



POLYFAIR

Polyfair Holdings Limited

寶發控股有限公司

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

Stock Code 股份代號 : 8532

2019

ANNUAL REPORT 年報

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board 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 Polyfair 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.

香港聯合交易所有限公司(「聯交所」) GEM 的特色

GEM 的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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本報告乃遵照聯交所的GEM證券上市規則(「GEM上市規則」)而刊載，旨在提供有關寶發控股有限公司(「本公司」)的資料；本公司的董事(「董事」)願就本報告共同及個別地承擔全部責任。各董事在作出一切合理查詢後確認，就彼等所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何其他事項，足以令本報告或其所載任何陳述產生誤導。

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BOARD OF DIRECTORS

Executive Directors

Mr. Chow Mo Lam (*Chairman*)
Mr. Yu Lap On Stephen (*Chief Executive Officer*)
Mr. Wong Kam Man

Independent non-executive Directors

Dr. Lung Cheuk Wah
Mr. Ng Ka Lok
Mr. Wong Chi Yung

BOARD COMMITTEES

Audit Committee

Dr. Lung Cheuk Wah (*Chairman*)
Mr. Ng Ka Lok
Mr. Wong Chi Yung

Remuneration Committee

Mr. Ng Ka Lok (*Chairman*)
Mr. Chow Mo Lam
Mr. Yu Lap On Stephen
Dr. Lung Cheuk Wah
Mr. Wong Chi Yung

Nomination Committee

Mr. Wong Chi Yung (*Chairman*)
Dr. Lung Cheuk Wah
Mr. Ng Ka Lok

AUTHORISED REPRESENTATIVES

Mr. Yu Lap On Stephen
Ms. Cheng Wing Sze (Appointed on 22 February 2019)
Mr. Chow Mo Lam (Resigned on 22 February 2019)

COMPLIANCE OFFICER

Mr. Chow Mo Lam

COMPANY SECRETARY

Ms. Cheng Wing Sze (Appointed on 22 February 2019)
Ms. Cheung Kin Yan (Appointed on 14 December 2018 and resigned on 22 February 2019)
Mr. Wong Kam Yin (Resigned on 14 December 2018)

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

COMPLIANCE ADVISER

First Shanghai Capital Limited
(Appointed on 29 May 2019)
Sunfund Capital Limited (Resigned on 7 May 2019)

董事會

執行董事

周武林先生 (*主席*)
余立安先生 (*行政總裁*)
黃錦文先生

獨立非執行董事

龍卓華博士
吳家樂先生
王志勇先生

董事委員會

審核委員會

龍卓華博士 (*主席*)
吳家樂先生
王志勇先生

薪酬委員會

吳家樂先生 (*主席*)
周武林先生
余立安先生
龍卓華博士
王志勇先生

提名委員會

王志勇先生 (*主席*)
龍卓華博士
吳家樂先生

授權代表

余立安先生
鄭詠詩女士 (於2019年2月22日獲委任)
周武林先生 (於2019年2月22日辭任)

合規主任

周武林先生

公司秘書

鄭詠詩女士 (於2019年2月22日獲委任)
張建欣女士 (於2018年12月14日獲委任及於2019年2月22日辭任)
王錦賢先生 (於2018年12月14日辭任)

獨立核數師

德勤•關黃陳方會計師行
執業會計師

合規顧問

第一上海融資有限公司
(於2019年5月29日獲委任)
耀盛資本有限公司 (於2019年5月7日辭任)

LEGAL ADVISER

Hong Kong Law

Loeb & Loeb LLP

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Citibank, N.A., Hong Kong Branch
Nanyang Commercial Bank, Ltd.
Hang Seng Bank Limited

REGISTERED OFFICE

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1206-7, 12th Floor
Fortress Tower
250 King's Road
North Point
Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE Cayman Islands Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
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

COMPANY WEBSITE

www.polyfaircurtainwall.com.hk
(information of this website does not form part of this report)

STOCK CODE

8532

法律顧問

香港法例

樂博律師事務所有限法律責任合夥

主要往來銀行

星展銀行(香港)有限公司
花旗銀行香港分行
南洋商業銀行有限公司
恒生銀行有限公司

註冊辦事處

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Cayman Islands

總部及香港主要營業地點

香港
北角
英皇道250號
北角城中心
12樓1206-7室

股份過戶登記處

開曼群島主要股份過戶登記處

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Cricket Square
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Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
22樓

公司網址

www.polyfaircurtainwall.com.hk
(此網站所載資料並不構成本報告的一部分)

股份代號

8532

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Polyfair Holdings Limited (the "Company", together with its subsidiaries, the "Group"), I am pleased to present to you the annual report for the year ended 31 March 2019 (the "Reporting Period").

REVIEW

The shares of the Company (the "Share(s)") were successfully listed on GEM of the Stock Exchange (the "Listing") on 23 February 2018. It was a milestone for the Group and boosted the confidence of our stakeholders, enhanced the Group's corporate profile and strengthened the Group's competitiveness.

RESULTS

The total revenue of the Group decreased by approximately HK\$56.0 million or 20.6% from approximately HK\$271.8 million for the year ended 31 March 2018 to approximately HK\$215.8 million for the year ended 31 March 2019. Such decrease was mainly attributable to the substantial completion of two sizable projects from which a substantial portion of revenue from these projects has been recognised prior to the year ended 31 March 2019 and two of our current projects were delayed due to change of building design of developer and delayed work progress of main contractor.

FORWARD

Looking ahead, the Group is confident about the prospect of the façade and curtain wall works solution industry in Hong Kong due to the expected growth of the construction industry in Hong Kong driven by the Hong Kong Government's initiatives to increase the public housing supply, land supply for private housing as well as commercial buildings.

列位股東：

本人謹代表寶發控股有限公司(「本公司」，連同其附屬公司統稱為「本集團」)董事(「董事」)會(「董事會」)，欣然向閣下提呈截至2019年3月31日止年度(「報告期間」)的年報。

概覽

本公司的股份(「股份」)於2018年2月23日在聯交所的GEM成功上市(「上市」)，不僅為本集團豎立一大里程碑，大大鼓舞我們的權益人，更有助提升本集團的企業形象，加強本集團的競爭力。

業績

本集團的總收益由截至2018年3月31日止年度的約271.8百萬港元減少約56.0百萬港元或20.6%至截至2019年3月31日止年度的約215.8百萬港元，主要是由於兩個大型項目大致完工，大部分收益已於截至2019年3月31日止年度之前確認，而兩個現有項目則因發展商修改樓宇設計及總承包商工程進度滯後而有所延誤所致。

未來前景

展望未來，由於預期香港政府增加公屋供應、私人住宅及商業樓宇土地供應的計劃將推動香港建築行業增長，故本集團對香港外牆及幕牆工程解決方案行業的前景充滿信心。

APPRECIATION

On behalf of the Board, I wish to take this opportunity to express my sincere gratitude to all of our customers, shareholders and business partners for their patronage. I would also like to express our sincere appreciation to the Group's management and staff for their commitment, contribution and dedication throughout the years.

By order of the Board

Chow Mo Lam

Chairman

21 June 2019

致謝

本人謹此代表董事會衷心感謝所有客戶、股東和商業夥伴鼎力支持，亦對本集團管理層及員工多年來的努力、貢獻及投入表示誠摯感激。

承董事會命

主席

周武林

2019年6月21日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

We are a subcontractor that provides façade and curtain wall works solutions in Hong Kong. Our solutions are customised to meet the technical specifications and performance requirements of our customers. We generally provide both design and build services in our projects, ranging from developing designs, conducting structural calculations, preparing shop drawings, sourcing and procuring building materials, arranging for building material logistics and installation works, project management to post-project completion services. We engage subcontractors to perform the installation work from time to time.

As at 31 March 2019, the Group had 6 projects in progress with a total original contract sum of approximately HK\$319.3 million, of which HK\$150.0 million was recognised as revenue during the Reporting Period.

During the Reporting Period, we were awarded three new projects, namely Sha Tsui Road, Pok Fu Lam Road and Good Hope School, with a total contract sum of approximately HK\$112.4 million. Letter of award of these three projects were signed and all these three projects are now at the commencement stage.

Subsequent to the Reporting Period, we were awarded one new project, namely Kai Tak KT1K, with a total contract sum of approximately HK\$200.0 million.

OUTLOOK

The demand for façade and curtain wall works is driven by construction of residential and commercial buildings. The development of residential buildings in Hong Kong has been a major driver of façade and curtain wall works and the number grew from 17,791 new units in 2017 to 20,968 new units in 2018.

業務回顧

我們是在香港提供外牆及幕牆工程解決方案的分包商。我們的解決方案乃為滿足客戶的技術規格及性能要求而定製。我們通常同時為我們的項目提供設計及建築服務，即開發設計、進行結構計算、繪製施工圖、物色及採購建築材料、安排建築材料的物流及安裝工程、項目管理及項目完工後服務。我們亦不時委聘分包商進行安裝工程。

於2019年3月31日，本集團有六個在建項目，初步合約總金額約為319.3百萬港元，其中150.0百萬港元已於報告期間確認為收益。

於報告期間，我們獲得三個新項目，分別為沙咀道、薄扶林道及德望學校，合約總金額約為112.4百萬港元。該三個項目均已簽訂授標函，且全部已進入動工階段。

於報告期間結束後，我們獲得一個新項目，即啟德KT1K，合約總金額約為200.0百萬港元。

前景

對外牆及幕牆工程的需求主要由住宅及商業樓宇建設工程帶動。香港住宅樓宇的發展一直為外牆及幕牆工程的主要推動因素，數量由2017年的17,791個新單位增長至2018年的20,968個新單位。

Another driver for the façade and curtain wall works industry is office buildings in Hong Kong where the Hong Kong Government puts effort in developing areas like Kowloon East as new business areas. According to The Hong Kong Property Review 2019 compiled by the Rating and Valuation Department, completions of Grade A offices were 178,500 m² in 2018, representing a slide of 4% from 2017. Majority of the new developments came from Kwun Tong and Eastern district, contributing 77% of the Grade A office completions. These buildings included both installation of curtain wall systems as the envelop system above the podium and the works for the building entrance, lobby and the associate stores.

Notwithstanding the negative impact from the economic slowdown driven by the China's macro-economic conditions, the Group remains optimistic about its core business as the management believes that there is a market for quality façade and curtain wall works in Hong Kong. The Group will further strengthen its sales effort, closely monitor the status of the projects and carefully control the cost of services as to expand its customer base and achieve sustainable business growth and long-term benefits to its shareholders. We are hoping to be more competitive and able to compete for more sizeable and profitable projects.

FINANCIAL REVIEW

Revenue

The total revenue of the Group decreased by approximately HK\$56.0 million or 20.6% from approximately HK\$271.8 million for the year ended 31 March 2018 to approximately HK\$215.8 million for the year ended 31 March 2019. Such decrease was mainly attributable to the substantial completion of two sizable projects while a substantial portion of revenue from these projects has been recognised prior to the Reporting Period and two of our current projects were delayed due to change of building design of developer and delayed work progress of main contractor.

推動外牆及幕牆工程行業的另一火車頭是香港的辦公樓宇，而香港政府正致力將九龍東等開發區發展為新商業區。根據差餉物業估價署編撰的《香港物業報告2019》，2018年甲級寫字樓的落成量為178,500平方米，較2017年下滑4%。新發展項目大多來自觀塘和東區，佔甲級寫字樓落成量的77%。該等樓宇包括安裝幕牆系統作為平台以上的圍護體系，以及樓宇入口、大堂及相關店舖工程。

儘管受到中國宏觀經濟環境造成的經濟放緩打擊，但由於管理層認為優質外牆及幕牆工程在香港有一定市場，故本集團對其核心業務仍持樂觀態度。本集團將進一步增強其銷售力度，密切監控項目狀況，謹慎控制服務成本，以擴大客戶群並締造可持續業務增長及股東長遠利益。我們希望提高競爭力，以便競投更多大型且有利可圖的項目。

財務回顧

收益

本集團的總收益由截至2018年3月31日止年度的約271.8百萬港元減少約56.0百萬港元或20.6%至截至2019年3月31日止年度的約215.8百萬港元。有關減少主要是由於兩個大型項目大致完工，大部分收益已於報告期間前確認，而兩個現有項目則因發展商修改樓宇設計及總承包商工程進度滯後而有所延誤所致。

Cost of Sales

The Group's cost of sales primarily consisted of building material costs, subcontracting charges, staff costs and other direct costs. The cost of services decreased to approximately HK\$203.4 million for the year ended 31 March 2019 from approximately HK\$234.4 million for the year ended 31 March 2018, representing a decrease of approximately 13.2%. The decrease referred to a net result of: (i) the decrease in revenue; and (ii) additional subcontracting costs incurred when carrying out certain projects.

