the audit committee regarding the selection and appointment of the external auditors during the year ended 31 March 2017.

REMUNERATION COMMITTEE

A remuneration committee has been established on 20 March 2017 with its terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and paragraph B.1.2 of the CG Code. The remuneration committee consists of three members, namely Mr. Wong Man Sing, executive Director and chief executive officer, Mr. Chiu Ka Wai, and Mr. Lee Pak Chung, both independent non-executive Directors. Mr. Chiu Ka Wai currently serves as the chairman of the remuneration committee.

The remuneration committee has adopted the approach under paragraph B.1.2(c)(ii) of the CG Code to make recommendations on the remuneration policy and packages of individual executive Directors and senior management of our Group. With reference to the terms of reference of the remuneration committee, its primary duties are, among others, as follows:

(a) to make recommendations to the Board on our Group's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(c) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management of our Group;

(d) to make recommendations to the Board on the remuneration of non-executive Directors;

(e) to review and approve compensation payable to executive Directors and senior management of our Group for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; and

(f) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.

The remuneration committee also considers the performance bonus for executive Directors, senior management and general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendations to the Board.

The members of the remuneration committee should meet at least once a year. Due to the fact that the Company was listed on the Stock Exchange on 13 April 2017, the remuneration committee had not held any meeting during the Reporting Period.

NOMINATION COMMITTEE

A nomination committee has been established on 20 March 2017 with its terms of reference in compliance with paragraph A.5.2 of the CG Code. The nomination committee of our Group comprises Mr. Wong Chong Shing, executive Director and chairman of the Board, Mr. Lee Pak Chung and Mr. Chiu Ka Wai, both independent non-executive Directors. Mr. Wong Chong Shing currently serves as the chairman of the nomination committee.

The nomination committee is obliged to report to the Board on its decisions or recommendations on the appointment, reappointment and succession planning for Directors. With reference to the terms of reference of the nomination committee, its primary duties are, among others, as follows:

(a) to formulate nomination policy for the Board's consideration and implement nomination policy approved by the Board;

(b) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement our Group's corporate strategy;

(c) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;

(d) to receive nominations from shareholders or Directors when such are tendered and to make recommendations to the Board on the candidacy of the nominees, having regard to the Board's compositional requirements and suitability of the nominees;

(e) to assess the independence of independent non-executive Directors and review the independent non-executive Directors' confirmations on their independence, and make disclosure of its review results in the corporate governance report;

(f) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive of our Group; and

(g) to review regularly the contributions required from a Director to perform his/her responsibilities to our Group, and whether he/she is spending sufficient time performing them.

The members of the nomination committee should meet at least once a year. Due to the fact that the Company was listed on the Stock Exchange on 13 April 2017, the nomination committee had not held any meeting during the Reporting Period.

Pursuant to the code provision A.5.6 of the CG Code, the nomination committee is required to adopt a board diversity policy. The Board believes that diverse skills and experience of Board members can enhance the quality of its performance. Therefore, during the Reporting Period, the Board adopted the board diversity policy with a view to achieve a balanced and sustainable development of our Group. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, qualifications, business and professional experience, skills, knowledge, length of service, commitment, and ability to contribute to the Board process. This board diversity policy is reviewed annually by the nomination committee, and where appropriate, revisions will be made with the approval from the Board.

RISK MANAGEMENT COMMITTEE

A risk management committee has been established on 20 March 2017 with its terms of reference in compliance with paragraph C.2.1 of the CG Code. The risk management committee of our Group comprises Mr. Wong Chong Shing, executive Director and chairman of the Board, Mr. Lee Pak Chung and Mr. Au-Yeung Tin Wah, both independent non-executive Directors. Mr. Wong Chong Shing currently serves as the chairman of the risk management committee.

The risk management committee is required to report to the Board its findings, decisions and/or recommendations concerning the Company's risk management. With regard to its terms of reference, the risk management committee has, among others, the following duties:

(a) to review the Company's risk management policies and standard, as well as the fundamental concepts and scope of compliance management;

(b) to provide guidelines to the management on risk management and set up procedures to identify, assess and manage material risk factors; and to ensure the management discharges its responsibility in establishing and maintaining an appropriate and effective risk management system;

(c) to supervise and monitor the Company's exposure to legal sanction risks and the design and implementation of the related internal control policies and procedures adopted by the Company;

(d) to review, evaluate and update from time to time the internal control policies and measures in respect of the control procedures of risks, including risk management and the communication and cooperation with the operating units;

(e) to review the compliance reports and risk assessment reports that need to be reviewed by the Board, and to make recommendations on improvement of the Company's compliance and risk management;

(f) to evaluate and advise on the nature and extent of risks involved in major decisions that need to be reviewed by the Board and solutions to the major risks;

(g) to evaluate the risks of major investment and funding projects and issues concerning the operation of capital, and to advise the Board on the decision making;

(h) to review and approve all relevant business transaction documentation from customers or potential customers from countries subject to certain economic sanctions under the laws of the United States of America, the European Union, Australia and the United Nations; and

(i) to review and report annually to the Board the effectiveness of the risk management system.

The members of the risk management committee shall hold meeting at least once a year to review the effectiveness of the risk management system and to resolve material internal control defects. Due to the fact that the Company was listed on the Stock Exchange on 13 April 2017, the risk management committee had not held any meeting during the Reporting Period.

AUDITORS' REMUNERATION

The amount of fees charged by the external auditors generally depends on the scope and volume of work performed by the external auditors.

For the Reporting Period, the remuneration paid or payable to the external auditors of the Company in respect of the audit services and non-audit services for our Group are as follows:

Services rendered	Fees paid/payable HK$'000
Audit services	700
Non-audit services for acting as reporting accountants for the Listing	3,360

COMPANY SECRETARY

Mr. Li Kin Hing was appointed as the company secretary of the Company on 30 March 2016. He is also the chief financial officer of the Company. During the Reporting Period, Mr. Li Kin Hing has undertaken not less than 15 hours of relevant professional training in accordance with Rule 5.15 of the GEM Listing Rules. Following the resignation of Mr. Li Kin Hing as the company secretary of the Company on 15 May 2017, the Company has appointed Mr. Chan Shiu Kwong, Stephen as its company secretary with effect from 15 May 2017 in accordance with Rule 5.14 of the GEM Listing Rules and paragraph F.1.1 of the CG Code. Please refer to the section headed "Biographical Details of Directors and Senior Management" for the biographical information of Mr. Li Kin Hing and Mr. Chan Shiu Kwong, Stephen.

COMPLIANCE OFFICER

Mr. Wong Chong Shing, an executive Director and the chairman of the Board of our Group, was appointed as the compliance officer of the Company on 12 August 2016. Please refer to the section "Biographical Details of Directors and Senior Management" for his biographical information.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for monitoring the effectiveness of our Group's internal control and risk management systems, which are designed to provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

Our Group has in place effective internal control and risk management systems which encompass sound control environment, appropriate segregation of duties, well defined policies and procedures, and close monitoring, and they are reviewed and enhanced by the management every two months.

Our Group has established the risk management committee and is committed to maintaining and upholding good corporate governance practice and internal control system. Our Group has also engaged an independent internal control consultant, SHINEWING Risk Services Limited, to perform its internal audit functions and to review the effectiveness of our Group's internal control system. The results were then summarised and reported to the risk management committee and the Board. In respect of the Reporting Period, the Board considered the Group's internal control system effective and adequate. No significant areas of concern which might affect the shareholders of the Company were identified.

Although our Group does not have an internal audit function currently, the Board will continue to review the need for an internal audit function annually.

DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of our Group which can give a true and fair view of the state of affairs, results and cash flows of our Group and which are in compliance with the relevant accounting standards and principles, applicable laws and disclosure requirements under the GEM Listing Rules. As at 31 March 2017, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon our Group's ability to continue as a going concern.

The responsibility of the external auditors is to form an independent opinion, based on their audit, on the consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. The statement by the external auditors of the Company regarding their reporting responsibility on the consolidated financial statements of our Group is set out in the independent auditors' report on page 53 to 57 of this report.

ANNUAL GENERAL MEETING

The first AGM of the Company is scheduled to be held on Wednesday, 9 August 2017, the notice of which shall be sent to the shareholders in accordance with the Articles of Association of the Company, the GEM Listing Rules and other applicable laws and regulations. At the AGM, the Directors will attend to questions raised by the shareholders. The external auditors of the Company will also be invited to be present at the AGM to assist the Directors to address the queries of the shareholders concerning the audit procedures and the auditors' report.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING AND PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

The following procedures for the shareholders of the Company to convene an extraordinary general meeting are subject to Article 12 of the Articles of Association of the Company, and the applicable laws and regulations, in particular the GEM Listing Rules:

The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong, specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

Shareholders who wish to put forward proposals may request the Company to convene a general meeting following the procedures as set out in the preceding paragraph.

Shareholders have the right to direct enquires to the Board. They should provide their enquiries in writing together with their full name, contact details and identification, and send them by post to the principal place of business of the Company in Hong Kong or by email for the attention of the company secretary. The business address and the email address of the Company are set out below.

Business address:	Unit 10, 11/F., Trans Asia Centre 18 Kin Hong Street Kwai Chung, New Territories Hong Kong
Email address:	info@manshing.com.hk

INVESTOR AND SHAREHOLDERS RELATIONS

With a view to strengthening investor relations, the Company endeavours to foster openness and transparency. Thus, the Company has established various communication channels to ensure ready and timely disclosure of corporate information to its shareholders and potential investors. The Company keeps its shareholders abreast of its financial performance and recent business developments through its annual reports, quarterly and interim reports, periodic announcements and circulars, which are available on the Company's website "www.manshing.com.hk" and the GEM website "www.hkgem.com". Corporate information is also available on the Company's website. Furthermore, the AGM and other general meetings offer an opportunity for the Board and the shareholders of the Company to communicate directly and exchange views concerning the affairs and the overall performance of our Group, and its future developments.

The latest version of the Company's Articles of Association can be downloaded from the website of the Company or the Stock Exchange website. During the year ended 31 March 2017, there was no significant changes in the Company's constitutional documents.

The Company will continue to improve the communication with shareholders and investors, and to provide them more opportunities to understand the business of the Company.

The Directors of the Company is pleased to present the Directors' report and the audited consolidated financial statements of the Group for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of the Company's subsidiaries are set out in note 36 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis of the Group's performance by principal activities and geographical locations of operations for the year ended 31 March 2017 is set out in note 6 to the consolidated financial statements.

RESULTS

The financial performance of the Group for the year ended 31 March 2017 and financial position of the Group as at the year end date are set out in the consolidated financial statements on pages 58 to 61 of this annual report.

DIVIDEND

The Directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 March 2017 (2016: HK$13,000,000).

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2017 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on page 4, and from pages 5 to 13, respectively.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to promoting environmental protection and minimizing the impact of our operation and services on the environment. The Group has adopted measures to fulfill our environmental objectives in the course of our business operation and services. The Group implements measures for environmental protection such as using biodegradable trash bags, using environmentally friendly detergents and cleaning chemicals, and reducing the use of environmentally harmful pesticides and repellents.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the Year, to the best of the Group's information and knowledge, there was no material non-compliance or breach of any applicable laws and regulations by the Group that has a significant impact on the Group's business and operations.

RELATIONSHIPS WITH OUR EMPLOYEES AND OTHER STAKEHOLDERS

The Group believes that the sustainability of our business growth depends on the capability and loyalty of our employees. The Group recruits our staff on employment terms which are in compliance with applicable laws and regulations in Hong Kong. The Group focuses on attracting and retaining our qualified employees by paying our employees above the minimum wage and offering extensive training programmes to enhance the knowledge and skill sets of our staff with respect to workplace safety and service quality. The Group maintains good working relationship, and has no material dispute, with our employees.

The Group also understands the importance of maintaining good and long-term relationship with our business partners such as suppliers and customers. Accordingly, our management has maintained good communication and exchanged ideas and shared business update with our business partners whenever appropriate. During the Year, the Group has no material dispute with our business partners.

KEY RISK AND ITS MANAGEMENT

The Group is principally engaged in the provision of environmental cleaning solutions in Hong Kong.

Key Risk

(1) Relating to our business

Our revenue and profit margin are particularly susceptible to factors including the increase in direct labour costs, third-party labour costs, finance costs and bad debts. Increase in direct labour cost, third party labour cost, finance cost and bad debts would erode the low net profit margin of our business. Where increase in cost of sales cannot be passed on to our customers, we may have to absorb such costs which could have adverse effect on our business.

We derive most of our revenue from contracts awarded through competitive tendering. There is no guarantee that we can continue to secure new tender contracts to maintain or expand our business.