For two projects at Victory Avenue and Prince Edward Road West, which were completed as at 31 March 2019, the Group was informed by the main contractors of each of the projects that the works performed by a subcontractor was not satisfactory and was requested to rectify the works within limited time. Under such tight schedule, the Group engaged other subcontractors and incurred additional costs to rectify the works. For the rectification works and variation orders arising from the accusation, the Group was requested by the original subcontractor to pay the wages of the original subcontractor's workers on its behalf temporarily. Subject to the conclusion of final accounts, all of these costs and expenses should be reimbursed by the original subcontractor according to the contract between the Group and the original subcontractor.

Having discussed with the Company's legal adviser, the Group's management has issued demand letters in February and April 2019 to the original subcontractor requesting payment of outstanding sums owed by the original subcontractor to the Group. As at the date of this report, we are waiting for reply from the subcontractor.

The Group is seeking legal advice to take further steps to recover the outstanding sums. The Group will endeavour to take all necessary measures to recover the outstanding amount.

銷售成本

本集團的銷售成本主要包括建築材料成本、分包費用、員工成本及其他直接成本。服務成本由截至2018年3月31日止年度的約234.4百萬港元減少至截至2019年3月31日止年度的約203.4百萬港元，減幅約為13.2%，此乃下列各項的淨結果：(i)收益減少；及(ii)於執行若干項目時產生的額外分包成本。

位於勝利道及太子道西的兩個項目截至2019年3月31日均已完工，惟該等項目各自的總承包商告知本集團，其對一名分包商進行的工程感到不滿，並要求在限定時間內整改工程。在如此緊張的時間內，本集團聘請其他分包商並產生額外費用以整改工程。就該指控產生的整改工程及修訂令而言，原分包商要求本集團代其暫時支付原分包商工人的工資。待最終決算後，根據本集團與該原分包商的合約，全部該等成本及開支應由原分包商賠償。

經與本公司法律顧問討論，本集團管理層已於2019年2月及4月向該原分包商發出還款函件，要求原分包商支付欠負本集團的未償還金額。於本報告日期，我們仍在等待該分包商的答覆。

本集團正尋求法律意見，以就收回未償還金額採取進一步行動。本集團將盡力採取一切必要措施收回未償還款項。

Gross Profit and Average Gross Profit Margin

The Group's gross profit decreased by approximately HK\$25.1 million from approximately HK\$37.5 million for the year ended 31 March 2018 to approximately HK\$12.4 million for the year ended 31 March 2019. The Group's average gross profit margin decreased from approximately 13.8% for the year ended 31 March 2018 to approximately 5.7% for the year ended 31 March 2019, representing a decrease of approximately 8.1 percentage points. The decrease was due to the fact that (i) additional sub-contracting costs incurred when carrying out certain projects; and (ii) the average gross profit margin of new projects was lower than the projects for the year ended 31 March 2018 as a result of increasing competition from other contractors seeking to tender projects at lower price.

Other Income, Gain and Loss

Other income, gain and loss increased by approximately HK\$1.9 million for the year ended 31 March 2019 mainly due to the fair value change of life insurance.

Impairment Losses

Impairment losses increased by approximately HK\$1.8 million from nil for the year ended 31 March 2018 to approximately HK\$1.8 million for the year ended 31 March 2019. The increase was mainly attributable to the adoption of HKFRS 9.

Administrative Expenses

Administrative expenses of the Group increased by approximately HK\$2.4 million from approximately HK\$11.8 million for the year ended 31 March 2018 to approximately HK\$14.2 million for the year ended 31 March 2019. Administrative expenses consisted primarily of staff costs and Directors' emoluments, depreciation, legal and professional fee, rental expenses and other administrative expenses. The increase was mainly attributable to the increase in staff costs of approximately HK\$1.2 million due to the increase in (i) unsuccessful tendering cost; and (ii) number of staff and salary level in Hong Kong during the Reporting Period, and the increase in rental expenses of approximately HK\$1.0 million mainly for the new Hong Kong office.

毛利及平均毛利率

本集團的毛利由截至2018年3月31日止年度的約37.5百萬港元減少約25.1百萬港元至截至2019年3月31日止年度的約12.4百萬港元。本集團的平均毛利率由截至2018年3月31日止年度的約13.8%減少至截至2019年3月31日止年度的約5.7%，減少約8.1個百分點。有關減少是由於(i)執行若干項目時產生的額外分包成本；及(ii)其他承包商以更低價格爭取投標項目，競爭加劇，導致新項目的平均毛利率較截至2018年3月31日止年度者低所致。

其他收入、收益及虧損

截至2019年3月31日止年度，其他收入、收益及虧損增加約1.9百萬港元，主要是由於人壽保險公平值變動所致。

減值虧損

減值虧損由截至2018年3月31日止年度的零上升約1.8百萬港元至截至2019年3月31日止年度的約1.8百萬港元。有關升幅主要是由於採納香港財務報告準則第9號所致。

行政開支

本集團的行政開支由截至2018年3月31日止年度的約11.8百萬港元上升約2.4百萬港元至截至2019年3月31日止年度的約14.2百萬港元。行政開支主要包括員工成本及董事酬金、折舊、法律及專業費用、租金開支及其他行政開支。有關上升主要是由於報告期間(i)未中標投標成本上升；及(ii)香港員工數目和薪酬水平上升，導致員工成本上升約1.2百萬港元，以及主要涉及新香港辦公室的租金開支上升約1.0百萬港元所致。

Finance Costs

Finance costs increased from approximately HK\$3.0 million for the year ended 31 March 2018 to approximately HK\$5.2 million for the year ended 31 March 2019. The increase in finance costs was mainly attributable to the increase in average bank borrowings to finance our business.

Other Expenses

Other expenses decreased by approximately HK\$14.5 million from approximately HK\$14.5 million for the year ended 31 March 2018 to nil for the year ended 31 March 2019. The decrease was mainly attributable to the one-off listing expenses of approximately HK\$14.5 million recognised during the year ended 31 March 2018.

Taxation

The income tax credit for the year ended 31 March 2019 was approximately HK\$0.3 million as compared to the income tax expenses of approximately HK\$3.9 million for the year ended 31 March 2018. Such change was mainly attributable to the losses incurred for the year ended 31 March 2019 and the recognition of deferred tax assets arising from expected credit losses.

(Loss) profit for the Year

Loss for the year ended 31 March 2019 was approximately HK\$6.6 million as compared to the profit of approximately HK\$4.2 million for the year ended 31 March 2018. Such change was mainly attributable to the decrease in the gross profit of approximately HK\$25.1 million and increase in administrative expenses of approximately HK\$2.4 million for the year ended 31 March 2019.

LIQUIDITY AND FINANCIAL RESOURCES

On 23 February 2018, the shares of the Company were listed on GEM of the Stock Exchange (the "Listing") to raise gross proceeds of approximately HK\$56 million. Details of the use of proceeds are set out in the paragraph headed "Use of Proceeds" in this annual report.

Except for the proceeds raised from the Listing, the Group's capital expenditure and daily operations during the year ended 31 March 2019 were mainly funded by cash generated from its operations and external borrowings.

融資成本

融資成本由截至2018年3月31日止年度的約3.0百萬港元上升至截至2019年3月31日止年度的約5.2百萬港元。融資成本上升主要是由於為我們的業務提供資金而增加平均銀行借款額所致。

其他開支

其他開支由截至2018年3月31日止年度的約14.5百萬港元減少約14.5百萬港元至截至2019年3月31日止年度的零。有關減少主要是源於在截至2018年3月31日止年度確認一次性上市開支約14.5百萬港元。

稅項

截至2019年3月31日止年度的所得稅抵免約為0.3百萬港元，而截至2018年3月31日止年度的所得稅開支則約為3.9百萬港元。有關變動主要是源於就截至2019年3月31日止年度產生的虧損及確認來自預期信貸虧損的遞延稅項資產。

年內(虧損)溢利

截至2019年3月31日止年度的虧損約為6.6百萬港元，而截至2018年3月31日止年度的溢利則約為4.2百萬港元。有關變動主要是由於截至2019年3月31日止年度的毛利減少約25.1百萬港元及行政開支上升約2.4百萬港元所致。

流動資金及財務資源

於2018年2月23日，本公司的股份在聯交所的GEM上市(「上市」)，募集所得款項總額約為56百萬港元。有關所得款項用途的詳情載於本年報的「所得款項用途」一段內。

除上市募集的所得款項外，本集團於截至2019年3月31日止年度的資本開支及日常營運資金主要來自其經營所得現金以及外部借款。

Cash and bank balances as at 31 March 2019 was approximately HK\$14.8 million, decreased by approximately HK\$49.5 million when compared with HK\$64.3 million as at 31 March 2018. The decrease was mainly due to the cash used in daily operation of approximately HK\$23.6 million and repayment of bank borrowings (net) of approximately HK\$19.8 million.

The pledged deposits, including both the non-current and current portions, as at 31 March 2019 was approximately HK\$32.1 million, increased by approximately HK\$0.1 million when compared with HK\$32.0 million as at 31 March 2018, as a result of the interests generated from pledged deposits.

As at 31 March 2019, the Group had outstanding borrowings of approximately HK\$94.5 million repayable on demand or within one year (2018: HK\$110.2 million) and outstanding borrowings of approximately HK\$2.9 million repayable after one year (2018: HK\$7.0 million). The Group's borrowings were denominated in Hong Kong dollars ("HK\$"). The amounts due are based on scheduled repayment dates set out in the loan agreements. For information about the interest rate, please refer to note 23 to the consolidated financial statements of this report.

The current ratio of the Group as at 31 March 2019 was 1.4 times as compared to that of 1.2 times as at 31 March 2018. The gearing ratio, being the net debt (defined as bank borrowings less cash and cash equivalents and pledged bank deposits) divided by net debt plus total equity at the end of the year, increased from approximately 23.0% to approximately 45.1% as at 31 March 2018 and 31 March 2019, respectively.

CAPITAL STRUCTURE

The shares of the Company were successfully listed on GEM of the Stock Exchange on 23 February 2018. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 March 2019, the Company's issued share capital was HK\$8.0 million and the number of its issued ordinary shares was 800,000,000 of HK\$0.01 each.

於2019年3月31日的現金及銀行結餘約為14.8百萬元，較2018年3月31日的約64.3百萬元減少約49.5百萬元。有關減少主要是由於日常營運耗用現金約23.6百萬元及償還銀行借款(淨額)約19.8百萬元所致。

於2019年3月31日的已質押存款(包括非即期及即期部分)約為32.1百萬元，較2018年3月31日的32.0百萬元增加約0.1百萬元，源於已質押存款所產生的利息。

於2019年3月31日，本集團須按要求或於一年內償還的未償還借款約為94.5百萬元(2018年：110.2百萬元)，而須於一年後償還的未償還借款則約為2.9百萬元(2018年：7.0百萬元)。本集團的借款以港元計值。到期金額乃根據貸款協議所載的計劃還款日期計算。有關利率的資料，請參閱本報告綜合財務報表附註23。

本集團於2019年3月31日的流動比率為1.4倍，而於2018年3月31日則為1.2倍。資產負債比率乃按年末的淨債務(即銀行借款減現金及現金等價物及已質押銀行存款)除以淨債務加總權益計算，由2018年3月31日的約23.0%上升至2019年3月31日的約45.1%。

資本結構

於2018年2月23日，本公司的股份在聯交所的GEM成功上市。本集團的資本結構自上市以來並無變動。本集團的股本只有普通股股份。

於2019年3月31日，本公司的已發行股本為8.0百萬元，而每股面值0.01港元的已發行普通股股份數目為800,000,000股。

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the prospectus dated 31 January 2018 (the “Prospectus”), the Group did not have other plans for material investments or capital assets as at the date of this report.

PLEDGE OF ASSETS

As at 31 March 2019, the Group’s bank deposits with carrying amounts of approximately HK\$32.1 million (2018: HK\$32.0 million), trade receivables of approximately HK\$22.7 million (2018: progress payments receivable of approximately HK\$11.2 million), contract assets of approximately HK\$14.7 million (2018: retention money receivables of approximately 12.8 million) and the financial assets at fair value through profit or loss of approximately HK\$10.0 million (2018: payments for the life insurance policies of HK\$8.6 million) were pledged to secure certain letters of guarantee facility and banking facilities respectively, granted to the Group.

As at 31 March 2019, Mr. Yu Lap On Stephen and two companies controlled by Mr. Chow Mo Lam or his close family members (namely, Polyfaith Holdings Limited and Polykind Far East Limited) had pledged their properties to secure banking facilities granted to certain subsidiaries of the Group for nil consideration.

CAPITAL COMMITMENTS

As at 31 March 2019 and 2018, the Group did not have any significant capital commitments.

OPERATING LEASE COMMITMENTS

The Group’s operating lease commitments are primarily related to the leases of its office and amounted to approximately HK\$4.0 million and HK\$4.0 million as at 31 March 2019 and 2018, respectively.

CONTINGENT LIABILITIES

The Group provided guarantees in respect of surety bonds in favour of customers of certain construction contracts. Details regarding these guarantees are set out in note 34 to the consolidated financial statements of this annual report. Save as disclosed herein, there is no other contingent liabilities that the Group is aware of.

未來作出重大投資及資本資產的計劃

除日期為2018年1月31日的招股章程(「招股章程」)所披露者外，於本報告日期，本集團概無其他作出重大投資或資本資產的計劃。

資產質押

於2019年3月31日，本集團質押賬面值約為32.1百萬港元(2018年：32.0百萬港元)的銀行存款、貿易應收款項約22.7百萬港元(2018年：應收進度款約11.2百萬港元)、合約資產約14.7百萬港元(2018年：應收保留金約12.8百萬)及按公平值計入損益的金融資產約10.0百萬港元(2018年：人壽保險保單付款約8.6百萬港元)，以作為本集團獲得若干擔保融資函件及銀行融資的擔保。

於2019年3月31日，余立安先生以及由周武林先生或其親屬控制的寶輝集團有限公司及寶利佳遠東有限公司兩間公司已質押彼等的物業，作為本集團若干附屬公司無償獲得銀行融資的擔保。

資本承擔

於2019年及2018年3月31日，本集團並無任何重大資本承擔。

經營租賃承擔

於2019年及2018年3月31日，本集團的經營租賃承擔主要與其辦公室租賃有關，分別約為4.0百萬港元及4.0百萬港元。

或然負債

本集團以若干建築合約的客戶為受益人就書面保證提供擔保。有關該等擔保的詳情載於本年報綜合財務報表附註34內。除本報告所披露者外，本集團並不知悉任何其他或然負債。

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

There were no significant investments held, acquisitions or disposals of subsidiaries and affiliated companies by the Group during the Reporting Period. Saved as disclosed in the Prospectus, the Group did not have other plans for significant investments, acquisitions and disposal of subsidiaries as at 31 March 2019.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The majority of the Group's businesses is in Hong Kong and is denominated in HK\$, Renminbi and United States Dollars ("USD"). As no material monetary assets or liabilities were denominated in foreign currencies, the Group is of the opinion that its exposure to foreign exchange rate risk is limited. Thus, the Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2019, the Group had 87 (2018: 89) employees. Total staff cost (including Directors' emoluments) were approximately HK\$36.1 million (2018: HK\$31.6 million). The remuneration package offered to our employees generally included basic salaries, bonuses and other cash allowances or subsidies. The Group determines the salary of our employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group conducts annual review on salary increase and promotions based on the performance of each employee. The Group provides on-the-job training to our employees and sponsors certain employees to attend training courses.

SHARE OPTION SCHEME

A share option scheme was adopted by the Company on 25 January 2018. Please refer to note 31 to the consolidated financial statements of this report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group mainly carries out its business in Hong Kong. To the best of the Directors' knowledge, the Group has complied with all relevant laws and regulations in Hong Kong during the year.

重大投資、收購及出售

本集團於報告期間概無持有任何重大投資、收購或出售附屬公司及聯屬公司。除招股章程所披露者外，於2019年3月31日，本集團概無其他重大投資、收購及出售附屬公司的計劃。

面對匯率波動風險

本集團大部分的業務在香港進行並以港元、人民幣及美元計值。由於概無重大貨幣資產或負債以外幣計值，故本集團認為其面對的外幣匯率風險有限。因此，本集團現時並無外幣對沖政策。然而，管理層密切監察外匯風險並將於有需要時考慮對沖重大外幣風險。

僱員及薪酬政策

於2019年3月31日，本集團僱用87名(2018年：89名)僱員。員工成本(包括董事酬金)總額約為36.1百萬港元(2018年：31.6百萬港元)。我們提供予僱員的薪酬待遇一般包括基本薪金、花紅以及其他現金津貼或補貼。本集團主要根據每名僱員的資歷、相關經驗、職位及年資釐定其薪金。本集團根據各僱員的表現對其加薪及晉升事宜進行年度檢討。本集團為僱員提供在職培訓，並贊助部分僱員參加培訓課程。

購股權計劃

本公司於2018年1月25日採納一項購股權計劃。請參閱本報告綜合財務報表附註31。

遵守法律及法規

本集團主要在香港經營業務。就董事所知，本集團於年內一直遵守香港所有相關法律及法規。

PRINCIPAL RISK AND UNCERTAINTIES

The Group believes that the risk management practices are important and uses its best effort to ensure it has sufficiently mitigated the risks present in our operations and financial position as efficiently and effectively as possible.

- Changes in the cost of building materials and staff as well as the subcontracting fees may result in cost overrun, which could materially affect our results of operation and financial performance;
- The Group may face difficulties in refinancing or increase in cost of financing;
- Mismanagement or delay of our projects will materially affect our reputation and also our financial performance as penalties and/or additional costs may be incurred;
- Cash flow of our projects may fluctuate;
- We rely on subcontractors to complete our projects. Underperformance of our subcontractors or unavailability of subcontractors may adversely affect our operations, profitability and reputation; and
- Our success significantly depends on the key management and our ability to attract and retain additional façade and curtain wall design team staff.

For other risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" in the Prospectus.

USE OF PROCEEDS

The Company has raised gross proceeds of approximately HK\$56 million through share offer upon the Listing. After deducting the listing expenses, the net proceeds were approximately HK\$28.2 million.

The actual net proceeds from share offer was different from the estimate net proceeds of approximately HK\$34.2 million as set out in the Prospectus.

主要風險及不確定性

本集團認為風險管理常規非常重要，並盡最大努力確保已有效地充分降低經營及財務狀況面臨的風險。

- 建築材料及員工成本以及分包費用的變動可能導致成本超支，這或會對我們的經營業績及財務表現造成重大影響；
- 本集團於再融資時或會面臨困難或融資成本上升；
- 項目管理不善或延遲將嚴重影響我們的聲譽，且可能產生罰款及／或額外成本，因此亦會嚴重影響我們的財務表現；
- 我們項目的現金流量可能波動；
- 我們倚賴分包商完成項目。分包商表現欠佳或找不到分包商或會對我們的經營、盈利能力及聲譽造成不利影響；及
- 我們的成功很大程度上取決於主要管理層及吸引並挽留更多外牆及幕牆設計團隊人員的能力。

有關本集團所面臨的其他風險及不確定性，請參閱招股章程「風險因素」一節。

所得款項用途

於上市時，本公司透過股份發售籌得所得款項總額約56百萬港元。經扣除上市開支後，所得款項淨額約為28.2百萬港元。

股份發售的實際所得款項淨額有別於招股章程所載的估計所得款項淨額約34.2百萬港元。

The Group adjusted the use of proceeds in the same manner and in the same proportion as shown in the Prospectus, which is (i) approximately 51.4% of the net proceeds, representing approximately HK\$14.5 million, would be used for strengthening our financial position to capture emerging business opportunities, including settling upfront costs of new projects and satisfying the surety bond requirement of the projects, (ii) approximately 39.8% of the net proceeds, representing approximately HK\$11.2 million, would be used for expanding our operation teams, and (iii) approximately 8.8% of the net proceeds, representing approximately HK\$2.5 million, would be used for working capital and other general corporate purposes.

Analysis of the utilisation of the net proceeds from the Listing Date up to 31 March 2019 is set out below:

本集團已按與招股章程所載者相同的方式及相同的比例調整所得款項用途，其中(i)約51.4%的所得款項淨額，即約14.5百萬港元將用於加強我們的財務狀況，以把握將湧現的商機，包括支付新項目的預付成本及履行項目的書面保證要求；(ii)約39.8%的所得款項淨額，即約11.2百萬港元將用於擴大我們的經營團隊；及(iii)約8.8%的所得款項淨額，即約2.5百萬港元將用作營運資金及用於其他一般公司用途。

自上市日期起直至2019年3月31日止所得款項淨額的用途分析載列如下：

		Adjusted use of proceeds in the same manner as stated in the Prospectus	Planned use of net proceeds up to 31 March 2019	Actual use of net proceeds up to 31 March 2019
		按與招股章程 所載者相同的 方式調整的 所得款項用途 (HK\$' million) (百萬港元)	直至2019年 3月31日止的 所得款項淨額 計劃用途 (HK\$' million) (百萬港元)	直至2019年 3月31日止的 所得款項淨額 實際用途 (HK\$' million) (百萬港元)
Strengthening our financial position:	加強我們的財務狀況：			
- Settling upfront costs of three new projects	- 支付三個新項目的預付成本	9.2	9.2	9.2
- Satisfying the surety bond requirement of Yue Man Square	- 履行裕民坊的書面保證要求	5.3	5.3	5.3
Expanding our operation teams	擴大我們的經營團隊	11.2	6.8	5.6
General working capital	一般營運資金	2.5	1.9	1.9
Total	總計	28.2	23.2	22.0

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

EXECUTIVE DIRECTORS

Mr. Chow Mo Lam, aged 65, is one of the controlling shareholders (the “Controlling Shareholders”, which has the meaning as cited under the GEM Listing Rules), an executive Director, the chairman of the Board and a member of the Remuneration Committee. Mr. Chow is one of the founding members of the Group and joined the Group in February 2006. He is primarily responsible for the overall business strategy, annual budget proposals and major business decisions of the Group with a focus on our finance. Mr. Chow was appointed as a Director on 25 May 2017, appointed as the chairman of the Board on 9 August 2017 and re-designated as an executive Director on 25 January 2018. He is also a director of 3 subsidiaries of the Company.

Mr. Chow obtained a Master of Business Administration from the Henley Management College (which is, after merging with another school, currently known as the Henley Business School) in the United Kingdom through distance learning in 1995 and a Master of Laws in People’s Republic of China (the “PRC”) Law from the Open University of Hong Kong in 2005. Mr. Chow is also a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants from the United Kingdom. Mr. Chow has around 21 years of experience in the construction industry, and has been a founder, an investor and a manager of curtain wall companies in Hong Kong and the PRC. He has been a director of CMD Aluminium Industry (Shenzhen) Co., Ltd (招發金屬幕牆(深圳)有限公司) (“CMD (SZ)”), which is principally engaged in the manufacturing of curtain wall in the PRC and wholesale of construction materials, glass and aluminium products in the PRC, Hong Kong and Macau, since February 2003, and gained experience in the curtain wall industry for over 15 years therein. In February 2006, Mr. Chow co-founded Polyfair Construction & Engineering Limited (“Polyfair HK”) with other founding members, aiming to capture emerging business opportunities within the construction industry in Hong Kong.

Mr. Chow is a proprietor of Albert Chow C.P.A., a certified public accounting firm incorporated in Hong Kong which, save and except for providing company secretarial service to Polyfair HK since our establishment up to 1 September 2017, does not have any business relationship with the Group.