Most of our revenue had been derived from tender contracts. Our customers may in general terminate tender contracts by serving seven to thirty days' written notice to us in the event of non-compliance with any provision in tender contracts. Furthermore, we may be required to lower our service fee in order to offer more competitive tender proposal and any failure to reduce our costs accordingly may result in downward pressure on our profit margins.

Another risk exposure is where we derive a significant percentage of our revenue from our major customers, and in particular, from the government department of Hong Kong. Any decrease or loss of business from any of our major customers could have a negative impact on our business and financial condition.

If any of our major customers were to substantially reduce the volume and/or value of services procured from us, we may not be able to obtain business from other customers to replace any such loss of revenue on comparable level, or at all.

Accordingly, any delay, decrease or suspension in government spending on environmental cleaning services or failure on our part to diversify the composition of our existing customer portfolio may have a material adverse effect on our business.

(2) Reliance on key personnel

The effective operations and future success of the Group's business are depending, to a significant extent, on the capability, experience and continued efforts of our key management personnel. If the Group is unable to attract, retain and motivate the necessary key management personnel, the business and operation conditions of the Group may be disrupted and the results and financial positions of the Group may be materially or adversely affected.

(3) Expose to risk of increase in labour costs or labour shortage

As an environmental cleaning solutions provider, our business operation are labour intensive. We operate our business in Hong Kong and all of our employees are employed in Hong Kong. As such, we are subject to the Minimum Wages Ordinance (Chapter 608 of the Laws of Hong Kong), which increased the statutory minimum wages from time to time. Moreover, some of our tender contracts include penalty provision for manpower shortage, subjecting us to penalties if we do not have staff and sufficient manpower. A labour shortage may materially and adversely affect our business, financial condition, results of operations and profitability.

(4) Expose to legal claims relating to personal injuries, loss of life, and loss or damage to real or personal property

Our employees are required to follow internal work safety guideline. But we may be held vicariously liable for or face legal proceedings in connection with the negligent actions of any employee during their execution of their tasks. There may be heightened incidents of personal injuries, property damages or fatal accidents. Employees who suffer bodily injury or death as a result of accidents or contract occupational diseases arising out of and in the course of their employment are entitled to damages under the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) and the applicable common law.

We may also face claims from third party from time to time, including those who suffer personal injuries at premises where we provide services or as a result of our employee's action.

(5) Major financial risks exposed to the Group

The Group is exposed to financial risks, including credit, interest rate, liquidity and other price risks. The Group actively and regularly reviews these risks and will adopt measures, if needed, to control and mitigate these risks.

(6) Risk of incurring substantial indebtedness

Our fee collection and time for profit recognition depend on the terms of the service contracts and may be irregular. We may have negative net cash flow from operating activities which was primarily attributed to the increase in trade receivables. As a result, our operating cash flow may not be sufficient to meet our anticipated operating expense as they become due. As such, we may from time to time incur indebtedness in order to fund our working capital needs.

Any substantial indebtedness may limit our ability to borrow additional funds in the future, and increase the cost of additional financing. Any of the foregoing factors could hinder our ability to expand our business operations and growth, which would in turn have a material adverse effect on our financial condition and prospects.

MAJOR PROJECTS AND EVENTS

Details regarding major projects undertaken by the Group and events that have taken place during the Year are incorporated under the section headed "Management Discussion and Analysis" as set out on pages 5 to 13 of this report.

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 March 2017 are set out in note 36 to the consolidated financial statements.

THREE-YEAR FINANCIAL SUMMARY

A summary of the published results of the Group for the past three financial years is set out on page 3 of this report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the Company's share capital during the Year are set out in note 25 to the consolidated financial statements.

SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 31 to the consolidated financial statements.

The share option scheme of the Company (the "**Share Option Scheme**") has been adopted by way of a written resolution passed by the Shareholders on 20 March 2017. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

Details of the Share Option Scheme are as follows:

1.	Purpose of the Share Option Scheme	The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and to promote the success of the business of our Group.
2.	Who may join	Any employee, director, consultant or adviser of our Group, or any substantial shareholder of our Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of our Group.
3.	Total number of shares available for issue under the Share Option Scheme and percentage to the issued share capital as at the date of this annual report	60,000,000 Shares (equivalent to 10% of the total issued share capital as at the date of this annual report).
4.	Basis of determining the exercise price	The subscription price shall be a price solely determined by our Board and shall be at least the higher of: (i) the closing price of our Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of our Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option
5.	Maximum entitlement of each participant	The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share

6.	Time of acceptance	An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made.
7.	The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid	The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK$1.00.
8.	The minimum period for which an option must be held before it can be exercised	An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.
9.	Rights are personal to grantee	An option shall not be transferable or assignable and shall be personal to the grantee of the option.
10.	The remaining life of the scheme	The Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption, i.e. 20 March 2017, and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by Shareholders in general meeting.

Since the adoption of the Share Option Scheme and up to the date of this annual report, no share options have been granted under the Share Option Scheme.

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As the shares of the Company were listed on the GEM of the Stock Exchange on 13 April 2017, the Company was not required to keep any register under Part XV of the Securities and Futures Ordinance ("**SFO**") as at 31 March 2017.

Immediately after the Listing, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the SFO) which, once the shares of the Company are listed on the GEM of the Stock Exchange, will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short positions which they are taken or deemed to have under such provisions of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

As at 31 March 2017, none of the Directors had short positions in the shares or underlying shares of equity derivatives of the Company and no other person was individually and/or collectively entitled to exercise or control the exercise of 5% or more of the voting power at general meeting of the Company and was able, as a practical matter, to direct or influence the management of the Company,

B. Substantial Shareholders' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 31 March 2017, the register of substantial shareholders maintained by the Company, pursuant to section 336 of the SFO, showed that the following shareholders had notified the Company at relevant interests and short positions in the issued share capital of the Company:

Long Position

Name of Shareholders	Capacity/Nature	Number of ordinary shares *(Note 1)*	Percentage of interest
Man Shing Global Limited *(Note 2)*	Beneficial Owner	175,500,000(L)	29.25%
Mr. C.S. Wong *(Note 2, 6)*	Interest in a controlled corporation; Interest in persons acting in concert	369,000,000(L)	61.5%
Ms. Tang Duc Ngan *(Note 2)*	Interest of spouse	369,000,000(L)	61.5%
Lik Hang Investment Company Limited *(Note 3)*	Beneficial Owner	175,500,000(L)	29.25%
Mr. M.S. Wong *(Note 3, 6)*	Interest in a controlled corporation; Interest in persons acting in concert	369,000,000(L)	61.5%
Ms. Wong Lai Man *(Note 3)*	Interest of spouse	369,000,000(L)	61.5%
Chun Shing Investment Limited *(Note 4)*	Beneficial Owner	18,000,000(L)	3%
Mr. C.H. Wong *(Note 4, 6)*	Interest in persons acting in concert	369,000,000(L)	61.5%
Ms. Wan Wing Ting *(Note 4)*	Interest of spouse	369,000,000(L)	61.5%
Pro-Integration Limited *(Note 5)*	Beneficial Owner	81,000,000(L)	13.5%
Mr. Chan Shing Yi, Jacky *(Note 5)*	Interest in a controlled corporation	81,000,000(L)	13.5%
Ms. Wong Wai Sze, Sony *(Note 5)*	Interest of spouse	81,000,000(L)	13.5%

Notes:

1. The letter "L" denotes the person's long position in such shares.

2. Man Shing Global Limited is a company wholly owned by Mr. C.S. Wong, our executive Director. Accordingly, Mr. C.S. Wong is deemed to be interested in all shares in which Man Shing Global Limited is interested for the purpose of the SFO. Ms. Tang Duc Ngan, who is the spouse of Mr. C.S. Wong, is deemed to be interested in all shares in which Mr. C.S. Wong is interested.

3. Lik Hang Investment Company Limited is a company wholly owned by Mr. M.S. Wong, our executive Director. Accordingly, Mr. M.S. Wong is deemed to be interested in all shares in which Lik Hang Investment Company Limited is interested for the purpose of the SFO. Ms. Wong Lai Man, who is the spouse of Mr. M.S. Wong, is deemed to be interested in all shares in which Mr. M.S. Wong is interested.

4. Chun Shing Investment Limited is a company wholly owned by Mr. C.H. Wong, our executive Director, and holds 18,000,000 shares in our Company. Accordingly, Mr. C.H. Wong is deemed to be interested in all shares in which Chun Shing Investment Limited is interested for the purpose of the SFO. Ms. Wan Wing Ting, who is the spouse of Mr. C.H. Wong, is deemed to be interested in all shares in which Mr. C.H. Wong is interested.

5. Pro-Integration Limited is a company wholly owned by Mr. Chan Shing Yi, Jacky. Accordingly, Mr. Chan Shing Yi, Jacky is deemed to be interested in all shares in which Pro-Integration Limited is interested for the purpose of the SFO. Ms. Wong Wai Sze, Sony, who is the spouse of Mr. Chan Shing Yi, Jacky, is deemed to be interested in all shares in which Mr. Chan Shing Yi, Jacky is interested.

6. On 30 March 2016, a deed of acting in concert was entered into between Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong in which it was confirmed that in respect of Man Shing Cleaning Service Company Limited, Man Shing Environmental Company Limited and Jasen Services Limited (collectively, the "**Relevant Companies**") during the two financial years ended 31 March 2015 and 31 March 2016 and the six months ended 30 September 2016 and thereafter from the date of the deed, the parties have been acting in concert (as defined under the Takeovers Code) to jointly reach a consensus in relation to all matters in respect of the management and business operations of each of the Relevant Companies including but not limited to voting unanimously in respect of matters that require shareholders' or directors' approval and the execution of documents for the purpose of furthering and expanding the business operations of the Relevant Companies. By virtue of the SFO, Mr. C.S. Wong, Mr. M.S. Wong and Mr. C.H. Wong are deemed to be interested in our shares which are interested by each other.

Save as disclosed above, as at 31 March 2017, the Directors are not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.

INTEREST OF COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, our Group has appointed Changjiang Corporate Finance (HK) Limited as our compliance adviser, which will provide advice and guidance to our Group in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to directors' duties and internal controls. Except for the compliance adviser agreement entered into between the Company and our compliance adviser dated 19 October 2016, neither our compliance advisor nor its Directors, employees or close associates have any interests in relation to the Company which is required to be notified to our Group pursuant to Rule 6A.32 of the GEM Listing Rules.

CONNECTED TRANSACTIONS

During the Reporting Period, our Group had been renting our office at Units 10 and 11, 11/F, Trans Asia Centre, 18 Kin Hong Street, Kwai Chung, N. T., Hong Kong ("**Trans Asia Centre Properties**") from Mr. C.S. Wong. The tenancy agreements with regard to the Trans Asia Centre Properties were entered into by Man Shing Cleaning Service Company Limited and Jasen Services Limited as the tenant, respectively. These transactions constituted continuing connected transactions under Chapter 20 of the GEM Listing Rules, and were exempt from the reporting, annual review, announcement, circular and independent shareholders' approval under the GEM Listing Rules.

Particulars of the terms of each of the tenancy agreements are set out below:

Tenancy Agreement

Tenancy Agreement A

On 23 October 2014, Mr. C.S. Wong as landlord and Man Shing Cleaning Service Company Limited as tenant entered into a tenancy agreement pursuant to which Mr. C.S. Wong agreed to lease Property A, with a total gross floor area of approximately 2,145 square feet, to Man Shing Cleaning Service Company Limited, for a period of two years commencing from 1 November 2014 to 30 October 2016 at a monthly rental of HK$17,000 (excluding rent, rates and management fees). On 31 May 2016, the tenancy agreement was surrendered and Mr. C.S. Wong as landlord and Man Shing Cleaning Service Company Limited as tenant entered into a new tenancy agreement pursuant to which Mr. C.S. Wong agreed to lease Property A to Man Shing Cleaning Service Company Limited for a period of two years commencing from 1 June 2016 to 31 May 2018 at a monthly rental of HK$17,000 (excluding rent, rates and management fees). Pursuant to the abovementioned tenancy agreements, Man Shing Cleaning Service Company Limited agreed to pay all rent, rates and management fees in respect of Property A. The monthly rental under the abovementioned tenancy agreements was determined on an arm's length basis between Mr. C.S. Wong and Man Shing Cleaning Service Company Limited.

Tenancy Agreement B

On 29 July 2015, Mr. C.S. Wong as landlord and Jasen Services Limited as tenant entered into a tenancy agreement pursuant to which Mr. C.S. Wong agreed to lease Property B with a total gross floor area of approximately 1,150 square feet to Jasen Services Limited, for a period of two years commencing from 1 August 2015 to 31 July 2017 at a monthly rental of HK$8,000 (excluding rent, rates and management fees) and pursuant to a supplemental agreement dated 1 June 2016, the monthly rent was increased to HK$9,100 effective on 1 August 2015 until 31 July 2017. Pursuant to the abovementioned tenancy agreements, Jasen Services Limited agreed to pay all rent, rates and management fees in respect of Property B. The monthly rental under the abovementioned tenancy agreement was determined on an arm's length basis between Mr. C.S. Wong and Jasen Services Limited. Upon reviewing the valuation report issued by the independent property valuer of the Group, our Directors are of the view that the increase in monthly rental of Property B pursuant to the supplemental agreement is in line with market trends.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

RESERVES

Details of movements in the reserves of the Company during the Year are set out in note 35 to the consolidated financial statements. Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 60.

DISTRIBUTABLE RESERVES OF THE COMPANY

Details of movements during the Year in the reserves and reserves available for distribution to the Company's shareholders of the Group and the Company are set out on page 102 of this report and in note 35 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the aggregate amount of purchases attributable to our Group's five largest suppliers represented approximately 3.6% of our Group's total purchases. The amount of purchases from our Group's largest supplier represented approximately 1.2% of our Group's total purchases.

Meanwhile, the aggregate amount of revenue attributable to our Group's five largest customers represented approximately 85.1% of our Group's total revenue. The amount of revenue from our Group's largest customer represented approximately 69.0% of our Group's total revenue.

None of the Directors nor any of their close associates nor any shareholders (which, to the best of the knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in our Group's five largest customers and/or five largest suppliers during the Reporting Period.

DIRECTORS

The Directors during the Year and up to the date of this report were as follows:

Executive Directors:	Mr. Wong Chong Shing *(Chairman)* Mr. Wong Man Sing Mr. Wong Chi Ho Mr. Chan Shing Yi, Jacky
Independent non-executive Directors:	Mr. Lee Pak Chung Mr. Au-Yeung Tin Wah Mr. Chiu Ka Wai

For the biographical details of the Directors and other senior management, please refer to pages 14 to 18 of this report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date, which shall be renewable automatically for successive terms of three years unless terminated by either party by giving at least three months' prior notice in writing to the other party.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for an initial term of three years commencing from the Listing Date ("**Three-Year Term**"), which shall continue and remain in effect for and throughout the duration of the Three-Year Term unless and until terminated by either party giving to the other not less than three months' prior notice in writing. Such an appointment shall continue upon the expiry of the Three-Year Term on a yearly basis up to a maximum of three years subject to termination by either party giving to the other one month's prior notice in writing or the Director ceasing to be a director of the Company for any reason whatsoever at any particular time.

Pursuant to the Articles of Association of the Company, Mr. Wong Chi Ho, Mr. Lee Pak Chung and Mr. Chiu Ka Wai will retire from their offices as Directors and offer themselves for re-election as the Directors in the forthcoming AGM of the Company.

No Director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

None of the Directors nor the Controlling Shareholders of the Company had any material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year ended 31 March 2017.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group are set out in note 22 to the consolidated financial statements.

AUDITORS

The consolidated financial statements for the Reporting Period have been audited by SHINEWING (HK) CPA Limited ("**SHINEWING**"). SHINEWING shall retire in the forthcoming AGM and, being eligible, offer themselves for re-appointment. A resolution for the reappointment as auditors of the Company will be proposed at the forthcoming AGM. There is no change in auditors since the date of the Listing.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of our Group were entered into or in existence during the Reporting Period.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company.

EVENTS AFTER THE REPORTING PERIOD

On 13 April 2017, the shares of the Company were successfully listed on the GEM of the Stock Exchange with stock code 8309. The significant events after the Reporting Period are set out in note 37 to the consolidated financial statements.

2016/2017 has been an exciting year for Man Shing Global's sustainability programme, which is a comprehensive long-term strategy and implementation plan that we crafted to build a robust infrastructure to support the Group to achieve its targets of growth and development, and to deliver value for our customers, employees, shareholders, investors and community as a whole. This year the Group witnessed a great leap forward for our organisation and infrastructure which was attributed to our team's concerted efforts and hard work.

Key highlights of the Group's accomplishments in various aspects of our sustainability initiatives during the Year include:

Delivering high level of customer satisfaction through maintaining the highest standards of quality and safety. In recognition of our quality assurance, Man Shing Group has been accredited with ISO 9001:2008 for our quality management system standard, ISO 14001:2004 for our environmental management system standard, and OHSAS 18001:2007 for our occupational health and safety system standard. Our team conducted comprehensive review of supply chain practices to further strengthen our internal control system on the quality and safety of our materials and equipment during the Year.

Achieving greater efficiency and resources optimization through the establishment of the Central Procurement Department. During the Year, Man Shing Global achieved greater energy conservation as well as operational efficiency. We also established a roadmap with quantifiable targets and concrete implementation plans across our operations in Hong Kong to increase the efficiency of resources utilization and to reduce our environmental impact.

Building a stronger and vibrant team to support the sustainable growth of our business. We devoted significant efforts and resources to expanding the scope and enhancing the quality of training and development during the Year, which aimed at empowering the team to develop rewarding careers within the corporation. Efforts were also devoted to cultivate a more engaged team through effective communication and caring for our employees.

Whilst our efforts and achievements are widely recognized by our customers and other stakeholders, we are mindful of the challenges that confront our business, the industry and the wider community. The Group will continue to reinforce the strengths in our supply chain management and identify room for improvement.

As the competition for talent continues to intensify, we face challenge in maintaining a highly skilled workforce to deliver our promise to our customers and shareholders, and to maintain the sustainable growth of our business.

Therefore, we envisage that 2017/2018 be another year of diligent work in which we endeavour to implement enhancements across our operations in line with the principles outlined in our sustainability values. We are confident that operating our business in line with the sustainability values will deliver far reaching results for our business, the environment and the community.

Wong Man Sing
Chief Executive Officer
29 June 2017

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORTING

Man Shing Global developed the ESG Report, built the necessary roadmap to make reporting efficient in the future and advising on the latest sustainability trends and developments. The report covers the operations of the Company and its Subsidiaries in Hong Kong during the Reporting Period.

SUSTAINABILITY STRATEGY DESIGN AND DEPLOYMENT SERVICES

The sustainability values of Man Shing Global include: Enhance Customer Satisfaction; Caring for Employees; Supply Chain Improvements, Environmental Protection and Community Involvement.

ENHANCE CUSTOMER SATISFACTION

Customer satisfaction is the fundamental principle of our business. Man Shing Global strives to raise customer satisfaction by continuously enhancing the products and services we deliver to customers. We have established a stringent procurement practice and reliable services processing and our employees strive to provide quality cleaning services to all customers.

Aligned to International Standards

We are committed to ensuring that our management system is aligned to international best practice and we were accredited with ISO 9001 in 2002. This internationally recognised certification sets standards on quality management system. The attainment of ISO 9001 certification illustrates Man Shing Global's commitment to the highest standard of service quality and safety.

Develop Skilled and Competitive Workforce

Delivering outstanding customer service is achieved by having a workforce instilled with positive mindset and equipped with the skills and knowledge to serve our customers attentively. To facilitate this, we ensure that all frontline staff are adequately trained to deliver the highest level of customer service before starting working with Man Shing Global. For more information on employees' training, please refer to the section headed "Caring for Employees".

SUPPLY CHAIN IMPROVEMENTS

Establishing the Central Procurement Department

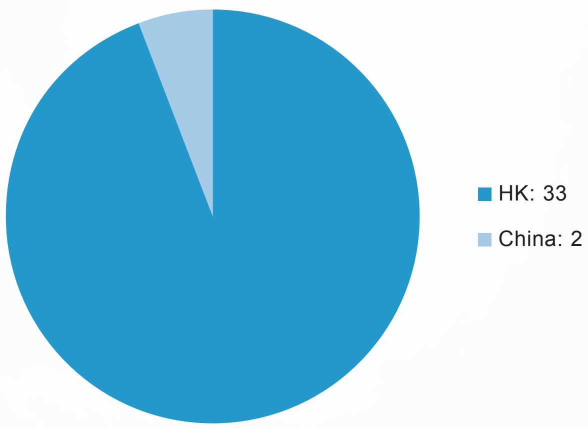
The Group has invested heavily in building a robust infrastructure to manage our environmental performance. In the beginning of 2017, we had examined the whole process of supply channels and make improvement on it. At the same time, we enlarged the responsibilities of the Central Procurement Department and allow it to supervise the daily procurement work at each work site.

Maintaining Good Relationships with Suppliers

Man Shing Global is well aware of the importance of establishing good partnership with suppliers so that it can ensure the origin and quality of all materials. Our experienced team has conducted a comprehensive review of the whole supply chain, in particular, the areas of reliability, quality, cost and environmental commitment, to ensure that the Group can purchase directly from the best suppliers and obtain the traceability of the materials from them.

The Group is committed to providing all work sites with quality services, and we are expanding the network of materials supplier. This ensures that we could have a reliable supplier chain even under any unforeseeable and unpredictable circumstances (such as natural disasters, supply chain disruptions). Most of the suppliers are from Hong Kong, and the remaining suppliers are from China:

Suppliers Distribution



ENVIRONMENTAL PROTECTION

- Our Group is committed to promoting environmental protection, managing environmental impact during the provision of our cleaning services and ensuring the compliance with the laws and regulations related to environmental issues. Our Group aims to implement environmental management policies that can utilise resources efficiency, save costs, reduce waste and the usage of energy and water, and meet our customers' and other stakeholders' expectations. During the Reporting Period, our Group has complied with all relevant laws and regulations.

- Our Group adopts the ISO 14001 standards in devising our environmental management system. In 2002, our Group was accredited with ISO 14001.

- The specialised vehicles fleet of our Group directly affects the environment. Our Group owns 77 specialised vehicles as at 31 March 2017, the types of which are illustrated in the following table:

Type of Vehicles	Euro III	Euro IV/V/VI
Water Wagons (19)	2	17
Vacuum Tankers (2)	1	1
Hook-lift Trucks (3)	0	3
Grab Lorries (8)	0	8
Tail-lift Trucks (12)	0	12
Tail-lift (Tipper) Trucks (4)	0	4
Tipper Truck (4)	0	4
Light Goods Ven (18)	1	17
Refuse Compaction Vehicles (4)	0	4
Lorries (3)	0	3

In order to reduce the emissions from our specialised vehicles and minimize the negative impacts to the environment, our Group has gradually phased out Euro III specialised vehicles and equipped ourselves with specialised vehicles that adopt Euro IV or above standards. Also, several of our specialised vehicles are equipped with a global positioning system which enables us to track and monitor our vehicles itineraries, locations, driving speeds, mileages and fuel consumption in order to improve operational efficiency and reduce carbon emissions.

The Environmental Impact of Vehicles Fleets

2016/2017 Carbon Emissions of our Specialised Vehicles

Total No. of Vehicles	Fuel Consumption Per Year (Litre)	Carbon Emissions Per Year (Tonnes)
77	865,165	2,249.43

Office and Work Site Energy and Other Resources Consumption

The following shows our Group's total energy and other resources consumption at our office and work site during the Reporting Period:

Electricity Consumption	51,281 Kilowatt
Fuel Consumption	865,165 Litre
Water Consumption	32 Cubic Meter
Paper Consumption	910 A4

Our total carbon emissions during the Reporting Period is as follows:

- Direct emissions: 2,249.43 tCO_2e
- Indirect emissions: 35.88 tCO_2e
- As Man Shing Global tried to minimize water consumption for providing the cleaning services, it should be within the controllable limit. However, it is hard to measure such consumption for the at client work site as no separate water measurement could be conducted.