執行董事

周武林先生，65歲，為控股股東(具有GEM上市規則所引述的涵義)之一、執行董事、董事會主席及薪酬委員會成員。周先生為本集團的創辦人之一，於2006年2月加入本集團。彼主要負責本集團的整體業務策略、年度預算草案及主要業務決定，重點關注我們的財務事宜。周先生於2017年5月25日獲委任為董事，於2017年8月9日獲委任為董事會主席，並於2018年1月25日調任執行董事。彼亦為本公司3間附屬公司的董事。

周先生於1995年透過遙距學習取得英國亨利管理學院(與另一所學校合併後，現稱為亨利商學院)的工商管理碩士學位，並於2005年取得香港公開大學的中華人民共和國(「中國」)法律法律碩士學位。周先生亦為香港會計師公會及英國特許公認會計師公會的資深會員。周先生在建築行業擁有約21年經驗，曾是香港及中國多家幕牆公司的創辦人、投資者及經理。彼自2003年2月起擔任招發金屬幕牆(深圳)有限公司(「CMD (SZ)」)的董事，該公司主要於中國從事幕牆製造業務，並於中國、香港及澳門從事建築材料、玻璃及鋁製產品的批發業務，彼在此積累了逾15年的幕牆行業經驗。於2006年2月，周先生與其他創辦人共同創建寶發建設工程有限公司(「寶發香港」)，旨在把握香港建築行業的新興商機。

周先生為Albert Chow C.P.A.的經營者，Albert Chow C.P.A.為一家在香港註冊成立的會計師事務所，除自我們成立起直至2017年9月1日止為寶發香港提供公司秘書服務外，與本集團概無任何業務關係。

Mr. Yu Lap On Stephen, aged 61, is one of the Controlling Shareholders, an executive Director, the chief executive officer of the Group and a member of the Remuneration Committee. Mr. Yu joined the Group as an executive officer of Polyfair HK in April 2009 and was appointed as a director of Polyfair HK in February 2010. Mr. Yu is primarily responsible for the overall business strategy, annual budget proposals, and major business decisions of the Group with a focus on our operation and project management. Mr. Yu was appointed as a Director on 25 May 2017 and re-designated as an executive Director on 25 January 2018. He is also a director of 2 subsidiaries of the Company.

Mr. Yu has over 36 years of experience in façade and curtain wall, aluminium window and entrance door construction, and project and enterprise management in Hong Kong. Prior to joining the Group, Mr. Yu co-founded Condo Construction & Engineering Company Limited (subsequently known as Condo Curtain Wall Company Limited) and Condo Engineering (China) Limited in 1983 and 1986, which specialised in the design, supply and installation of aluminium windows, curtain walls, glass walls and metal claddings in Hong Kong, Macau and the PRC, and worked therein until December 2002. During his service in these two companies, Mr. Yu participated in business operations and was responsible for overseeing the design, supply, installation and quality control matter of projects.

余立安先生，61歲，為控股股東之一、執行董事、本集團行政總裁及薪酬委員會成員。余先生於2009年4月加入本集團擔任寶發香港的行政主管，並於2010年2月獲委任為寶發香港的董事。余先生主要負責本集團的整體業務策略、年度預算草案及主要業務決定，重點關注我們的營運及項目管理。余先生於2017年5月25日獲委任為董事，並於2018年1月25日調任執行董事。彼亦為本公司2間附屬公司的董事。

余先生在香港的外牆及幕牆、鋁窗及入口門建設以及項目與企業管理範疇擁有逾36年經驗。於加入本集團之前，余先生於1983年及1986年與其他人士共同創立瑞和建築工程有限公司(後稱為瑞和工程有限公司)及瑞和工程(中國)有限公司，專門在香港、澳門及中國從事鋁窗、幕牆、玻璃幕牆及金屬飾板的設計、供應及安裝業務，彼在該等公司任職至2002年12月。在任職於該兩家公司期間，余先生參與業務營運，負責監督項目的設計、供應、安裝及質量控制事宜。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情

Mr. Wong Kam Man, aged 59, is an executive Director and a senior project manager of the Group. Mr. Wong joined the Group as a senior project manager of Polyfair HK on 10 August 2012. Mr. Wong is primarily responsible for project management in terms of construction programme, supervision of our subcontractors' work and implementation of quality assurance and/or quality control procedures in compliance with contract specifications. Mr. Wong was appointed as a Director on 9 August 2017 and re-designated as an executive Director on 25 January 2018.

Mr. Wong is a holder of Certificate in Civil Engineering of the Hong Kong Polytechnic University. Mr. Wong has over 36 years of experience in aluminium and metal works construction in Hong Kong. Mr. Wong worked for various construction and engineering companies in Hong Kong including Wah Tung Metal Engineering Co., PMB Cyberwall Ltd. and Chevalier (Aluminium Engineering) Limited as a site supervisor, project manager and senior project manager. He participated in numerous construction projects and he was responsible for, among others, project planning, budgeting and management, design monitoring, installation supervision, quality control and coordinating with main contractors. Prior to joining the Group on 10 August 2012, Mr. Wong worked as a senior project manager at Wah Tung Metal Engineering Co. from February 2010 to July 2012.

黃錦文先生，59歲，為執行董事及本集團高級項目經理。黃先生於2012年8月10日加入本集團，擔任寶發香港的高級項目經理。黃先生主要負責有關施工方案的項目管理、根據合約規定監督我們分包商的工程施工以及對質量保證及／或質量控制程序的執行情況。黃先生於2017年8月9日獲委任為董事，並於2018年1月25日調任執行董事。

黃先生持有香港理工大學土木工程學證書。黃先生在香港的鋁材及五金建材領域擁有逾36年經驗。黃先生曾在香港多家建築及工程公司(包括華東金屬工程有限公司、PMB-Cyberwall Ltd.及其士(鋁工程)有限公司)擔任現場監理、項目經理及高級項目經理。彼曾參與多個工程項目，負責(其中包括)項目規劃、預算及管理、設計監理、安裝督導、質量控制及與總承建商協調。於2012年8月10日加入本集團之前，黃先生於2010年2月至2012年7月在華東金屬工程有限公司擔任高級項目經理。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Lung Cheuk Wah, aged 68, was appointed as our independent non-executive Director on 25 January 2018. He also serves as the chairman of the Audit Committee, and a member of the Nomination Committee and the Remuneration Committee respectively. Dr. Lung has been working as a lecturer at the School of Continuing and Professional Studies of the Chinese University of Hong Kong since 1996 and as an assistant professor at the City University of Macau since 2013.

Dr. Lung was employed as a company secretary (November 2002 to October 2009) and financial controller (November 2002 to October 2008) of VST Holdings Limited, a main board listed company (stock code: 856). He was also appointed as an independent non-executive director of eprint Group Limited (stock code: 1884) from November 2013 to August 2016. Dr. Lung has over 30 years of professional and commercial experience in company secretary, accounting and finance.

Dr. Lung is a fellow member of The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries respectively. He is also an associate member of The Taxation Institute of Hong Kong. Dr. Lung obtained a degree of Doctor of Philosophy in Business Administration from the Tarlac State University in the Philippines through distance learning in November 2012 and a degree of Master of Business Administration from the University of Macau (formerly known as the University of East Asia, Macau) in February 1988.

Mr. Ng Ka Lok, aged 44, was appointed as our independent non-executive Director on 25 January 2018. Mr. Ng also serves as the chairman of the Remuneration Committee, and a member of the Audit Committee and the Nomination Committee. Mr. Ng received tertiary education in Australia where he obtained a degree of Master of Finance from Curtin University of Technology in September 2006 and a degree of Master of Business Administration from The University of Adelaide in July 2007. He is currently a practicing member of Hong Kong Institute of Certified Public Accountants and a member of CPA Australia and has been a member of The Society of Chinese Accountants and Auditors since June 2014. He has over 19 years of auditing and accounting experience.

獨立非執行董事

龍卓華博士，68歲，於2018年1月25日獲委任為我們的獨立非執行董事。彼亦擔任審核委員會主席、提名委員會及薪酬委員會成員。龍博士自1996年起一直在香港中文大學專業進修學院擔任講師，及自2013年起一直在澳門城市大學擔任助理教授。

龍博士曾於一間香港主板上市的偉仕控股有限公司(股份代號：856)任職為公司秘書(2002年11月至2009年10月)及財務總監(2002年11月至2008年10月)。彼亦於2013年11月至2016年8月在eprint集團有限公司(股份代號：1884)受聘為獨立非執行董事。龍博士擁有逾30年公司秘書，會計及財務的專業和商業經驗。

龍博士是英國特許秘書及行政人員公會及香港特許秘書公會資深會員。彼亦是香港稅務學會普通會員。龍博士於2012年11月透過遙距學習自菲律賓太歷國立大學取得工商管理博士學位。彼亦於1988年2月自澳門大學(前稱澳門東亞大學)取得工商管理碩士學位。

吳家樂先生，44歲，於2018年1月25日獲委任為我們的獨立非執行董事。吳先生亦擔任薪酬委員會主席以及審核委員會及提名委員會成員。吳先生於澳洲接受高等教育，於2006年9月取得Curtin University of Technology的財務碩士學位，並於2007年7月取得阿德雷得大學(The University of Adelaide)的工商管理碩士學位。彼目前為香港會計師公會執業會員及澳洲會計師公會會員，且自2014年6月起為香港華人會計師公會會員。彼於審計及會計方面擁有逾19年經驗。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情

Mr. Ng is currently a partner of the audit, assurance and risk advisory division of ZHONGHUI ANDA CPA Limited, and previously worked at the Treasury of the Government, Town Sky International Limited and KLL Associates CPA Limited. Mr. Ng was an independent non-executive director of Season Pacific Holdings Limited (stock code: 8127) from September 2015 to May 2017 and an independent non-executive director of China First Chemical Holdings Limited (stock code: 2121) from November 2018 to April 2019. He was appointed as an independent non-executive director of Chuan Holdings Limited (stock code: 1420) on 8 February 2018.

Mr. Wong Chi Yung, aged 35, was appointed as our independent non-executive Director on 25 January 2018. Mr. Wong also serves as the chairman of the Nomination Committee, and a member of the Audit Committee and the Remuneration Committee. He obtained a degree of Bachelor of Business Administration in Finance and Management from The Hong Kong University of Science and Technology in 2005. He is currently a licensed representative under the Securities and Futures Ordinance (“SFO”) to carry out Type 6 regulated activity (advising on corporate finance). Mr. Wong has extensive experience in accounting and corporate finance.

Mr. Wong was appointed as an executive director of China Information Technology Development Limited (stock code: 8178) in April 2015 and re-designated as a non-executive director in July 2016. He currently remains as a non-executive director of China Information Technology Development Limited and is the vice president of INCU Corporate Finance Limited. He was a non-executive director of China Oil Gangran Energy Group Holdings Limited (formerly known as Fairson Holdings Limited) (stock code: 8132) from June 2011 to December 2013, and also worked at SMI Management (HK) Limited, SMI Corporation Limited and Ernst & Young.

吳先生目前為中匯安達會計師事務所有限公司審計、認證和風險諮詢部的合夥人，並曾任職於政府庫務署、同天國際有限公司及華融會計師事務所有限公司。吳先生於2015年9月至2017年5月在雲裳衣控股有限公司(股份代號：8127)擔任獨立非執行董事，且於2018年11月至2019年4月在一化控股(中國)有限公司(股份代號：2121)擔任獨立非執行董事。彼於2018年2月8日獲委任為川控股份有限公司(股份代號：1420)的獨立非執行董事。

王志勇先生，35歲，於2018年1月25日獲委任為我們的獨立非執行董事。王先生亦擔任提名委員會主席、審核委員會成員及薪酬委員會成員。彼於2005年取得香港科技大學的金融及管理工商管理學士學位。彼目前為證券及期貨條例項下的持牌代表，可從事第6類受規管活動(就企業融資提供意見)。王先生於會計及企業融資方面擁有豐富經驗。

王先生於2015年4月獲委任為中國信息科技發展有限公司(股份代號：8178)的執行董事，於2016年7月調任非執行董事。彼目前仍然擔任中國信息科技發展有限公司的非執行董事，同時擔任衍丰企業融資有限公司副總裁。彼於2011年6月至2013年12月在中油港燃能源集團控股有限公司(前稱鉦皓控股有限公司)(股份代號：8132)擔任非執行董事，並曾任職於星美管理(香港)有限公司、星美國際集團有限公司及安永會計師事務所。

SENIOR MANAGEMENT

Mr. Wong Chi Kan Johnny, aged 52, is a senior design manager of the Group. He is primarily responsible for general technical and engineering work, preparing conceptual designs of tender and ensuring that the use of building materials complies with the contracts and the Buildings Department's requirements. Mr. Wong Chi Kan Johnny is a holder of Higher Certificate in Civil Engineering of the Hong Kong Polytechnic University. He has over 29 years of experience in the construction and engineering industry in Hong Kong. He joined the Group on 1 March 2006 as a senior design manager.

Mr. Wong Chi Kan Johnny has worked in various construction and engineering companies in Hong Kong since February 1989 as an assistant technical manager and later as a senior design engineer. Prior to joining the Group, he worked in Nuclear Construction and Engineering Co., Ltd. from January 2003 to February 2006 where he was responsible for engineering design, and his last position held was senior design engineer. Before that, he was employed by Condo Curtain Wall Co., Ltd. as an assistant technical manager from February 1989 to January 2003.

Mr. Chow Heung Wing, aged 50, is the project manager of the Group. He is primarily responsible for planning, budgeting, and managing our projects, and monitoring designs, work progress and quality. He has approximately 21 years of experience in the construction and engineering industry in Hong Kong. Mr. Chow Heung Wing joined the Group on 5 October 2015 as a project manager.

Mr. Chow Heung Wing has worked in various construction and engineering companies in Hong Kong since 1986 as a site supervisor and a project manager. Prior to joining the Group, he worked in Empire (HK) Engineering Co., Ltd. from June 2014 to June 2015 where he was responsible for assisting the project manager on project management, and his last position held was assistant project manager. Before that, he worked for Far East Aluminium Works Company Limited as a senior site supervisor between December 2011 and June 2014, responsible for assisting the project manager to supervise site installation works.

高級管理層

黃志勤先生，52歲，為本集團的高級設計經理。彼主要負責整體技術及工程工作，繪製投標所用的概念設計以及確保建築材料的使用符合合約及屋宇署的規定。黃志勤先生持有香港理工大學土木工程高級證書。彼在香港的建築及工程行業擁有逾29年經驗。彼於2006年3月1日加入本集團，擔任高級設計經理。

黃志勤先生自1989年2月起在香港多家建築及工程公司擔任助理技術經理及後來擔任高級設計工程師。於加入本集團之前，彼於2003年1月至2006年2月任職於Nuclear Construction and Engineering Co., Ltd.，負責工程設計，最後擔任的職務為高級設計工程師。在此之前，彼於1989年2月至2003年1月期間受聘於瑞和工程有限公司，擔任助理技術經理。

周向榮先生，50歲，為本集團的項目經理。彼主要負責我們項目的規劃、預算及管理，以及監督設計、工程進度及質量。彼在香港的建築及工程行業擁有約21年經驗。周向榮先生於2015年10月5日加入本集團，擔任項目經理。

周向榮先生自1986年起曾在香港多家建築及工程公司擔任現場監理及項目經理。於加入本集團之前，彼於2014年6月至2015年6月任職於Empire (HK) Engineering Co., Ltd.，負責協助項目經理進行項目管理，最後擔任的職務為助理項目經理。在此之前，彼於2011年12月至2014年6月任職於遠東鋁質工程有限公司，擔任高級現場監理，負責協助項目經理監督現場安裝工程。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情

Mr. Ning Gong, aged 31, is the project engineer of the Group. He is primarily responsible for drafting structural designs of façade and curtain wall, and preparing submission for the Buildings Department's approval. He obtained a degree of Bachelor of Engineering in Harbour, Waterway and Coastal Engineering from the Shanghai Maritime University in the PRC in 2010, and further obtained a degree of Master of Science in Civil Engineering from the Hong Kong Polytechnic University in 2011. Mr. Ning has approximately 7 years of experience in the construction and engineering industry in Hong Kong. He joined the Group on 9 March 2017 as a project engineer.

Mr. Ning has worked in various construction and engineering companies in Hong Kong since October 2011 as an assistant engineer and as a project engineer. Prior to joining the Group, he worked in Chun Sing Engineering Co., Ltd. from August 2014 to February 2017. His main duties during this employment were to, among others, coordinate with clients and structural/geotechnical consultants, conduct structural research, design foundation system, develop construction methods and interpret and review design work. His last position held was project engineer.

甯鞏先生，31歲，為本集團的項目工程師。彼主要負責繪製外牆及幕牆的結構設計並編製提交文件供屋宇署審批。彼於2010年取得中國上海海事大學的港口、航道與海岸工程工學學士學位，並於2011年取得香港理工大學的土木工程理學碩士學位。甯先生在香港建築及工程行業擁有約7年經驗。彼於2017年3月9日加入本集團，擔任項目工程師。

甯先生自2011年10月起曾於香港多家建築及工程公司擔任助理工程師及項目工程師。於加入本集團之前，彼於2014年8月至2017年2月任職於震昇工程有限公司。彼於受聘期間的主要職責為(其中包括)與客戶及結構／岩土工程技術顧問協調、進行結構研究、設計基礎系統、制定建築方法以及說明及審閱設計工作。彼最後擔任的職務為項目工程師。

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high standards of corporate governance to safeguard the interests of shareholders, enhance the corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules.

For the year ended 31 March 2019, the Company has complied with the applicable code provisions as set out in the CG Code. The Company will enhance its corporate governance practices appropriate to the operation and growth of the business of the Group.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less than the required standard of dealing as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “Required Standard”) as the code for dealing in securities of the Company by the Directors.

The Company has made specific enquiry with all Directors and the Directors have confirmed that they have complied with the Required Standard for the year ended 31 March 2019.

The Company has also established written guidelines (the “Employees Written Guidelines”) no less than the Required Standard for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

企業管治常規

董事會致力達到良好企業管治水平以保障股東利益、提升企業價值、制定業務策略及政策和增進透明度並加強責任承擔。

本公司已應用GEM上市規則附錄十五所載企業管治守則的原則。

截至2019年3月31日止年度，本公司已遵守企業管治守則所載的適用守則條文。本公司將繼續加強企業管治常規，以配合本集團的業務營運及發展。

董事的證券交易

本公司已就董事進行證券交易採納條款不遜於GEM上市規則第5.48條至第5.67條所載的交易必守標準（「必守標準」）的操守守則，作為董事買賣本公司證券的守則。

本公司已向全體董事作出具體查詢，而董事已確認，彼等於截至2019年3月31日止年度內已遵守必守標準。

本公司亦已就可能擁有本公司未公佈的股價敏感資料的僱員進行證券交易訂立書面指引（「僱員書面指引」），其條文不遜於必守標準。本公司並無發現有僱員不遵守僱員書面指引的事件。

BOARD OF DIRECTORS

The Board oversees the Group's businesses, strategic decisions and performance and should take decisions objectively in the best interests of the Company.

The Board should regularly review the contribution required from a Director to perform his responsibilities to the Company, and whether the Director is spending sufficient time performing them.

Board Composition

The Board currently comprises six Directors, consisting of three executive Directors and three independent non-executive Directors.

Executive Directors

Mr. Chow Mo Lam (*Chairman and a member of the Remuneration Committee*)

Mr. Yu Lap On Stephen (*Chief Executive Officer and a member of the Remuneration Committee*)

Mr. Wong Kam Man

Independent Non-executive Directors

Dr. Lung Cheuk Wah (*Chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee*)

Mr. Ng Ka Lok (*Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee*)

Mr. Wong Chi Yung (*Chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee*)

The biographical information of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 16 to 22 of this annual report.

None of the members of the Board is related to one another.

Board Meetings

For the year ended 31 March 2019, 6 board meetings were held, of which, 4 meetings were regular Board meetings. Apart from regular board meetings, the Chairman also held a meeting with the independent non-executive Directors without the presence of other Directors.

董事會

董事會負責監察本集團的業務、策略性決定及表現，並應以本公司的最佳利益為依歸作出客觀決定。

董事會應定期檢討董事就履行對本公司的責任所作出的貢獻及有否投入足夠的時間履行責任。

董事會成員

董事會目前共有六名成員，包括三名執行董事及三名獨立非執行董事。

執行董事

周武林先生(主席及薪酬委員會成員)

余立安先生(行政總裁及薪酬委員會成員)

黃錦文先生

獨立非執行董事

龍卓華博士(審核委員會主席、提名委員會成員及薪酬委員會成員)

吳家樂先生(薪酬委員會主席、審核委員會成員及提名委員會成員)

王志勇先生(提名委員會主席、審核委員會成員及薪酬委員會成員)

董事的履歷資料載於本年報第16至22頁的「董事及高級管理層履歷詳情」一節內。

董事會成員之間並無任何關係。

董事會會議

截至2019年3月31日止年度，董事會曾舉行六次會議，包括四次定期董事會會議。除定期董事會會議外，主席亦會在並無其他董事出席的情況下與獨立非執行董事舉行會議。

Notice of at least 14 days are given to all Directors for all regular Board meetings and the Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of regular Board meetings are sent out in full to all Directors within reasonable time before the meeting. Draft minutes of all Board meetings are circulated to Directors for comment within a reasonable time prior to confirmation.

Minutes of Board meetings and meetings of Board committees are kept by duly appointed secretary of the respective meetings and all Directors have access to Board papers and related materials, and are provided with adequate information in a timely manner, which enable the Board to make an informed decision on matters placed before it.

Chairman and Chief Executive Officer

The positions of chairman and chief executive officer are held by Mr. Chow Mo Lam and Mr. Yu Lap On Stephen respectively. The chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The chief executive officer focuses on the Company's business development and daily management and operations generally.

Independent non-executive Directors

For the year ended 31 March 2019, the Board at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 5.09 of the GEM Listing Rules. The Company considers all independent non-executive Directors are independent.

Appointment and Re-election of Directors

Code provision A.4.1 of the CG Code stipulates that non-executive directors shall be appointed for a specific term, subject to re-election. Code provision A.4.2 states that all directors appointed to fill a casual vacancy shall be subject to election by shareholders

各董事於所有定期董事會會議最少14天前獲發開會通知，如有需要，可在議程內加插討論事項。就定期董事會會議而言，各董事將於開會前的合理時間內獲發一套完整的議程連同董事會文件。所有董事會會議的會議紀錄草稿亦會於合理時間內送交各董事省閱，方予確認。

董事會及董事委員會的會議紀錄由經相關會議正式委任的秘書保存，所有董事均有權查閱董事會文件及相關資料以及適時地獲提供足夠資料，使董事會可就向其提呈的事宜作出知情決定。

主席及行政總裁

主席及行政總裁職務分別由周武林先生及余立安先生擔任。主席提供領導，並對董事會的有效運作及領導負責；行政總裁則專注於本公司的整體業務發展以及日常管理與營運。

獨立非執行董事

截至2019年3月31日止年度，董事會一直遵守GEM上市規則的規定，即最少委任三名獨立非執行董事，佔董事會人數至少三分之一，其中有一名獨立非執行董事具備適當的專業資格，或具備適當的會計或相關的財務管理專長。

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條所載獨立性指引就其獨立性發出的年度書面確認。本公司認為所有獨立非執行董事均屬獨立人士。

委任及重選董事

企業管治守則的守則條文A.4.1訂明，非執行董事的委任應有指定任期，並須接受重選，而守則條文A.4.2則規定，所有為填補臨時空缺而被委任的董事應在接受委任後

at the first general meeting after appointment and that every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company with an initial term of three years commencing from the Listing Date subject to termination in certain circumstances as stipulated in the relevant letters of appointment.

One-third of the Directors are subject to re-election at the forthcoming annual general meeting of the Company ("AGM") pursuant to the Articles of Association of the Company (the "Articles"). The term of offices of every Director is also subject to retirement by rotation at the AGM at least once every three years pursuant to the Articles.

Responsibilities of the Directors

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

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

的首次股東大會上接受股東選舉，且每名董事(包括有指定任期的董事)應輪流退任，至少每三年一次。

各執行董事已與本公司訂立服務協議，任期自上市日期起計初步為期三年，期滿後將一直延續直至其中一方向另一方發出不少於三個月的書面通知終止為止。

各獨立非執行董事已與本公司訂立委任函，任期自上市日期起計初步為期三年，惟可於相關委任函所訂明的若干情況下終止。

三分之一的董事須根據本公司的組織章程細則(「細則」)在本公司的應屆股東週年大會(「股東週年大會」)上接受重選。每名董事亦須根據細則最少每三年一次在股東週年大會上輪流退任。

董事職責

董事會應承擔領導及控制本公司的責任，並共同負責指導及監察本公司的業務。

董事會直接及透過委員會間接帶領並指導管理層，其工作包括制定策略及監察策略實施、監控本集團的營運及財務表現，確保本集團設有良好的內部監控及風險管理制度。

全體董事(包括獨立非執行董事)引進廣泛而寶貴的業務經驗、知識及專業，有助董事會高效及有效地運作。

獨立非執行董事主要負責確保本公司維持高標準的監管報告，並平衡董事會權力，以就企業行動及營運作出有效獨立判斷。

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

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

The Board also advocates the participation of independent non-executive Directors and (if any) non-executive directors in various board committees to safeguard objectivity and independence.