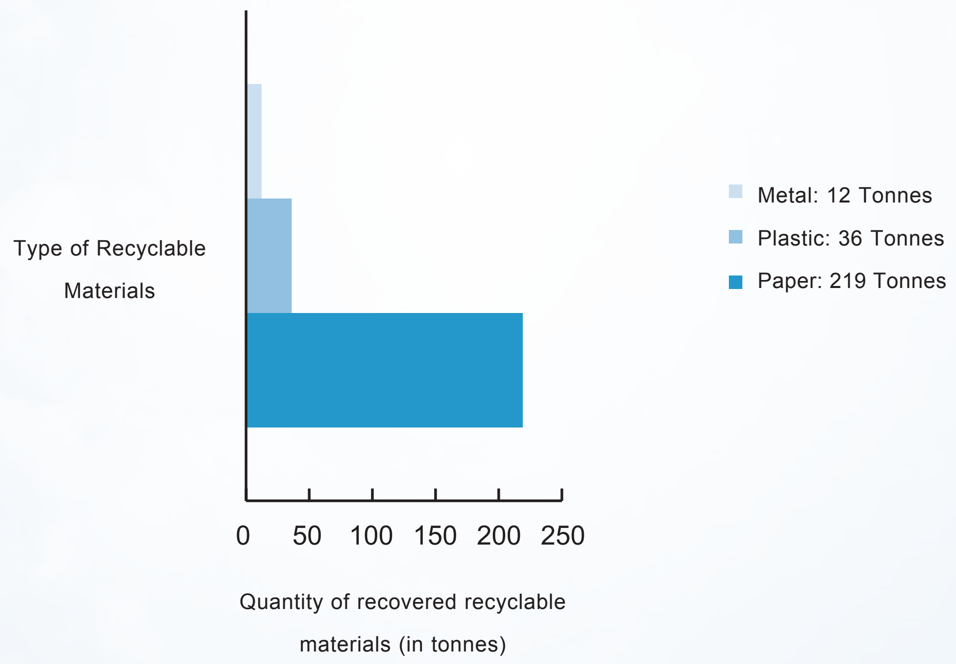
Striving for Efficient Energy Consumption

- In the past year, Man Shing Global adopted a new policy to replace its lighting in office to energy-saving lamps and light tubes, with an objective of using about 30 to 50% energy-saving lamps in the near future.

- Our Group adopts the environmental policy of reducing wastes and enhancing recycling, and promotes the concept of "Reduced Resources Consumption" in all worksites. Man Shing Global emphasizes the concept of environmental protection in staff training. It encourages employees to use biodegradable garbage bags instead of traditional plastic garbage bags. The frontline staff also promote the use of biodegradable bags to customers. The Central Procurement Department also chooses environmentally friendly materials, detergents and cleaning chemicals for the daily operations and requires the staff to reduce the use of environmentally harmful pesticides and repellents.

Assistance in Customers' Recycling

Man Shing Global actively observes the waste policy of the government of Hong Kong in waste reduction and recycling and has promoted the collection and classification of waste. Man Shing Global provides customers with recycling services to enhance the value of recycled materials such as: three-color recycling bin, recycling cage to assist the customers' recycling works. The recyclable materials are composed of paper, plastic, scrap metal and other recyclable wastes. The following table shows the total quantity of recovered recyclable materials:



CARING FOR EMPLOYEES

The success of our business depends on a vibrant, strong and engaged team of staff. Thus, Man Shing Global adopts an employee-oriented approach in attracting, developing and retaining the best talent to support the continuous growth of our business. In the past year, we devoted significant efforts and resources to enhance the quality of training and explore development opportunities, empowering the team to develop a rewarding career.

Employee Training

Employee Classification	Employees That Have Attended Training (%)	Average Training Hours Per Staff
Senior Management	37.5%	32.8 hrs
Middle Management	17%	0.5 hrs
Front-line Staff	100%	Less than 1 hr

Notes: All new employees will receive safety guides prepared by our Group to enhance their safety knowledge at workplace.

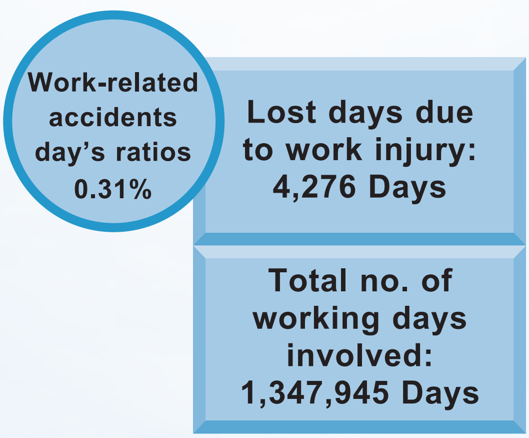
Providing training and development opportunities is an important pillar of our integrated approach to build a stronger team. Man Shing Global formulated a training and development policy for staff working in different positions. We regularly review our training programmes to suit the needs of our employees and to equip them with the necessary knowledge and skills to keep pace with our fast-growing business. During the Reporting Period, our Group had provided training in the areas of management, marketing, health and work safety to our staff.

Enhance Work Safety Culture and Knowledge

Man Shing Global's health and work safety policies have complied with the relevant laws and regulations. In 2009, we were accredited with OHSAS 18001 for our occupational health and safety management system.

Every new employee will receive a series of occupational safety, health and environmental guidelines for helping employees to understand the risks involved in the workplace and other important safety issues, and requiring employees to understand and comply with the safety practices of the work environment, such as guidelines for transport, high altitude work, driving risk and mechanical safety, the use of chemicals, precautionary measures to deal with biological hazards, and protective equipment. The following is a record of industrial accidents for our Group:

Total no. of Work-related Accidents	Total no. of Working Days Involved	Total of Working Days Lost due to Work-related Accidents
127 Cases	1,347,945 Days	4,276 Days



There were no work-related fatalities during the Reporting Period.

Overall Working Environment

Man Shing Global is an employer that offers equal opportunity to all employees, regardless of their age, gender, race, sexual orientation, disability and marital status. The criteria for hiring staff is based on the working ability and performance of employees. During the Reporting Period, Man Shing Global did not breach any relevant laws and regulations relating to employment, compensation, dismissal, equal opportunity, anti-discrimination and the prevention of child and forced labour. By the end of March 2017, there are 3,893 employees working for Man Shing Global.

Employee Turnover Rate

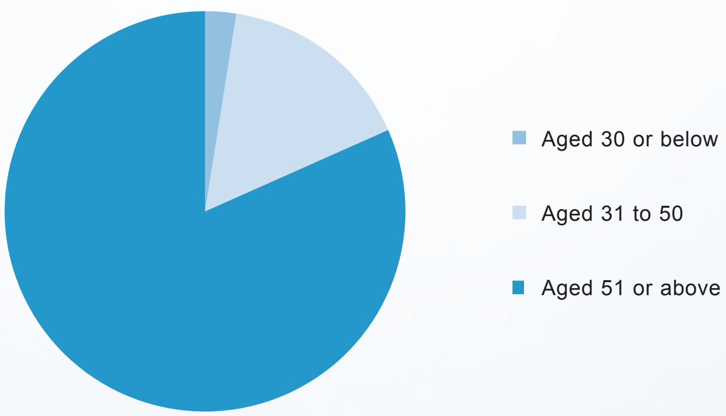
The average turnover rate for employees for the Year was 5.23%. Employees aged 51 or above had a higher turnover rate, which was mainly related to retirement. Man Shing Global has also adopted the policy to postpone the retirement age as recommended by the government. Also, Man Shing Global will improve the human resources strategy and strengthen the retention of talent policy.

Employees' Age Distribution

The following is Man Shing Global's employees' age distribution:

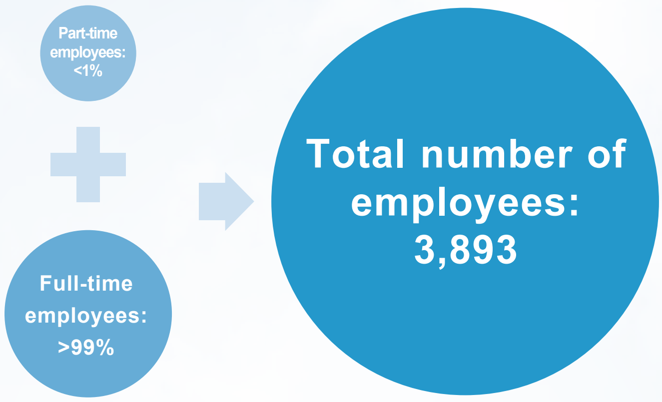
Age Group	No. of Employee	Percentage %
30 or below	103	2.7%
31 to 50	615	15.8%
51 or above	3,175	81.5%
	3,893	100%

Age Distribution



Staff Profile (Full Vs Part-time)

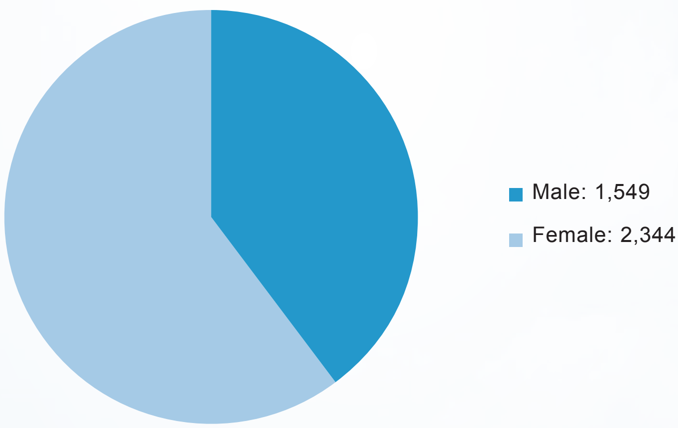
By the end of March 2017, the total number of employees employed by Man Shing Global is 3,893. While most of them are full-time employees, less than 1% are part-time employees.



Employees' Gender Classification

The following is Man Shing Global's employees' gender classification:

Employee Gender Distribution



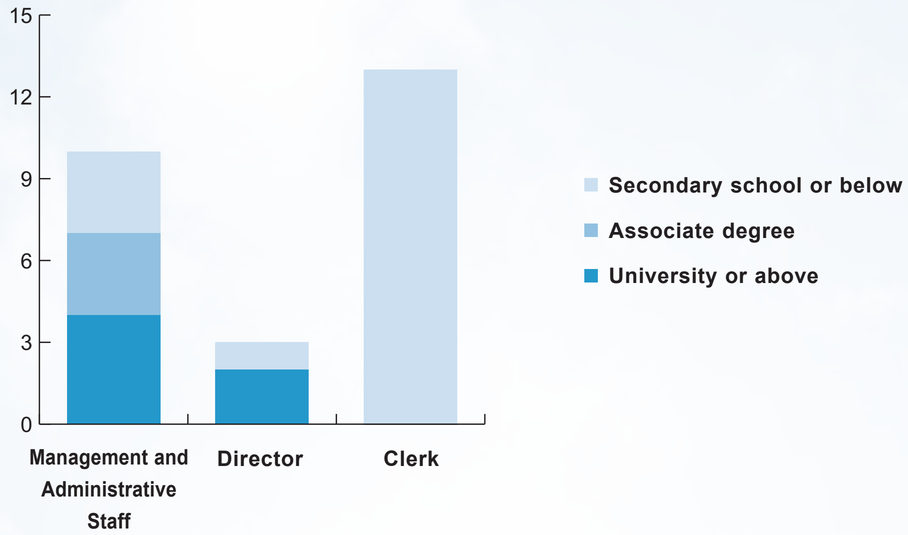
Employees' Job Classification

Office Staff	24
Front-line (Technical)	21
Front-line (Non-Technical)	3,848

After joining us, all employees need to read the staff handbook very carefully in order to understand staff responsibilities, integrity requirements and occupational safety guidelines. The staff handbook also sets out guidelines for anti-discrimination and anti-harassment, requiring our employees to treat each other equally, fairly and respectfully.

Office Staff Qualifications Distribution

The total number of office staff is 24. They include our Directors, management and administrative staff, and clerk, etc. Their qualifications are shown in the graph below:



Anti-corruption

The staff handbook clearly states the relevant anti-corruption policies. During the Reporting Period, our Group has complied with the relevant laws and regulations regarding anti-corruption, bribery, extortion, fraud and money laundering, and there are no legal cases regarding corrupt practices brought against our Group or our employees. In the coming year, Man Shing Global will encourage more employees to participate in the seminars organised by ICAC so as to raise their awareness of anti-corruption.

COMMUNITY INVOLVEMENT

At the beginning of 2017, Man Shing Global established the corporate social responsibility (CSR) working committee for the year 2017-2018. It will encourage more employees to actively participate in environmental protection events and voluntary work and help to arouse their awareness towards environmental issues and waste management, etc. With our large team of staff, Man Shing Global will participate in more community services and hope to contribute to the community in the future and achieve far-reaching results.