Continuous Professional Development of Directors

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

Every newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. The Board and each Director should have a separate and independent access to and meetings with senior management of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

全體董事均可充分且及時取閱本公司的所有資料，並可於適當情況下要求徵詢獨立專業意見以履行對本公司的職責，相關費用由本公司承擔。

董事須向本公司披露彼等擔任的其他職務的詳情。

董事會保留權利以決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是可能涉及利益衝突者）、財務資料、委任董事及本公司的其他重大營運事宜。有關執行董事會決策以及引導及協調本公司日常營運及管理的職責則轉授予管理層。

董事會亦鼓勵獨立非執行董事及（如有）非執行董事參與各董事委員會，從而達致客觀性及獨立性。

董事的持續專業發展

董事須及時了解監管發展及變更以有效地履行職責，確保彼等在知情情況下對董事會作出適切的貢獻。

每名新委任的董事均已於首次獲委任時接受正式、全面及度身定製的培訓，以確保其適當掌握本公司的業務及營運，並充分知悉根據上市規則及相關法規須承擔的董事職責及義務。董事會及各董事應有單獨及獨立接觸及與本公司高級管理人員會面的途徑。

董事應持續參與適當的專業發展以建立及更新自身的知識及技能。本公司將在適當情況下為董事安排內部簡介會及向董事派發相關主題的閱讀材料。本公司鼓勵所有董事出席相關培訓課程，費用由本公司承擔。

The Directors have participated in the following training during the year ended 31 March 2019:

Directors	Types of Training ^{Note}
Executive Directors	
Mr. Chow Mo Lam	A&B
Mr. Yu Lap On Stephen	B
Mr. Wong Kam Man	B
Independent non-executive Directors	
Dr. Lung Cheuk Wah	A&B
Mr. Ng Ka Lok	A&B
Mr. Wong Chi Yung	B

Note:

Types of Training

- A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops
- B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

BOARD COMMITTEES

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

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" of this annual report.

於截至2019年3月31日止年度，董事已參與下列培訓：

董事	培訓類別 ^{附註}
執行董事	
周武林先生	A及B
余立安先生	B
黃錦文先生	B
獨立非執行董事	
龍卓華博士	A及B
吳家樂先生	A及B
王志勇先生	B

附註：

培訓類別

- A：出席(包括但不限於)簡介會、研討會、會議及工作坊等培訓課程
- B：閱讀相關新聞提示、報紙、期刊、雜誌及相關刊物

董事委員會

董事會設有三個委員會(即審核委員會、薪酬委員會及提名委員會)，負責監察本公司特定範疇的事務。本公司的所有董事委員會均設有特定書面職權範圍，明確指明其職權及職責。審核委員會、薪酬委員會及提名委員會的職權範圍已刊登於本公司網站及聯交所網站，並可應要求供股東查閱。

各董事委員會的大部分成員為獨立非執行董事。各董事委員會的主席及成員名單載於本年報的「公司資料」內。

Audit Committee

The Company established the Audit Committee on 25 January 2018 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and paragraph C.3 of the CG Code. The written terms of reference of Audit Committee was revised on 12 November 2018. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of external auditors; review the financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company.

The Audit Committee consists of three independent non-executive Directors, namely Dr. Lung Cheuk Wah, Mr. Ng Ka Lok and Mr. Wong Chi Yung. Dr. Lung Cheuk Wah is the chairman of the Audit Committee.

The Audit Committee held 5 meetings for the year ended 31 March 2019, at which the Audit Committee reviewed the quarterly, interim and annual financial statements and the related results announcement, documents and attended various matters or issues raised by the Company's auditor, made recommendation to the Board the re-appointment of the Company's auditor, discussed and confirmed with the management the effectiveness of the Group's financial reporting process, risk management and internal control systems, reviewed the risk management and internal control systems and made recommendation to the Board and reviewed the Company's policies and practices on corporate governance to comply with the CG Code. It holds at least two meetings and meet the external auditors once a year without the presence of the executive Directors.

Remuneration Committee

The Company established the Remuneration Committee on 25 January 2018 with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and paragraph B.1 of the CG Code. The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; review performance-based remuneration; and ensure none of our Directors determine their own remuneration.

The Remuneration Committee currently consists of five members, namely Mr. Ng Ka Lok, Mr. Chow Mo Lam, Mr. Yu Lap On Stephen, Dr. Lung Cheuk Wah and Mr. Wong Chi Yung. The chairman of the Remuneration Committee is Mr. Ng Ka Lok.

審核委員會

本公司於2018年1月25日成立審核委員會，並以書面形式列明其職權範圍，以符合GEM上市規則第5.28條至第5.33條以及企業管治守則C.3段。審核委員會的書面職權範圍已於2018年11月12日修訂。審核委員會的主要職責為就外聘核數師的委聘及罷免向董事會提供推薦意見、審閱財務報表以及就財務報告提出重要建議，並監督本公司的內部監控程序。

審核委員會由三名獨立非執行董事組成，即龍卓華博士、吳家樂先生及王志勇先生。龍卓華博士為審核委員會的主席。

截至2019年3月31日止年度，審核委員會曾舉行五次會議，於會上，審核委員會已審閱季度、中期及年度財務報表以及相關業績公告及文件，了解本公司核數師提出的若干事宜或事項，向董事會提供續聘本公司核數師的建議，與管理層討論並確認本集團財務申報流程、風險管理及內部監控制度的成效，檢討風險管理及內部監控制度並向董事會提供建議，以及檢討本公司的企業管治政策及常規以符合企業管治守則。審核委員會每年最少舉行兩次會議及最少一次在並無執行董事出席的情況下與外聘核數師會面。

薪酬委員會

本公司於2018年1月25日成立薪酬委員會，並以書面形式列明其職權範圍，以符合GEM上市規則第5.34條至第5.36條以及企業管治守則B.1段。薪酬委員會的主要職責為就有關所有董事及本集團高級管理層的整體薪酬政策及架構向董事會提供推薦意見、檢討基於表現的薪酬及確保董事概無參與決定自身薪酬。

薪酬委員會目前由五名成員組成，即吳家樂先生、周武林先生、余立安先生、龍卓華博士及王志勇先生。薪酬委員會的主席為吳家樂先生。

For the year ended 31 March 2019, 2 meetings were held by the Remuneration Committee, at which the Remuneration Committee discussed and reviewed the existing policy and structure of the remuneration for the Directors and senior management and approved the remuneration packages of senior management of the Company.

Details of the remuneration of the senior management by band are set out in note 10 in the notes to the audited consolidated financial statements of this annual report.

Nomination Committee

The Company established the Nomination Committee on 25 January 2018 with written terms of reference in compliance with paragraph A.5 of the CG Code. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis; identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors.

The Nomination Committee currently consists of three members, namely Mr. Wong Chi Yung, Dr. Lung Cheuk Wah and Mr. Ng Ka Lok. The chairman of the Nomination Committee is Mr. Wong Chi Yung.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board diversity policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience etc. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

For the year ended 31 March 2019, 1 meeting was held by the Nomination Committee, at which the Nomination Committee reviewed the Board's structure, size, composition and diversity, assessed the independence of the independent non-executive Directors, and made recommendation to the Board on the re-election of retiring Directors.

截至2019年3月31日止年度，薪酬委員會曾舉行兩次會議，於會上，薪酬委員會已討論並檢討現行董事及高級管理層的薪酬政策及架構，以及批准本公司高級管理層的薪酬待遇。

按範圍劃分的高級管理層薪酬詳情載於本年報經審核綜合財務報表附註10內。

提名委員會

本公司於2018年1月25日成立提名委員會，並以書面形式列明其職權範圍，以符合企業管治守則A.5段。提名委員會的主要職責為定期檢討董事會的架構、人數及成員、物色具備適當資格成為董事會成員的個人、評核獨立非執行董事的獨立性及就與委任或重新委任董事相關的事宜向董事會提供推薦意見。

提名委員會目前由三名成員組成，即王志勇先生、龍卓華博士及吳家樂先生。提名委員會的主席為王志勇先生。

就評估董事會成員而言，提名委員會將考慮本公司董事會多元化政策所載董事會多元化的多個範疇及因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識以及行業與區域經驗等。提名委員會將討論及協定達致董事會多元化的可計量目標(如需要)，並向董事會推薦該等目標以供採納。

於物色及選擇合適董事人選並向董事會提供推薦意見前，提名委員會會考慮相關人選的品格、資格、經驗、獨立性及其他相關必要條件，以配合企業策略及實現董事會多元化(如適用)。

截至2019年3月31日止年度，提名委員會曾舉行一次會議，於會上，提名委員會已檢討董事會的架構、規模、組成及多元性，評核獨立非執行董事的獨立性，以及向董事會提供重選退任董事的建議。

Attendance Record for Board Meeting, Committees' Meeting and General Meeting

The attendance record of each Director at the Board meetings, the Board Committees meetings and the general meeting for the year ended 31 March 2019 is set out in the following table:

Name of Directors	董事姓名	Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	General Meeting 股東大會
Executive Directors 執行董事						
Mr. Chow Mo Lam (Chairman)	周武林先生(主席)	6/6	N/A不適用	1/1	N/A不適用	1/1
Mr. Yu Lap On Stephen (Chief Executive Officer)	余立安先生 (行政總裁)	6/6	N/A不適用	1/1	N/A不適用	1/1
Mr. Wong Kam Man	黃錦文先生	6/6	N/A不適用	N/A不適用	N/A不適用	1/1
Independent Non-executive Directors 獨立非執行董事						
Dr. Lung Cheuk Wah	龍卓華博士	6/6	5/5	2/2	1/1	1/1
Mr. Ng Ka Lok	吳家樂先生	6/6	5/5	2/2	1/1	1/1
Mr. Wong Chi Yung	王志勇先生	6/6	5/5	2/2	1/1	1/1
Total number of meeting(s)	會議總數	6	5	2	1	1

董事會會議、委員會會議及股東大會出席紀錄

截至2019年3月31日止年度，各董事出席董事會會議、董事委員會會議及股東大會的紀錄表列如下：

Corporate Governance Functions

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

企業管治職能

審核委員會專責履行企業管治守則守則條文D.3.1所載職能。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

風險管理及內部監控

董事會承認其對風險管理及內部監控系統負責，並有責任檢討該等制度的成效。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

The Board has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

董事會全面負責評估及釐定本集團達成策略目標時所願意接納的風險性質及程度，並設立及維持合適及有效的風險管理及內部監控系統。

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Group has adopted a three-tier risk management approach to identify, assess and manage different types of risks. As the first line of defence, business units are responsible for identifying, assessing and monitoring risk associated with each business or transaction. The management, as the second line of defence, defines rule sets and models, provides technical support, develops new system and oversees project management. It ensures that risks are within acceptable range and that the first line of defence is effective. As the final line of defence, the independent consultant assists the Audit Committee to review the first and second lines of defence.

The Group is committed to the identification, evaluation and management of risks associated with its business activities through ongoing assessment of a risk register, by considering the likelihood and impact of each identified risk. The Group has implemented an effective control system which includes a defined management structure with limits of authority, a sound management system and periodic review of the Group's performance by the Audit Committee and the Board.

As the corporate and operation structure of the Group is not complex and a separate internal audit department may divert resources of the Group, the Group currently does not have an internal audit department. However, the Group has engaged an independent third-party internal control consultant to, on an annual basis, review and provide recommendations on improving its internal control system in order to manage our business risks and to ensure our smooth operation. The review covered certain operational procedures. No significant control failings or weakness have been identified by the consultant during the review. The Board and the Audit Committee would review the need for an internal audit function on an annual basis.

The management has reported to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 March 2019. The Board and the Audit Committee considered the risk management and internal control systems effective and adequate. No significant areas of concern that might affect shareholders were identified.