Subject Areas, Aspects, General Disclosures and KPIs		Reference Section/Remarks
A – Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Protection Our Group does not find any material non-compliance with relevant standards, rules and regulations related to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous wastes and so on during the Reporting Period.
KPI A1.1	The types of emissions and respective emissions data.	Environmental Protection
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	N/A
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Protection
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Environmental Protection
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Environmental Protection
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Protection
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ’000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Protection
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Protection
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Environmental Protection
KPI A2.4	Description of whether there is any issues in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Environmental Protection
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

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Subject Areas, Aspects, General Disclosures and KPIs		Reference Section/Remarks
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Protection
KPI A3.1	Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection
B – Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Caring for Employees Our Group is not aware of any material non-compliance with relevant standards, rules and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity and other benefits and welfare during the Reporting Period.
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Caring for Employees
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Caring for Employees
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Caring for Employees The Group is not aware of any material non-compliance with relevant standards, rules and regulations on providing a safe working environment and protecting its employees from occupational hazards during the Reporting Period.
KPI B2.1	Number and rate of work-related fatalities.	There was no work-related fatalities during the Reporting Period.
KPI B2.2	Lost days due to work injury.	Caring for Employees
KPI B2.3	Description of occupational health & safety measures adopted, how they are implemented and monitored.	Caring for Employees

Subject Areas, Aspects, General Disclosures and KPIs		Reference Section/Remarks
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Caring for Employees
KPI B3.1	The percentage of employees trained by gender and employee category.	Caring for Employees
KPI B3.2	The average training hours completed per employee by gender and employee category.	Caring for Employees
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	The Group is not aware of any non-compliance with relevant standards, rules and regulations on preventing child or forced labour.
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Group regularly reviews its employment practice to ensure that we are in full compliance with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and other regulations related to child labour and forced labour.
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	No such incidents were reported during the Reporting Period.
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Improvements
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Improvements
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Improvements

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Subject Areas, Aspects, General Disclosures and KPIs		Reference Section/Remarks
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Our Group does not find any material non-compliance with relevant standards, rules and regulations on health and safety, advertising, labelling and privacy matters related to products and services provided during the Reporting Period.
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	There was no product returned or recalled for safety and health reason during the Reporting Period.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Our Group does not find any significant complaints related to products and services during the Reporting Period.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our Group regularly reviews its internal policies and systems to ensure that intellectual property rights are observed and protected.
KPI B6.4	Description of quality assurance process and recall procedures.	Caring for Employees
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	The Group regularly reviews its internal policies and systems to ensure that consumer data privacy is protected and that our existing infrastructures remain robust.
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Caring for Employees Our well designed organisational structures and policies are in place to uphold a high standard of corporate governance and maintain an ethical corporate culture.
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	During the Reporting Period, there was no concluded legal case regarding corrupt practices brought against the Group or its employees.
KPI B7.2	Description of preventive measures and whistle blowing procedures, how they are implemented and monitored.	Our Protocol on Malpractice Reporting and Investigation provides clear guidelines to employees and business partners on ways to raise matters in a strictly confidential manner. The Group ensures that all matters of genuine concern are investigated and appropriate actions are taken where necessary.

Subject Areas, Aspects, General Disclosures and KPIs		Reference Section/Remarks
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Involvement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Involvement
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Involvement

SHINEWING (HK) CPA Limited
43/F., Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

TO THE MEMBERS OF MAN SHING GLOBAL HOLDINGS LIMITED
萬成環球控股有限公司
(incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Man Shing Global Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 58 to 103, 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 ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code") and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

Timing of revenue recognition

Refer to note 6 to the consolidated financial statements and the accounting policies on page 69.

The key audit matter	How the matter was addressed in our audit
Revenue from provision of professional cleaning is recognised when the services are rendered, with reference to the contractual terms and completion of the specific transaction assessed on the basis of the actual extent of services provided as at the reporting date as a proportion of the total services to be provided under the terms of the service contract. The Group enters into significant volume of service contracts with a wide range of customers. The extent of services may subsequently be altered upon request from customers. We identified the timing of revenue recognition as a key audit matter because revenue is significant to the consolidated statement of profit or loss and other comprehensive income and could be subjected to risk of manipulation and because subsequent alterations to the services to be provided under service contracts increases the risk of error in the timing of revenue recognition.	Our audit procedures to assess the timing of revenue recognition included the following: We have obtained an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition; We have inspected key customer contracts to identify terms and conditions relating to the provision of services and assessing the Group's revenue recognition policies with reference to the requirements of the prevailing accounting standards; We have formed expectation on the amount of revenue to be recognised for the year in respect of key customer contracts based on the terms and service periods stipulated in the contracts and comparing our expectations with the revenue recorded by the Group for the year; and We have compared, on a sample basis, specific revenue transactions recorded before and after the financial year end date with underlying documentation, including service contracts and service records, to determine whether the related revenue had been recognised in the appropriate financial period.

Recoverability of trade receivables

Refer to note 16 to the consolidated financial statements and the accounting policies on page 72.

The key audit matter	How the matter was addressed in our audit
We have identified impairment on trade receivables as a key audit matter because the estimates on which these provisions are based on a significant degree of management judgement and may be subject to management judgement. As at 31 March 2017, the carrying amount of trade receivables was approximately HK$55,456,000. The impairment assessment conclusions are dependent upon management judgement in respect of assessing the ultimate realisation of these receivables.	Our audit procedures to assess the recoverability of trade receivables included the following: We have reassessed the assumptions and critical judgment used by the management with reference to the subsequent settlement of the trade receivables, detailed analysis of ageing of receivables, and recent creditworthiness of major customers. We have also discussed the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment testing.

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS OF THE COMPANY AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible 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, solely to you, as a body, in accordance with our agreed terms of engagement, 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment 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 of the Company.

- Conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance 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 those charged with governance 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 those charged with governance, 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 Wong Chuen Fai.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Wong Chuen Fai
Practising Certificate Number: P05589
Hong Kong
29 June 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2017

	Notes	2017 HK$'000	2016 HK$'000
Revenue	6	**463,795**	346,999
Cost of sales		**(419,615)**	(308,753)
Gross profit		**44,180**	38,246
Other income	7	**128**	765
Administrative expenses		**(35,139)**	(21,158)
Finance costs	8	**(3,121)**	(2,678)
Profit before tax		**6,048**	15,175
Income tax expenses	9	**(3,266)**	(2,653)
Profit and total comprehensive income for the year attributable to owners of the Company	10	**2,782**	12,522
Earnings per share (HK cents)			
Basic and diluted	13	**0.66**	192.88

Consolidated Statement of Financial Position

At 31 March 2017

	Notes	**2017 HK$'000**	2016 HK$'000
Non-current asset			
Plant and equipment	14	**18,011**	17,743
Current assets			
Amount due from a shareholder	15	**–**	9,503
Trade receivables	16	**55,456**	41,008
Prepayments, deposits and other receivables	17	**12,792**	9,213
Pledged bank deposits	18	**25,420**	11,654
Bank balances and cash	18	**17,059**	38,744
		110,727	110,122
Current liabilities			
Trade payables	19	**12,007**	5,536
Accruals and other payables	20	**43,048**	28,403
Tax payables		**721**	–
Obligations under finance leases	21	**6,157**	8,294
Bank borrowings and overdrafts	22	**24,753**	44,547
		86,686	86,780
Net current assets		**24,041**	23,342
Total assets less current liabilities		**42,052**	41,085
Capital and reserves			
Share capital	25	**380**	–
Reserves		**27,697**	28,695
		28,077	28,695
Non-current liabilities			
Obligations under finance leases	21	**8,711**	8,279
Long service payments obligations	23	**4,384**	2,974
Deferred tax liabilities	24	**880**	1,137
		13,975	12,390
		42,052	41,085

The consolidated financial statements on pages 58 to 103 were approved and authorised for issue by the board of directors on 29 June 2017 and are signed on its behalf by:

Wong Chong Shing
Director

Wong Man Sing
Director

	Notes	Share capital HK$'000	Share premium HK$'000	Other reserve HK$'000 (note i)	Retained earnings HK$'000	Total HK$'000
At 1 April 2015		110	–	–	16,063	16,173
Issue of shares	25(i)	–*	–	–	–	–*
Arising from reorganisation of the Group		(110)	–	110	–	–
Total profit and comprehensive income for the year		–	–	–	12,522	12,522
At 1 April 2016		–*	–	110	28,585	28,695
Capital injection from the shareholder of the Company	25(iv)	–*	9,600	–	–	9,600
Capitalisation issue	25(v)	380	(380)	–	–	–
Total profit and comprehensive income for the year		–	–	–	2,782	2,782
Dividends paid	12	–	–	–	(13,000)	(13,000)
At 31 March 2017		**380**	**9,220**	**110**	**18,367**	**28,077**

* Represents amount less than HK$1,000.

Note:

(i) Other reserve

Other reserve represents the difference between the nominal value of the issued capital of subsidiaries acquired pursuant to a group reorganisation over the consideration paid for acquiring these subsidiaries.

Consolidated Statement of Cash Flows

For the year ended 31 March 2017

	2017 HK$'000	2016 HK$'000
OPERATING ACTIVITIES		
Profit before tax	**6,048**	15,175
Adjustments for:		
Finance costs	**3,121**	2,678
Bank interest income	**(12)**	(8)
Gain on disposal of plant and equipment	**–**	(160)
Provision for the long service payments obligations	**1,505**	1,957
Government subsidy	**–**	(562)
Depreciation for plant and equipment	**8,575**	7,297
Operating cash flow before working capital changes	**19,237**	26,377
Increase in trade receivables	**(14,448)**	(2,621)
Increase in prepayments, deposits and other receivables	**(3,728)**	(5,328)
Increase (decrease) in trade payables	**6,471**	(96)
Increase in accrual and other payables	**14,645**	8,064
Long service payment	**(95)**	–
Cash generated from operations	**22,082**	26,396
Profit tax paid	**(2,653)**	(4,671)
Interest paid	**(3,121)**	(2,678)
NET CASH FROM OPERATING ACTIVITIES	**16,308**	19,047
INVESTING ACTIVITIES		
Bank interest income	**12**	8
Placement of pledged bank deposit	**(13,766)**	(8,379)
Sales proceed on disposal on plant and equipment	**–**	160
Purchase of plant and equipment	**(1,262)**	(327)
Repayment from (advance to) a shareholder	**9,503**	(9,216)
NET CASH USED IN INVESTING ACTIVITIES	**(5,513)**	(17,754)
FINANCING ACTIVITIES		
Government subsidy received	**–**	562
Dividends paid	**(13,000)**	–
Repayments of obligation under finance lease	**(9,286)**	(7,822)
Repayment of borrowings	**(289,750)**	(223,698)
New bank loans raised	**270,580**	238,429
Capital injection from the shareholder of the Company	**9,600**	–
NET CASH (USED IN) FROM FINANCING ACTIVITIES	**(31,856)**	7,471
NET (DECREASE) INCREASED IN CASH AND CASH EQUIVALENTS	**(21,061)**	8,764
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**38,120**	29,356
	17,059	38,120
Analysis of Components of Cash and Cash Equivalents		
Bank balances and cash	**17,059**	38,744
Bank overdraft	**–**	(624)
	17,059	38,120

1. GENERAL

The Company was incorporated on 18 March 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Its ultimate controlling parties during the reporting period are Mr. Wong Man Sing, Mr. Wong Chong Shing and Mr. Wong Chi Ho (the "Controlling Shareholders"). The addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are the provision of environmental cleaning resolutions including street cleaning solutions, building cleaning solutions, bus and ferry cleaning solutions and other cleaning services which include, among others, refuse collection and waste disposal services, sewage management and pest control and fumigation services.

These consolidated financial statements are presented in Hong Kong dollars ("HK$") which is same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

2. GROUP REORGANISATION AND BASIS OF PRESENTATION OF FINANCIAL INFORMATION

Pursuant to the reorganisation (the "Reorganisation") as set out in the section headed "History, Reorganisation and Corporate Structure" in the prospectus of the Company dated 30 March 2017, the Company became the holding company of the companies now comprising the Group on 30 March 2016. The Group, comprising the Company and its subsidiaries, resulting from the Reorganisation, was directly and/or beneficially owned by the same beneficial owners before and after the Reorganisation. Accordingly, the consolidated financial statements have been prepared on a consolidated basis as if the Company had always been the holding company of the Group by applying the principles of merger accounting with reference to Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as if the Reorganisation had been completed at the beginning of 2016 as set out in the accounting policy of the Group under "Merger accounting for business combination involving entities under common control" in note 4.

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows included the results and cash flows of the companies now comprising the Group as if the current group structure had been in existence throughout the year ended 31 March 2016 or since their respective dates of incorporation or establishment to 31 March 2016, whichever is the shorter period.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKAS(s)"), amendments and Interpretations ("Int(s)"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations

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

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendment to HKFRSs	Annual improvements to HKFRSs 2014 – 2016 Cycle[5]
Amendment to HKAS 7	Disclosure Initiative[1]
Amendment to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[1]
Amendments to HKAS 40	Transfers of Investment Property[2]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
HK (IFRIC) – Ints 22	Foreign Currency Transactions and Advance Consideration[2]
HKFRS 9 (2014)	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]
HKFRS 16	Leases[3]

1 Effective for annual periods beginning on or after 1 January 2017
2 Effective for annual periods beginning on or after 1 January 2018
3 Effective for annual periods beginning on or after 1 January 2019
4 Effective date not yet been determined
5 Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, appropriate

The directors of the Company anticipate that, except as described below, the application of other new and revised HKFRSs will have no material impact on the results and the consolidated financial position of the Group.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for HKFRS 9 to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 (2014) are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9 (2014), entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

HKFRS 9 (2014) *Financial Instruments* (Continued)

- HKFRS 9 (2014) introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 (2014) looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

HKFRS 9 (2014) will become effective for annual periods beginning on or after 1 January 2018 with earlier application permitted.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have an impact on the Group's results and financial position, including the classification categories and the management of financial assets, and disclosure. For instance, the Group will be required to replace the incurred loss impairment model in HKFRS 9 with an expected loss impairment model that will apply to various exposures to credit risk. HKFRS 9 will also change the way the Group classifies and measures its financial assets, and will require the Group to consider the business model and contractual cash flow characteristics of financial assets to determine classification and subsequent measurement. Other than the adoption of an expected credit losses impairment model and disclosure changes, adoption of HKFRS 9 is currently not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 15 *Revenue from Contracts with Customers*

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Thus, HKFRS 15 introduces a model that applies to contracts with customers, featuring a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

HKFRS 15 *Revenue from Contracts with Customers* (Continued)

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

HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations when it becomes effective. HKFRS 15 will become effective for annual periods beginning on or after 1 January 2018 with early application permitted.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have result in the identification of separate performance obligations which could affect the timing of the recognition of revenue. Certain costs incurred in fulfilling a contract which are currently expensed may need to be recognised as an asset under HKFRS 15. More disclosures relating to revenue are also required. Based on preliminary assessment conducted, the Group does not expect the adoption of HKFRS 15 would have a material impact other than presenting more disclosures.

HKFRS 16 Leases

HKFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessors and lessees.

In respect of the lessee accounting, the standard introduces a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with the lease term of more than 12 months, unless the underlying asset has a low value.

At the commencement date of the lease, the lessee is required to recognise a right-of-use asset at cost, which consists of the amount of the initial measurement of the lease liability, plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. A lease liability is initially recognised at the present value of the lease payments that are not paid at that date.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Depreciation and impairment expenses, if any, on the right-of-use asset will be charged to profit or loss following the requirements of HKAS 16 Property, Plant and Equipment, while interest accrual on lease liability will be charged to profit or loss.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

HKFRS 16 will supersede the current lease standards including HKAS 17 Leases and the related interpretations when it becomes effective.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (CONTINUED)

HKFRS 16 Leases (Continued)

HKFRS 16 will be effective for annual periods beginning on or after 1 January 2019 with early application permitted provided that the entity has applied HKFRS 15 Revenue from Contracts with Customers at or before the date of initial application of HKFRS 16.

Application of HKFRS 16 will result in the Group's recognition of right-of-use assets and corresponding liabilities in respect of many of the Group's lease arrangements. These assets and liabilities are currently not required to be recognised. As at 31 March 2017, the group has non-cancellable operating lease commitments of HK$270,000 as disclosed in Note 26. The directors of the Company do not expect the application of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's result but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statements of financial position as right-of-use assets and lease liabilities.

Amendment to HKAS 7 Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments do not prescribe a specific method to fulfil the new disclosure requirements. However, the amendments indicate that one way is to provide reconciliation between the opening and closing balances for liabilities arising from financing activities.

Amendments to HKAS 7 will become effective for annual periods beginning on or after 1 January 2017 with early application permitted.

The directors of the Company anticipate that the application of Amendments to HKAS 7 will result in additional disclosures on the Group's financing activities including placing shares and bank borrowings, especially reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). Control is achieved where the Company: (i) has power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and (iii) has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owner of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Merger accounting for business combination involving entities under common control

The consolidated financial statements includes the financial statements items of the combining entities in which the common control combination occurs as if the combination had occurred from the date when the combining entities first came under the control of the controlling party.

The net assets of the combining entities are consolidated using the existing book values from the controlling party's perspective. No amount is recognised as consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period unless the combining entities or businesses first came under common control at a later date.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discount.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below.

Service income are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

For services that are provided on ad-hoc basis, service income is recognised upon completion of the provision of such ad-hoc services.

Interest income from a financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Plant and equipment

Plant and equipment held for use in the provision of cleaning services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of plant and equipment, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group as lessee (Continued)

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government subsidy

Government subsidy are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the subsidy will be received.

Government subsidy are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the subsidy are intended to compensate. Specifically, government subsidy whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government subsidy that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 temporary difference between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with 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. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets 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 amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amount due from a shareholder, trade receivables, deposits and other receivables, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period or observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities including trade payables, accruals and other payables, obligations under finance leases and bank borrowings and overdrafts, are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment of tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior period. A reversal of an impairment loss is recognised as income immediately in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances and cash as defined above, net of outstanding secured bank overdrafts.

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits costs

Payments to the state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long service payment and other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any gains or losses arising on remeasurement are recognised directly in profit or loss.

Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligations, and a reliable estimate can be made of the amount of the obligations.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligations for the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Provisions shall be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement

When measuring fair value except for the Group's leasing transactions and value in use of plant and equipment for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as following:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are 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.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Provision for long service payments

The present value of long service payments and the movement of the provision are determined by actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, pre-retirement termination, involuntary termination, early retirement, normal retirement, death and disability rate. Due to the complexities involved in the valuation and its long-term nature, it is highly sensitive to changes in these assumptions. All assumptions are reviewed at the end of each reporting periods.

The Group makes provision for lump sum payments on cessation of employment in certain circumstances to employees. The payments due are dependent on future events and recent payment experience may not be indicative of future payments. Any increase or decrease in the provision would affect profit or loss in future years.

As at 31 March 2017, the carrying amount of the long service payment obligations was approximately HK$4,384,000 (2016: HK$2,974,000).

Useful lives and impairment assessment of plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and identified impairment losses. The estimated useful lives reflect the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's plant and equipment, based on factors that include internal evaluation as well as technological changes and environmental regulations. The Group's replacement policy for plant and equipment is mainly based on repairs and useful lives duration of assets. The estimation of useful lives impacts the level of annual depreciation expenses recorded. Plant and equipment are evaluated for possible impairment on a specific asset basis or in groups of similar assets, as applicable. This process requires management's estimate of future cash flows generated by each asset or group of assets. For any instance where this evaluation process indicates impairment, the relevant asset's carrying amount is written down to the recoverable amount and the amount of the write-down is charged against the consolidated statement of profit or loss and other comprehensive income. As at 31 March 2017, the carrying amount of plant and equipment were approximately HK$18,011,000 (2016: HK$17,743,000). No impairment had been recognised as at 31 March 2017 and 2016.

Estimated impairment loss of trade receivables

When there is objective evidence of impairment loss of trade receivables, the Group takes into consideration the estimation of future cash flows of respective trade receivables. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise.

As at 31 March 2017, the carrying amounts of the Group's trade receivables are approximately HK$55,456,000 (2016: HK$41,008,000). No impairment has been recognised as at 31 March 2017 (2016: nil).

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Income taxes

The Group is subject to income taxes in Hong Kong. Significant judgment is required in determining provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. 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 year in which such determination is made.

6. REVENUE AND SEGMENT INFORMATION

Revenue represents the amount received and receivable for rendering of the cleaning and related services. An analysis of the Group's revenue is as follows:

	2017	2016
	HK$'000	HK$'000
Street cleaning solutions	**320,041**	207,224
Building cleaning solutions	**103,680**	79,308
Bus and ferry cleaning solutions	**31,969**	41,027
Other cleaning services	**8,105**	19,440
	463,795	346,999

Segment revenues, results, assets and liabilities

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group currently operates in one operating and reportable segment which is the provision of cleaning services. A single management team reports to the directors of the Group (being the chief operating decision-maker) who allocates resources and assesses performance based on the consolidated result of the single business engaged in the provision of cleaning services for the years ended 31 March 2017 and 2016 comprehensively. Accordingly, the Group does not present separately segment information.

Geographical information

The Group is organised into a single operating segment in Hong Kong and all revenue, expenses, results, assets and liabilities and capital expenditures are predominantly attributable to this single segment, no geographical information is presented.

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total sales of the Group is as follows:

	2017	2016
	HK$'000	HK$'000
Customer A	**320,041**	204,803

7. OTHER INCOME

	2017	2016
	HK$'000	HK$'000
Bank interest income	**12**	8
Government subsidy (note)	**–**	562
Gain on disposal of plant and equipment	**–**	160
Sundry income	**116**	35
	128	765

Note:

The income is government subsidy received under the "Ex-gratia Payment Scheme for Phasing Out Pre-Euro Diesel Commercial Vehicles" upon disposal of certain motor vehicles.

8. FINANCE COSTS

	2017	2016
	HK$'000	HK$'000
Interest on:		
Bank overdrafts and borrowings	**2,226**	1,835
Obligations under finance leases	**895**	843
	3,121	2,678

9. INCOME TAX EXPENSES

	2017 HK$'000	2016 HK$'000
Current tax:		
Hong Kong Profits Tax	**3,523**	2,688
Deferred tax (note 24)	**(257)**	(35)
	3,266	2,653

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year (2016: 16.5%).

The income tax expense for the years can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2017 HK$'000	2016 HK$'000
Profit before tax	**6,048**	15,175
Tax at domestic income tax rate of 16.5% (2016: 16.5%)	**998**	2,503
Tax effect of expenses not deductible for tax purpose	**2,290**	218
Tax effect of income not taxable for tax purpose	**(2)**	(28)
Effect of tax exemption granted	**(20)**	(40)
Income tax expenses for the year	**3,266**	2,653

Tax exemptions represented reduction of Hong Kong Profits Tax for the year of assessment of 2015/2016 and 2016/2017 by 75%, subject to a ceiling of HK$20,000 per case.

Details for deferred taxation are set out in note 24.

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2017 HK$'000	2016 HK$'000
Staff costs (including directors' remuneration)		
Wages, salaries and other benefits	**353,493**	263,068
Retirement benefits scheme contributions	**12,053**	9,593
Provision for long service payments	**1,505**	1,957
Total staff costs	**367,051**	274,618
Auditors' remuneration	**700**	62
Listing expenses	**12,700**	1,242
Depreciation of plant and equipment:		
– owned by the Group	**1,698**	1,177
– held under finance leases obligation	**6,877**	6,120
Minimum lease payments under operating leases in respect of offices	**313**	309

11. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES

a) Directors' emoluments

The emoluments paid or payable to the directors of the Company, which include the chief executive of the Group, were as follows:

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	**Fees HK$'000**	**Salaries and other benefits HK$'000**	**Contributions to retirement benefits scheme HK$'000**	**Total HK$'000**
2017				
Executive directors				
Mr. Wong Man Sing (note i & ii)	**–**	**1,040**	**18**	**1,058**
Mr. Wong Chong Shing (note i)	**–**	**1,040**	**18**	**1,058**
Mr. Wong Chi Ho (note i)	**–**	**455**	**18**	**473**
Mr. Chan Sing Yi, Jacky (note iii)	**5**	**–**	**–**	**5**
Independent non-executive directors				
Mr. Lee Pak Chung (note iii)	**5**	**–**	**–**	**5**
Mr. Au-Yeung Tin Wah (note iii)	**5**	**–**	**–**	**5**
Mr. Chiu Ka Wai (note iii)	**5**	**–**	**–**	**5**
	20	**2,535**	**54**	**2,609**

11. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES (CONTINUED)

a) Directors' emoluments (Continued)

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	Fees	Salaries and other benefits	Contributions to retirement benefits scheme	Total
	HK$'000	HK$'000	HK$'000	HK$'000
2016				
Executive directors				
Mr. Wong Man Sing (note i & ii)	–	740	18	758
Mr. Wong Chong Shing (note i)	–	704	18	722
Mr. Wong Chi Ho (note i)	–	240	12	252
Mr. Chan Sing Yi, Jacky (note iii)	–	–	–	–
Independent non-executive directors				
Mr. Lee Pak Chung (note iii)	–	–	–	–
Mr. Au-Yeung Tin Wah (note iii)	–	–	–	–
Mr. Chiu Ka Wai (note iii)	–	–	–	–
	–	1,684	48	1,732

Notes:

(i) The emoluments represent the payments to the directors in respect of their services in connection with management of the affairs of the Group.