審核委員會協助董事會領導管理層及監督其設計、實施及監察風險管理及內部監控系統。

本集團已採納三級風險管理方法以識別、評估及管理各類風險。作為第一道防線，業務單位負責識別、評估及監察與每項業務或交易有關的風險。作為第二道防線，管理層界定規則組合及模範、提供技術支援、制定新制度及監督項目管理，確保風險維持在可接受範圍內及第一道防線有效。作為最後一道防線，獨立顧問協助審核委員會檢討第一及第二道防線。

本集團透過考慮各項已識別風險的可能性及影響，持續評估風險登記冊，致力識別、評估及管理與其業務活動相關的風險。本集團已推行有效的監控制度，包括具體制定職權範圍的管理架構、穩健的管理制度以及由審核委員會及董事會定期檢討本集團的表現。

鑑於本集團的企業及營運架構並不複雜，且一個獨立的內部審計部門可能分薄本集團的資源，本集團目前並無設立內部審計部門。然而，本集團已委聘一名獨立第三方內部監控顧問每年檢討內部監控系統及就改善該系統提供推薦意見，以管控我們的業務風險，並確保營運順暢。該檢討涵蓋若干運作程序。該顧問於檢討期間並無識別到任何重大監控失誤或弱項。董事會及審核委員會將每年檢討是否需要增設內部審核職能。

截至2019年3月31日止年度，管理層已向董事會及審核委員會報告風險管理及內部監控系統的成效。董事會及審核委員會認為風險管理及內部監控系統有效及足夠。並無識別到可能對股東造成影響的重大關注範疇。

Whistleblowing procedures are in place to facilitate employees of the Group to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Group.

The Company has developed its disclosure policy which provides a general guide to the Directors, officers, senior management and relevant employees of the Company in handling confidential information, monitoring information disclosure and responding to enquiries.

Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

Procedures and internal controls include:

- i) Only designated persons are authorised to communicate the Company's corporate matters with investors, analysts, the media or other members of the investment community;
- ii) Directors should report to the Chief Executive Officer any potential or suspected inside information as soon as possible for him to consult the Board for determining the nature of developments, and if required, making appropriate disclosure; and
- iii) Disclosure of inside information must be made in a manner that can provide for equal, timely and effective access by the public to the disclosed inside information.

本集團設有檢舉程序，方便僱員可在保密的情況下對本集團財務報告、內部監控或其他事宜可能存在的不當之處提出關注。

本公司已制訂披露政策，為本公司董事、高級人員、高級管理層及相關僱員處理機密資料、監督資料披露及回應查詢提供全面指引。

本公司亦已實施監控措施，嚴禁未經授權獲取及使用內幕消息。

各項程序及內部監控包括：

- i) 僅指定人士獲授權向投資者、分析師、媒體或其他投資者發佈本公司的公司事宜；
- ii) 董事應盡快向行政總裁匯報任何潛在或可疑內幕消息以供其隨後諮詢董事會，以釐定事態發展的性質，且於有需要時作出適當披露；及
- iii) 內幕消息須以可讓公眾人士平等、及時和有效地獲取的方式披露。

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 31 March 2019.

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

The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 68 to 77.

AUDITOR'S REMUNERATION

The remuneration paid to the Company's external auditor of the Company, Deloitte Touche Tohmatsu, in respect of audit services and non-audit services for the year ended 31 March 2019 amounted to HK\$1,050,000 and HK\$18,000 respectively.

An analysis of the remuneration paid to the external auditor of the Company in respect of audit services and non-audit services for the year ended 31 March 2019 is set out below:

Service Category	服務類別	Fees Paid/Payable 已付／應付費用 (HK\$) (港元)
Audit Services	核數服務	1,050,000
Non-audit Services	非核數服務	
– Profits tax service	– 利得稅服務	18,000
		<hr/> 1,068,000 <hr/>

董事就綜合財務報表須承擔的責任

董事承認彼等須負責編製本公司截至2019年3月31日止年度的綜合財務報表。

就董事所知，董事並不知悉任何事件或狀況涉及可能對本公司持續經營的能力產生重大疑慮的重大不明朗因素。

本公司獨立核數師有關綜合財務報表申報責任的聲明載於第68至77頁的獨立核數師報告內。

核數師酬金

截至2019年3月31日止年度，本公司就核數服務及非核數服務已付本公司外聘核數師德勤•關黃陳方會計師行的酬金分別為1,050,000港元及18,000港元。

截至2019年3月31日止年度，就核數服務及非核數服務已付本公司外聘核數師的酬金分析如下：

COMPANY SECRETARY

On 14 December 2018, Mr. Wong Kam Yin resigned his positions as the financial controller and company secretary of the Company (the “Company Secretary”) and Ms. Cheung Kin Yan (“Ms. Cheung”) was appointed as the Company Secretary.

On 22 February 2019, Ms. Cheung resigned as the Company Secretary and Ms. Cheng Wing Sze (“Ms. Cheng”) was appointed as the Company Secretary. Ms. Cheng was nominated by ComSec Team Limited (“ComSec Team”) to assume such office and ComSec Team has been providing certain corporate secretarial services to the Company pursuant to an engagement letter entered into between the Company and ComSec Team. The primary person at the Company with whom Ms. Cheng has been contacting in respect of company secretarial matters is the financial manager of the Company.

Ms. Cheung holds a Master’s degree in Corporate Governance from The Hong Kong Polytechnic University. She is a member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom, and also a member of the Association of Chartered Certified Accountants. She has over 10 years of experience in accounting, audit, company secretarial and finance fields. Prior to the joining of the Company, she worked for various listed companies in Hong Kong for over 8 years.

Ms. Cheng serves as a corporate secretarial director of ComSec Team Limited. She has over 16 years of experience in corporate secretarial field. Ms. Cheng is a fellow member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators in the United Kingdom. She is also a member of The Institute of Public Accountants in Australia and The Institute of Financial Accountants in the United Kingdom. Ms. Cheng obtained her Postgraduate Diploma in Corporate Administration from The Hong Kong Polytechnic University. She also obtained her degree of Master of Business Administration from The University of Adelaide, Australia, and her degree of Master of Accounting from Curtin University of Technology, Australia (now known as Curtin University).

公司秘書

於2018年12月14日，王錦賢先生辭任本公司的財務總監及公司秘書（「公司秘書」）職務，而張建欣女士（「張女士」）則獲委任為公司秘書。

於2019年2月22日，張女士辭任公司秘書，而鄭詠詩女士（「鄭女士」）則獲委任為公司秘書。鄭女士乃經豐誠秘書商務有限公司（「豐誠秘書」）提名出任有關職務，且豐誠秘書一直根據本公司與其訂立的委任函向本公司提供若干公司秘書服務。鄭女士就公司秘書事宜與本公司聯絡的主要聯絡人為本公司的財務經理。

張女士持有香港理工大學的公司管治碩士學位。彼為香港特許秘書公會以及英國特許秘書及行政人員公會的會員，並為英國特許公認會計師公會的會員。彼於會計、審計、公司秘書及財務方面擁有逾10年經驗。於加入本公司之前，彼曾於不同的香港上市公司任職超過8年。

鄭女士擔任豐誠秘書商務有限公司的公司秘書董事。彼於公司秘書方面擁有逾16年經驗。鄭女士為香港特許秘書公會及英國特許秘書及行政人員公會資深會員。彼亦為澳洲公共會計師協會及英國財務會計師公會會員。鄭女士取得香港理工大學的公司行政管理深造文憑。彼亦取得澳洲阿德萊德大學的工商管理碩士學位及澳洲科廷科技大學（現稱科廷大學）的會計碩士學位。

For the year ended 31 March 2019, the Board has access to the advice and services of Ms. Cheung (before 22 February 2019) and Ms. Cheng (from 22 February 2019) at all time in accordance with Code Provision F.1.4 of Appendix 15 to the GEM Listing Rules. Both Ms. Cheung and Ms. Cheng has taken no less than 15 hours of professional training for the year ended 31 March 2019 pursuant to Rule 5.15 of the GEM Listing Rules.

SHAREHOLDERS' RIGHTS

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

Convening an Extraordinary General Meeting and Putting Forward Proposals at General Meeting

According to article 58 of the Articles, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

If a shareholder wishes to propose a person other than a retiring Director for election as a Director of the Company at a general meeting, pursuant to article 85 of the Articles, the Shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's head office or the office of the Company's branch share registrar. The period for lodgement of such notices shall commence on the day after the despatch of the notice of such general meeting and end no later than 7 days prior to the date of such general meeting.

截至2019年3月31日止年度，董事會一直根據GEM上市規則附錄十五守則條文F.1.4取得張女士(於2019年2月22日前)及鄭女士(自2019年2月22日起)的意見與服務。截至2019年3月31日止年度，張女士及鄭女士均已根據GEM上市規則第5.15條參與不少於15個小時的專業培訓。

股東權利

為保障股東的權益及權利，本公司應就各重大獨立事項(包括選舉個別董事)於股東大會上提呈獨立決議案。根據GEM上市規則，股東大會上，所有決議案的表決必須以投票方式進行，而投票結果將於各股東大會結束後在本公司網站及聯交所網站登載。

召開股東特別大會及於股東大會上提出建議

根據細則第58條，任何一位或以上於遞呈要求當日持有不少於本公司繳足股本(具本公司股東大會的投票權)十分之一的股東於任何時候有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求中指明的任何事務。

根據細則第85條，倘股東擬提名即將退任董事以外的人士於股東大會上參選本公司董事，則正式合資格出席相關大會並於會上表決的股東(並非擬參選人士)應簽署通告，當中表明其建議提名該人士參選的意向，並附上所提名人士簽署表示願意參選的通告，提交本公司的總辦事處或股份過戶登記分處的辦事處，而該等通告的提交期間須於寄發相關股東大會的有關通告翌日開始，且不得遲於該股東大會舉行日期前七日結束。

Putting Forward Enquiries to the Board and Contact Details

Shareholders may send their enquiries as mentioned above to the following:

Address: Anli Financial Communications Limited
Room 1901-02, 19/F,
Shanghai Industrial Investment Building
48-62 Hennessy Road, Wanchai, Hong Kong

Tel: (852) 2325 6661

Fax: (852) 3956 4350

Email: Polyfair@anli.com.hk

Shareholders are also welcome to make enquiries via the online message form available on the Company's website at www.polyfaircurtainwall.com.hk and are reminded to lodge the questions together with their contact information for the prompt response from the Company if it deems appropriate. The Company will not normally deal with anonymous enquiries.

向董事會提出查詢及聯繫方式詳情

股東可以依照下列方式提出上述查詢：

地址： 安里財經傳訊有限公司
香港灣仔軒尼詩道48-62號
上海實業大廈
19樓1901-02室

電話： (852) 2325 6661

傳真： (852) 3956 4350

郵箱： Polyfair@anli.com.hk

股東亦可透過本公司網站 www.polyfaircurtainwall.com.hk 提供的線上留言表格提出查詢，務請股東一併提交問題連同其聯繫資料，以供本公司於適當時候及時回應。本公司通常不會處理匿名查詢。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. A shareholder's communication policy was adopted by the Board at the Board meeting held on 25 January 2018 aiming to provide to the shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. Extensive information about the Company's activities is provided in its interim report, quarterly reports and this annual report, which are sent to shareholders of the Company. The Company endeavours to maintain an on-going dialogue with shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, directors (or their delegates as appropriate) are available to meet shareholders and answer their enquiries. The notice of the annual general meeting is distributed to all shareholders at least 20 clear days before the meeting. Separate resolutions are proposed at general meetings on each separate issue and voting of which is taken by poll pursuant to the GEM Listing Rules. Results of the poll are published on both the GEM website and the Company's website. All corporate communication with shareholders will be posted on the Company's website for shareholders' information.

The Company has not made any changes to its Articles for the year ended 31 March 2019. An up-to-date version of the Articles is also available on the Company's website and the Stock Exchange's website.

股東及投資者溝通／投資者關係

本公司認為與股東有效溝通對加強投資者關係及投資者對本集團業務表現和策略的了解相當重要。董事會已於2018年1月25日舉行的董事會會議上採納一項股東通訊政策，旨在使股東及潛在投資者能夠輕易並及時地獲得本公司全面且易於理解的資料。有關本公司活動的詳細資料載於寄發予本公司股東的中期報告、季度報告及本年報內。本公司致力維持與股東的持續對話，尤其是透過股東週年大會和其他股東大會。董事或其代表（如適用）於股東週年大會上與股東會面，並回答查詢。股東週年大會的通告於大會舉行之日至少20個整日前分發予全體股東。根據GEM上市規則，本公司會就各獨立事項於股東大會上提呈單獨決議案，並以投票方式表決。投票結果會於GEM網站及本公司網站公佈。向股東發出的所有公司通訊將登載於本公司網站以供股東查閱。

截至2019年3月31日止年度，本公司並無對細則作出任何修改。細則的最新版本可於本公司網站及聯交所網站查閱。

I. ABOUT THE REPORT

The Company is pleased to present this Environment, Social and Governance Report (the “ESG Report”) on the environmental, social, and governance (the “ESG”) aspects with the initiative of outlining selected key performance indicators (the “KPI(s)”), in accordance with the guidelines of Appendix 20 of the GEM Listing Rules.