(ii) Mr. Wong Man Sing was appointed as the chief executive of the Company on 12 August 2016 and his emoluments disclosed above include those for services rendered by him as the chief executive.

(iii) Appointed on 12 August 2016.

Neither the chief executive nor any of the directors of the Company waived or agreed to waive any emolument paid by the Group during the years ended 31 March 2017 and 2016.

11. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES (CONTINUED)

b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, three (2016: two) were the directors (including the chief executive) of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining two (2016: three) individuals for the year ended 31 March 2017 were as follows:

	2017 HK$'000	2016 HK$'000
Salaries and allowances	1,617	1,528
Retirement benefits scheme contributions	36	60
	1,653	1,588

Their emoluments were within the following band:

	2017	2016
Nil to HK$1,000,000	2	3

No emoluments were paid by the Group to any of the directors (including the chief executive) or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 March 2017 and 2016.

12. DIVIDENDS

Special dividends of approximately HK$13,000,000 has been declared in respect of the year ended 31 March 2016 to the shareholders, and was paid in December 2016 and January 2017 respectively.

No dividend was proposed by the Group during the year ended 31 March 2017 and since the end of the reporting period.

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2017	2016
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**2,782**	12,522

	Number of shares	
	2017	2016
	'000	'000
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculation (note)	**421,151**	6,492

Note:

The weighted average number of ordinary shares in issue used in the basic earnings per share calculation is determined on the assumption that reorganisation and capitalisation issue as described in the prospectus of the Company dated 30 March 2017 had been effective on 1 April 2015.

The dilutive earnings per share is equal to the basic earnings per share as there are no dilutive potential ordinary shares outstanding during the years ended 31 March 2016 and 2017.

14. PLANT AND EQUIPMENT

	Office equipment HK$'000	Equipment and machinery HK$'000	Furniture and fixtures HK$'000	Motor vehicles HK$'000	Total HK$'000
COST					
1 April 2015	755	6,778	339	35,171	43,043
Additions	45	335	10	6,643	7,033
Disposal	–	–	–	(1,328)	(1,328)
At 31 March 2016 and 1 April 2016	800	7,113	349	40,486	48,748
Addition	109	1,151	2	7,581	8,843
At 31 March 2017	909	8,264	351	48,067	57,591
ACCUMULATED DEPRECIATION					
1 April 2015	661	4,506	286	19,583	25,036
Charge for the year	50	1,102	25	6,120	7,297
Disposal	–	–	–	(1,328)	(1,328)
At 31 March 2016 and 1 April 2016	711	5,608	311	24,375	31,005
Charge for the year	37	983	20	7,535	8,575
At 31 March 2017	748	6,591	331	31,910	39,580
CARRYING VALUES					
At 31 March 2017	161	1,673	20	16,157	18,011
At 31 March 2016	89	1,505	38	16,111	17,743

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Office equipment	20%
Equipment and machinery	20%
Furniture and fixtures	20%
Motor vehicles	20%

The net carrying value of plant and equipment of approximately HK$18,011,000, (2016: HK$17,743,000) as at 31 March 2017 include amounts of approximately HK$15,308,000 (2016: HK$14,334,000) in respect of certain motor vehicles held under finance leases.

15. AMOUNT DUE FROM A SHAREHOLDER

The amount due from a shareholder is unsecured, interest-free and repayable on demand. The amount is denominated in Hong Kong dollars.

The carrying amount of amount due from a shareholder approximates its fair value. The amount due from a shareholder is not impaired.

Amount due from a shareholder was summarised as follows:

	At the end of year HK$'000	**At the beginning of year** HK$'000	**Maximum amount outstanding during the year** HK$'000
Mr. Wong Chong Shing			
At 31 March 2017	–	9,503	9,503
At 31 March 2016	9,503	287	9,503

16. TRADE RECEIVABLES

	2017 **HK$'000**	2016 HK$'000
Trade receivables	**55,456**	41,008

The Group does not hold any collateral over its trade receivables. No impairment of trade receivables had been recognised during the years ended 31 March 2017 and 2016.

The Group allows a credit period of 0 to 60 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date, which approximated the respective revenue recognition dates, at the end of the reporting period.

	2017 **HK$'000**	2016 HK$'000
0 to 60 days	**51,759**	38,993
61 to 90 days	**1,182**	–
Over 91 days	**2,515**	2,015
	55,456	41,008

16. TRADE RECEIVABLES (CONTINUED)

The Group's policy for impairment loss on trade receivables is based on an evaluation of collectability and aged analysis of the trade receivables which requires the use of judgment and estimates. Provisions would apply to the trade receivables when there are events or changes in circumstances which indicate that the balances may not be collectible. The management closely reviews the trade receivables balances and any overdue balances on an ongoing basis and assessments are made by our management on the collectability of overdue balances.

The following is an aged analysis of trade receivables presented based on the due date at the end of the reporting period:

	2017	2016
	HK$'000	HK$'000
Current	**51,759**	38,993
1 to 90 days	**2,922**	1,895
91 to 180 days	**775**	120
	55,456	41,008

Trade receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK$3,697,000 (2016: HK$2,015,000) as at 31 March 2017 which were past due at the end of the reporting period for which the Group has not provided for impairment loss. Trade receivables that were past due but not impaired related to a number of independent customers with no recent history of default.

As at 31 March 2017, the Group pledged the trade receivables of approximately HK$22,891,000 (2016: HK$24,407,000) to secure bank borrowings. Details of pledge of assets are set out in note 29.

17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2017	2016
	HK$'000	HK$'000
Deposits	**3,648**	3,433
Prepayments	**3,354**	2,234
Prepaid listing expenses	**4,750**	2,914
Other receivables	**1,040**	632
	12,792	9,213

18. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

Pledged bank deposits

Pledged bank deposits represented deposits pledged to banks to secure banking facilities granted to the Group. The bank deposits of approximately HK$25,420,000 (2016: HK$11,654,000) as at 31 March 2017 have been pledged by Man Shing Cleaning Service Company Limited and Jasen Services Limited to secure short-term bank borrowings (note 22) and are therefore classified as current asset. The pledged bank deposits carried floating interest rates ranging from 0.0010% to 0.0500% (2016: 0.0010% to 0.0500%) per annum during the year ended 31 March 2017.

Bank balances and cash

Bank balances earned interest at floating rates based on daily bank deposit rates ranging from 0.0010% to 0.0500% per annum.

19. TRADE PAYABLES

	2017 HK$'000	2016 HK$'000
Trade payables	**12,007**	5,536

The following is an aged analysis of trade payables presented based on the invoice date.

	2017 HK$'000	2016 HK$'000
0 to 60 days	**5,237**	4,706
61 to 90 days	**3,849**	–
Over 91 days	**2,921**	830
	12,007	5,536

The average credit period is 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

20. ACCRUALS AND OTHER PAYABLES

	2017 HK$'000	2016 HK$'000
Accrued audit fee	**700**	62
Accrued wages	**31,575**	23,208
Accrued listing expenses	**7,997**	481
Other payables	**2,776**	4,652
	43,048	28,403

21. OBLIGATIONS UNDER FINANCE LEASES

	2017 HK$'000	2016 HK$'000
Analysed for reporting purposes as:		
Current liabilities	**6,157**	8,294
Non-current liabilities	**8,711**	8,279
	14,868	16,573

	Minimum lease payments		Present value of minimum lease payments	
	At 31 March		At 31 March	
	2017 HK$'000	2016 HK$'000	**2017 HK$'000**	2016 HK$'000
Amounts payable under finance lease				
Within one year	**6,775**	9,046	**6,157**	8,294
More than one year but less than two years	**3,630**	5,188	**3,318**	4,813
More than two years but less than five years	**5,727**	3,724	**5,393**	3,466
	16,132	17,958	**14,868**	16,573
Less: future finance charges	**(1,264)**	(1,385)	**N/A**	N/A
Present value of obligation under finance lease	**14,868**	16,573	**14,868**	16,573
Less: Amount due for settlement within one year (shown under current liabilities)			**(6,157)**	(8,294)
Amount due for settlement after one year			**8,711**	8,279

During the year ended 31 March 2017, the Company entered into finance lease arrangements of motor vehicles. The average lease terms are five years (2016: five years) for the year ended 31 March 2017. As at 31 March 2017, the amount due for settlement within one year is approximately HK$6,157,000 (2016: HK$8,294,000). The effective interest rate for the obligations under finance leases for the year ended 31 March 2017 were under fixed rates and ranged from 1.80% to 3.75% per annum (2016: 1.80% to 3.75% per annum).

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

22. BANK BORROWINGS AND OVERDRAFTS

	2017 HK$'000	2016 HK$'000
Bank borrowings – secured	**24,753**	43,923
Bank overdrafts – secured	**–**	624
	24,753	44,547
Carrying amount repayable*		
Within one year	**24,753**	44,547

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

(a) The bank borrowings were denominated in HK$ for the years ended 31 March 2017 and 2016.

(b) At 31 March 2017, secured bank borrowings carried interest at floating rates ranging from 3.49% to 7.00%; (2016: 4.69% to 7.50%) per annum.

(c) At 31 March 2017, bank overdrafts carried interest at floating rates from 4.49% to 4.99% (2016: 1.75% to 3.50%) per annum.

(d) The amounts of banking facilities and the utilisation at the end of the reporting period are set out as follows:

	2017 HK$'000	2016 HK$'000
Facility amount	**103,338**	104,300
Utilisation		
– Secured bank borrowings	**24,753**	43,923
– Secured bank overdrafts	**–**	624
– Performance bonds	**42,042**	34,200
	66,795	78,747

As at 31 March 2017 and 2016, banking facilities were secured by assets pledged as set out in note 29:

- certain trade receivables of a subsidiary;
- certain cash deposits of subsidiaries;
- unlimited personal guarantee provided by the directors of the Company and has been released upon listing on 13 April 2017; and
- certain cash deposits and properties of the directors of the Company.

23. LONG SERVICE PAYMENT OBLIGATIONS

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations.

Movement in the long service payment obligations is as followings:

	2017 **HK$'000**	2016 HK$'000
At beginning of the year	**2,974**	1,017
Paid during the year	**(95)**	–
Charged to profit or loss	**1,505**	1,957
At the end of the year	**4,384**	2,974

The obligation represents the management's best estimate of the Group's liability at the end of the reporting period.

24. DEFERRED TAX

The following is the analysis of the Group's deferred (asset) liabilities for financial reporting purposes:

	Tax losses HK$'000	**Accelerated tax depreciation** HK$'000	**Total** HK$'000
At 1 April 2015	–	1,172	1,172
(Credited) charged to profit or loss	(252)	217	(35)
At 31 March 2016 and 1 April 2016	(252)	1,389	1,137
(Credited) charged to profit or loss	(327)	70	(257)
At 31 March 2017	(579)	1,459	880

25. SHARE CAPITAL

For the purpose of presenting the share capital of the Group prior to the Reorganisation in the consolidated statement of financial position, the balances as at 1 April 2015 represented the aggregate share capital of Man Shing Cleaning Service and Jasen Services.

Details of the share capital of the Company are as follows:

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
Ordinary share of HK$0.01 each at the date of incorporation (note i)	38,000,000	380
Increase during the year (note ii)	9,962,000,000	99,620
	10,000,000,000	100,000
Issued and fully paid:		
Issued upon incorporation (note i)	1	–*
Increased during the year ended 31 March 2016 (note iii)	81	–*
At 31 March 2016	82	–*
Increased during the year ended 31 March 2017 (note iv)	18	–*
Capitalisation issue of shares (note v)	37,999,900	380
At 31 March 2017	38,000,000	380

* Represents amount less than HK$1,000.

25. SHARE CAPITAL (CONTINUED)

i) The Company was incorporated in Cayman Island on 18 March 2016. As at the date of its incorporation, the Company had authorised share capital of HK$380,000 divided into 38,000,000 shares of HK$0.01 each. One ordinary share was issued at par on incorporation.

ii) On 20 March 2017, the authorised share capital increased from HK$380,000 to HK$100,000,000 by the creation of 9,962,000,000 new shares of HK$0.01 each.

iii) On 30 March 2016, as part of Reorganisation, the Company further allotted and issued a total of 81 shares at par in consideration for acquisition of subsidiaries.

iv) On 16 July 2016, the Company has entered into a share subscription agreement with an independent third party, Mr. Chan Shing Yi, Jacky ("Mr. Chan"), pursuant to which 18 ordinary shares with a nominal value of HK$0.01 each were issued and allotted to Pro-Integration Limited ("Pro-Integration") at a total consideration of HK$9,600,000. Pro-Integration is wholly and beneficially owned by Mr. Chan. Such shares were issued on 9 August 2016.

v) On 26 January 2017, the directors of the Company passed the written resolutions to capitalise and apply a sum of HK$379,999 standing to the credit of the Company's share premium accounts to issue and allot an aggregate of 37,999,900 shares of HK$0.01 each. Such shares were issued on 9 March 2017.

vi) On 20 March 2017, pursuant to the resolution of the then shareholders of the Company, it was approved to issue 412,000,000 ordinary shares of HK$0.01 each to the shareholders by ways of capitalisation of HK$4,120,000 from the share premium account arose from the placing of 150,000,000 ordinary shares of the Company. Such shares were issued on 13 April 2017, being the date of completion of placing and public offer.

vii) On 13 April 2017, the Company issued a total of 150,000,000 ordinary shares HK$0.01 each at a price HK$0.32 per share as a result of the completion of the placing. Of the total gross proceeds, HK$48,000,000, HK$1,500,000 representing the par value credit to the Company's share capital and HK$46,500,000, before the share issue expenses of approximately HK$8,939,000, credit to the share premium account. The Company's total number of issued shares was increased to 600,000,000 shares upon completion of the placing and public offer.

viii) All share issued during the year ended 31 March 2017 rank pari passu in all respects among themselves and with the then existing shares.

26. OPERATING LEASE COMMITMENT

The Group as leasee

The Group leases its office under operating lease arrangement. The leases are negotiated for lease terms of two years. At the end of each reporting period, the Group had future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2017	2016
	HK$'000	HK$'000
Within one year	**236**	239
In the second to fifth years inclusive	**34**	34
	270	273

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for an average of two years with fixed rentals.

27. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholder through the optimisation of the debt and equity balance. The Group's overall strategy remained unchanged from the prior year.

The capital structure of the Group consists of secured bank borrowings, bank balances and cash and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure of the Group periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through new share issues. The directors of the Company will also consider the raise of borrowings as second resource of capital.

The directors of the Company also endeavor to ensure the steady and reliable cash flows from the normal business operation.

28. FINANCIAL INSTRUMENTS

a) Categories of financial instruments

	2017 HK$'000	2016 HK$'000
Financial assets		
Loans and receivables (including bank balances and cash)	**102,623**	104,825
Financial liabilities		
Financial liabilities measured at amortised cost	**94,676**	95,054

b) Financial risk management objectives and policies

The Group's and the Company's major financial instruments include trade receivables, deposits and other receivables, pledged bank deposits, bank balances and cash, amount due from a shareholder, trade payables, accruals and other payables, obligations under finance leases and bank borrowings and overdrafts. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments included credit risk, interest rate risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

As at 31 March 2017 the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 34(a).

As at 31 March 2017, the Group has concentration of credit risk as 54% (2016: 44%) and 79% (2016: 72%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk for bank balances is considered minimal as such amounts are placed with banks with high credit ratings assigned by international credit-rating agencies.

28. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (Continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate obligations under finance leases (see note 21 for details). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

As at 31 March 2017, the Group was exposed to cash flow interest rate risk in relation to bank balances, variable-rate pledged bank deposits and variable-rate bank borrowings and overdrafts (see notes 18 and 22 for details). It is the Group's policy to keep its bank borrowings and overdrafts at floating rate of interests so as to minimise the fair value interest rate risk.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate ("HIBOR") arising from the Group's Hong Kong dollar denominated borrowings.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point increase or decrease is used for the year ended 31 March 2017 when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax profit would increase/decrease by approximately HK$149,000 for the year ended 31 March 2017 (2016: HK$49,000). This is mainly attributable to the Group's exposure to interest rates on its bank balances, variable-rate bank overdrafts and obligation under finance leases.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, the Group relies on bank borrowings as a significant source of liquidity and the management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity date for the non-derivative financial liabilities is prepared based on the scheduled repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of each reporting period.

28. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

	Within 1 year or on demand	1 to 2 years	2 to 5 years	Total undiscounted cash flows due on demand or within one year	Carrying amount
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2017					
Trade payables	**12,007**	**–**	**–**	**12,007**	**12,007**
Accruals and other payables	**43,048**	**–**	**–**	**43,048**	**43,048**
Obligations under finance leases	**6,775**	**3,630**	**5,727**	**16,132**	**14,868**
Bank borrowings and overdrafts	**24,891**	**–**	**–**	**24,891**	**24,753**
Financial guarantee contracts	**42,042**	**–**	**–**	**42,042**	**–**
	128,763	**3,630**	**5,727**	**138,120**	**94,676**
At 31 March 2016					
Trade payables	5,536	–	–	5,536	5,536
Accruals and other payables	28,398	–	–	28,398	28,398
Obligations under finance leases	9,046	5,188	3,724	17,958	16,573
Bank borrowings and overdrafts	47,147	–	–	47,147	44,547
Financial guarantee contracts	34,200	–	–	34,200	–
	124,327	5,188	3,724	133,239	95,054

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement and the fair value of such contracts at initial recognition is insignificant. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

28. FINANCIAL INSTRUMENTS (CONTINUED)

c) Fair values of financial instruments

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using the relevant prevailing market rate.

The directors of the Company consider that the carrying amounts of current financial assets and current financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values due to their short-term maturities.

The directors consider that the carrying amounts of the non-current liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

No analysis of fair value measurements is presented as the Group does not have financial instruments that are measured subsequent to initial recognition at fair value in the consolidated financial statements.

29. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to banks and other financial institutions to secure the banking facilities granted to the Group:

	2017 **HK$'000**	2016 HK$'000
Trade receivables	**22,891**	24,407
Pledged bank deposits	**25,420**	11,654
	48,311	36,061

30. RELATED PARTY TRANSACTIONS

The Group also had the following transactions with its related parties during the year:

(a) Transactions

Related party	**Nature of transaction**	**2017** **HK$'000**	2016 HK$'000
Mr. Wong Chong Shing	Rental expenses	**313**	309

The above transaction was conducted at terms determined on a basis mutually agreed between the Group and the related party. Mr. Wong Chong Shing is a director and one of the Controlling Shareholders of the Company.

(b) Banking facilities

The directors of the Company have provided unlimited personal guarantee, properties and cash deposits for the grant of banking facilities to the Group as disclosed in note 22. Such guarantee has been released upon listing on the GEM of the Stock Exchange on 13 April 2017.

30. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management personnel during the reporting period was as follows:

	2017 HK$'000	2016 HK$'000
Short term benefits	2,601	1,684
Post-employments benefits	59	48
	2,660	1,732

31. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme"), was adopted pursuant to written resolution of the Company passed on 20 March 2017 for the primary purpose of providing incentives to directors and incentive to employees, directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK$5,000,000 must be approved in advance by the Company's shareholders.

The others principal terms of the Scheme are summarised in Appendix IV to the prospectus dated 30 March 2017.

No share options have been granted since the adoption of the scheme and during the year ended 31 March 2017.

32. RETIREMENT BENEFIT SCHEMES

The Group operates a MPF Scheme for all qualifying employees in Hong Kong. The assets of the Mandatory Provident Fund ("MPF") are held separately from those of the Group, in funds under the control of trustees. The retirement benefit cost for the MPF charged to the consolidated statement of profit or loss and other comprehensive income represents contributions payable to the fund by the Group at rates specified in the rules of the MPF Scheme.

32. RETIREMENT BENEFIT SCHEMES (CONTINUED)

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched by the employee.

The total amount represents contributions payables to these schemes by the Group and charged to consolidated statement of profit or loss and other comprehensive income of approximately HK$12,053,000 (2016: HK$9,593,000) for the year ended 31 March 2017. The payment represents contributions payable to these schemes by the Group in respect of the current accounting period.

33. MAJOR NON-CASH TRANSACTIONS

During year ended 31 March 2017, the Group entered into finance lease arrangements in respect of plant and equipments with a total capital value at the inception of the leases of approximately HK$7,581,000 (2016: HK$6,706,000).

34. CONTINGENT LIABILITIES

(a) Performance bonds

	2017	2016
	HK$'000	HK$'000
Guarantees on performance bonds in respect of service contracts	**42,042**	34,200

The Group had bankers' guarantees on performance bonds issued for due performance under several service contracts.

The amounts of the pledged deposits to banks as security for banking facilities and bank guarantees as at 31 March 2017 are approximately HK$25,420,000 (2016: HK$11,654,000). Details of banking facilities are set out in note 22.

The effective periods of performance bonds are based on the service periods and the contract terms. The performance bonds may be claimed by customers if services rendered by the Group fail to meet the standards as specified in these services contracts.

(b) Litigation

During the year ended 31 March 2017 and 2016, the Group may from time to time be involved in litigation concerning personal injuries by its employees or third party claimants. In the opinion of the directors of the Company, no material potential liabilities arising from legal proceedings are accounted for in the consolidated financial statements as they are adequately covered by insurance protection.

A fatal traffic accident occurred in September 2016 which exposed a subsidiary of the Company to a potential claim. As at the date of this report, there is no legal proceeding initiated against the subsidiary. Based on the legal advice obtained, the directors of the Company considered that the exposure to the potential damages, if any, is expected to be lower than HK$1,000,000 and assuming that the third party insurance policy is in order, such damage is expected to be adequately covered by relevant third party insurance.

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	2017 HK$'000	2016 HK$'000
Non-current asset			
Investments in subsidiaries		**30,070**	30,070
Current assets			
Prepayments and other receivables		**5,823**	2,914
Bank balances		**749**	–
		6,572	2,914
Current liabilities			
Amounts due to subsidiaries		**1,091**	–
Other payables and accruals		**8,876**	4,178
		9,967	4,178
Net current liabilities		**(3,395)**	(1,264)
Net assets		**26,675**	28,806
Capital and reserves			
Share capital		**380**	–
Reserves	(a)	**26,295**	28,806
Total equity		**26,675**	28,806
		–	–

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

(a) Movement in reserves

	Note	Share premium HK$'000	Other reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At date of incorporation on 18 March 2016		–	–	–	–
Arising from reorganisation of the Group	25(iii)	–	30,070	–	30,070
Total comprehensive expenses for the period		–	–	(1,264)	(1,264)
At 31 March 2016		–	30,070	(1,264)	28,806
Capital injection from the shareholder of the Company	25(iv)	**9,600**	**–**	**–**	**9,600**
Capitalisation issue	25(v)	**(380)**	**–**	**–**	**(380)**
Total comprehensive income for the year		**–**	**–**	**1,269**	**1,269**
Dividends paid	12	**–**	**–**	**(13,000)**	**(13,000)**
At 31 March 2017		**9,220**	**30,070**	**(12,995)**	**26,295**

36. LIST OF SUBSIDIARIES

Details of the Company's subsidiaries are as follow:

Name of subsidiaries	Place and date of incorporation/ operation	Issued and fully paid share capital/ registered capital	Percentage of equity interest and voting power attributable to the Group			Principal activities
			31 March 2017	31 March 2016	At the date of this report	
Man Shing Global Group (BVI) Limited	British Virgins Islands (the "BVI") 21 March 2016	US$1	**100%**	100%	100%	Investment holding
Man Shing Global Group Limited	Hong Kong 21 March 2016	HK$1	**100%**	100%	100%	Investment holding
Man Shing Cleaning Service (BVI) Co. Limited	BVI 21 March 2016	US$1	**100%**	100%	100%	Investment holding
Man Shing Environmental (BVI) Co. Limited	BVI 21 March 2016	US$1	**100%**	100%	100%	Investment holding
Jasen Services (BVI) Limited	BVI 21 March 2016	US$1	**100%**	100%	100%	Investment holding
Man Shing Cleaning Service Company Limited	Hong Kong 29 July 1998	HK$100,000	**100%**	100%	100%	Provision of cleaning services
Man Shing Environmental Company Limited	Hong Kong 1 September 2015	HK$100	**100%**	100%	100%	Provision of waste collecting services
Jasen Services Limited	Hong Kong 18 May 1995	HK$10,000	**100%**	100%	100%	Provision of cleaning services

None of the subsidiaries has issued any debt securities at the end of both years.

37. EVENT AFTER REPORTING PERIOD

(a) Issuance of shares

Upon completion of listing the GEM of the Stock Exchange on 13 April 2017, 150,000,000 ordinary shares of HK$0.01 each were allotted and issued at a price of HK$0.32 by way of share offer.

(b) Traffic accident

A traffic accident occurred in June 2017 which exposed a subsidiary of the Company to a potential claim. As at the date of this report, there is no legal proceeding initiated against the subsidiary. Based on the legal advice obtained, the directors of the Company considered that the exposure to the potential damages, if any, assuming that the third party insurance policy is in order, such damage is expected to be adequately covered by relevant third party insurance.