In this ESG Report, the Company strives to disclose its policies and practices towards the ESG aspects of the Group in Hong Kong during the Reporting Period. All information and data disclosed herein were based on formal documents and internal statistics of the Group.

During the Reporting Period, the Company is principally engaged in investment holding. The principal activities of the Group include provision of façade and curtain wall work solutions in Hong Kong.

II. ESG POLICIES

The Group incorporated corporate, environmental and social responsibilities into its business strategies to promote healthy entertainment to and integration of society, contribute to environmental sustainability, achieve healthy and harmonious developments of its staff as well as continue to create long-term value for its stakeholders. During the year ended 31 March 2019, the Company has implemented relevant ESG policies, which:

- are in compliance with the requirements of the relevant laws and regulations on corporate ESG that have a significant impact to the Group’s business;
- continue to facilitate social integration by actively implementing the concept of “eliminating racial discrimination and building a harmonious society”;
- encourage the employees to raise their awareness towards “energy and resource savings”, support and promote energy saving and emission reduction measures;

I. 關於本報告

根據GEM上市規則附錄二十的指引，本公司欣然提呈本有關環境、社會及管治範疇的環境、社會及管治報告，以便概述選定關鍵績效指標。

在本環境、社會及管治報告內，本公司致力披露其於報告期間在本集團的香港環境、社會及管治方面的政策及常規。當中所披露的一切資料及數據均以本集團正式文件及內部統計數據為依歸。

於報告期間，本公司主要從事投資控股。本集團的主要活動包括在香港提供外牆及幕牆工程解決方案。

II. 環境、社會及管治政策

本集團將企業、環境及社會責任納入業務策略，以推廣健康娛樂和社會共融，為環境可持續性作出貢獻，實現健康和諧的員工發展，與此同時繼續為其權益人締造長期價值。於截至2019年3月31日止年度，本公司已實施相關環境、社會及管治政策，其內容：

- 符合對本集團業務構成重大影響的相關法律及法規對企業環境、社會及管治的規定；
- 繼續積極執行「消除種族歧視及建立和諧社會」的概念，促進社會共融；
- 鼓勵僱員提高「節約能源及資源」的意識、支持並加強節能及減排措施；

- integrate green philosophy into the development of the Group and ensure the Group is in compliance with the environmental laws and regulations; and
- strive to establish healthy and harmonious relationships with its employees, shareholders, suppliers and other stakeholders.

III. STAKEHOLDER ENGAGEMENT

The Company consistently values the stakeholders that are influenced by the Group's operational activities including clients, suppliers, employees, community groups and government bodies, etc. We communicate irregularly through various communication channels with each other in order to build up a mutual understanding of each other's vision and expectation on environmental and social responsibility. With reference of these, the Company develops a designated environmental and social responsibility framework and sets long-term objectives for the sustainable development of the Company.

IV. ENVIRONMENTAL ASPECTS

The Group aims to protect the environment by minimising environmental adverse impacts in daily operations, such as energy saving and recycling of office resources. The Group will continue to seek for better environmental practices and promote the right environmental attitudes within the organisation. In general, the Group endeavours to:

- comply with relevant laws and regulations and target to achieve beyond minimum requirements;
- avoid or minimise air and greenhouse gas emission, discharges into water and land, and generation of hazardous and non-hazardous wastes;
- make efficient use of resources;
- minimise negative impact of the Group's activities on environment; and
- promote the stakeholders to go green and re-assess their operations environmentally.

- 將綠色概念融入本集團的發展中，確保本集團遵守環境法律及法規；及
- 致力與僱員、股東、供應商及其他權益人建立良好而和諧的關係。

III. 權益人參與

本公司一直重視受到本集團經營活動影響的權益人，包括客戶、供應商、僱員、社區團體及政府機構等。我們透過各種溝通渠道不定期溝通，互相了解彼此對環境及社會責任的觀點及期望。本公司參考該等資料發展出一個有關環境及社會責任的指定框架，並制定有關持續發展的長遠目標。

IV. 環境範疇

本集團的目標為透過減低日常營運對環境的不利影響保護環境，如節能及循環再用辦公室資源。本集團將繼續尋求更佳的环境常規及於組織內推廣正確的環境態度。整體而言，本集團致力：

- 遵守相關法律及法規，目標是超越最低要求；
- 避免或盡量減少廢氣及溫室氣體排放、向水及土地的排污以及有害及無害廢棄物的產生；
- 善用資源；
- 盡量減低本集團活動對環境的不良影響；及
- 推動權益人支持綠化及從環保角度重新評估其營運。

A1 EMISSION

Emissions refer to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes.

As the Group is principally engaged in provision of façade and curtain wall work solutions in Hong Kong, there were neither significant levels of pollutants discharged into water and land nor significant generation of hazardous and non-hazardous wastes during the Reporting Period. The main contributor to the Group's carbon footprint is greenhouse gas emissions caused indirectly from electricity consumption in office.

We promote energy efficiency and emission reduction in all operation processes. Nevertheless, the Group is committed to protect environment by seeking to reduce the impact on the environment especially regarding the reduction of greenhouse gas emission and preservation of resources.

To achieve this, the Group has adopted various measures to lower waste and consumption levels in our office and other facilities:

- limit air-conditioning hours and maintain suitable indoor temperature;
- switch off photocopiers, printers and computers after office hours;
- unplug all equipment chargers and adapters when they are not in use so as to reduce power consumption;
- clean the air conditioning and ventilation system regularly; and
- arrange efficient use of executive passenger vehicles.

There are no relevant laws and regulations applicable to the Group's businesses on this aspect.

A1排放

排放指廢氣及溫室氣體排放、向水及土地的排污以及有害及無害廢棄物的產生。

由於本集團主要在香港從事提供外牆及幕牆工程解決方案，故於報告期間並無向水及土地排放大量污染物或產生大量有害及無害廢棄物。本集團的碳足跡主要源自因辦公室用電而間接產生的溫室氣體排放。

我們於所有營運過程中提高能源效益及減排。儘管如此，本集團仍然致力保護環境，尋找方法減少對環境的影響，特別是減少溫室氣體排放和珍惜資源。

為達到此目標，本集團採取多種措施，以減低辦公室及其他設施的浪費及消耗：

- 限制空調時間及維持適當室溫；
- 於非辦公時間關閉影印機、打印機及電腦；
- 當設備待用時，拔除其充電器及變壓器以減少耗電；
- 定期清潔空調及通風系統；及
- 有效安排使用行政人員乘用車輛。

在此方面概無適用於本集團業務的相關法律及法規。

As minimum environment impact results from the Group's operation, KPIs A1.4 and A1.6 are immaterial to the Group's operation and have not been disclosed in this ESG Report. In addition, as there is no substantial hazardous waste produced from the Group's operation, KPI A1.3 is not applicable to the Group and has not been disclosed as well.

For the year ended 31 March 2019, the Group's greenhouse gas emission from energy indirect emissions (Scope 2) resulting from electricity consumption were approximately 34.6 tonnes of carbon dioxide ("CO₂"). The greenhouse gas emissions were approximately 34.6 tonnes of CO₂ in total and approximately 397kg of CO₂ per employee.

由於本集團的營運所產生的環境影響較小，關鍵績效指標A1.4及A1.6對於本集團的營運並無實質影響，故本環境、社會及管治報告不予披露。此外，由於本集團在運營過程中並無產生大量有害廢棄物，關鍵績效指標A1.3不適用於本集團，故本報告亦不予披露。

截至2019年3月31日止年度，本集團來自用電所引致的間接能源溫室氣體排放(範圍2)約為34.6噸二氧化碳。溫室氣體總排放量約為34.6噸二氧化碳，每名僱員約為397千克二氧化碳。

**Emission
 排放量**

A1.2 Greenhouse gas emission A1.2溫室氣體排放	Year ended 31 March 2019 截至2019年3月31日止年度
Scope 2 – indirect emission – CO ₂ 範圍2 – 間接排放 – 二氧化碳	34.6 tonnes 34.6噸

A2 USE OF RESOURCES

The Group has implemented paperless concept in the internal human resources management processes. It includes paperless employee pay advice, leave application form and company internal notice. In addition, the use of recycled paper for printing and copying, double-sided printing and copying have become the Group's internal practices. These practices greatly reduced paper consumption and cost. The Group regularly collects and evaluates printer usage data to monitor the effectiveness of the paperless environment.

In order to reduce unnecessary usage and improve efficient use of resources, the Group has established the "energy and resource savings" policy, under which:

- lights and electronic appliances in workplace must be turned off when they are not in use;
- the temperature of the air conditioners shall be maintained at 25.5°C;

A2資源使用

本集團在內部人力資源管理過程中奉行無紙化概念，僱員支薪通知書、請假表格及公司內部通知均已無紙化。此外，使用再生紙進行印刷及複印，雙面印刷及複印亦已成為本集團的內部慣例。該等慣例大大降低紙張消耗及成本。本集團定期收集及評估打印機使用數據，以監控無紙化環境的成效。

為減少不必要地使用資源並提高使用效益，本集團已制定「節約能源及資源」政策，據此：

- 關閉無人使用的工作場所電燈及電器設備；
- 空調溫度維持於25.5°C；

- computers, photocopy machines, printers and other office equipment must be turned off when the staff are off duty or on leave;
- turn off lighting and air conditioning when the guest room is vacant; and
- use of recyclable resources e.g. recycle paper, washable tableware, water recycling shall be used.
- 員工於下班或休假時關閉電腦、影印機、打印機及其他辦公室設備；
- 訪客室閒置時關燈關空調；及
- 使用可回收資源，例如再造紙、可洗餐具、用水回收。

The Group will continuously monitor and manage the use of resources in order to reduce its operating costs as well as the carbon footprints.

本集團將繼續監察及管理資源的使用，以降低其營運成本及碳足跡。

As there is no issue in sourcing water, KPI A2.4 has not been disclosed in this ESG Report. Further, as only immaterial water and packaging material were consumed in the Group's operation, KPI A2.2 and KPI A2.5 are not applicable to the Group and has not been disclosed in this ESG Report.

由於本集團在求取適用水源時沒有遇到任何問題，故本環境、社會及管治報告並無披露關鍵績效指標A2.4。此外，本集團的營運只消耗少量的水及包裝材料，關鍵績效指標A2.2及A2.5不適用於本集團，故本環境、社會及管治報告不予披露。

Use of resources
資源使用

ENERGY CONSUMPTION-Electricity 能源消耗 – 電力	Year ended 31 March 2019 截至2019年3月31日止年度
Total Electricity consumption (kWh) 電力總耗量(千瓦時)	around 43,000kWh 約43,000千瓦時
Total Electricity consumption per employee (kWh) 每名僱員電力總耗量(千瓦時)	around 500kWh 約500千瓦時
ENERGY CONSUMPTION 能源消耗	Year ended 31 March 2019 截至2019年3月31日止年度
Total energy consumption-Electricity (MJ) 能源總耗量 – 電力(兆焦耳)	around 155,000MJ 約155,000兆焦耳
Total energy consumption per employee (MJ) 每名僱員能源總耗量(兆焦耳)	around 1,800MJ 約1,800兆焦耳
PAPER CONSUMPTION 用紙量	Year ended 31 March 2019 截至2019年3月31日止年度
Total office paper consumption (kg) 辦公用紙總耗量(千克)	around 3,500kg 約3,500千克
Total office paper consumption per employee (kg) 每名僱員辦公用紙總耗量(千克)	around 40kg 約40千克

A3 ENVIRONMENT AND NATURAL RESOURCES

The Group promotes environmental awareness among our employees and encourages them to work in an environmentally responsible manner. To further promote environmentally friendly office conditions, the following methods are used:

1. all used printer cartridges are returned to the supplier for recycling;
2. recycling bins are placed in the offices' common areas to separately collect waste paper for recycling;
3. employees are encouraged to print double-sided documents to reduce paper usage; and
4. make sure its business operation comply with the environmental law in Hong Kong and its operating locations.

V. SOCIAL

B1 EMPLOYMENT

As at 31 March 2019, the Group had a total number of 87 employees in Hong Kong and the PRC. The Group is committed to providing a fair and respectful workplace for our employees. The Group ensures our human resources policies are in compliance with all applicable laws and regulations and with reference to the general practice and benchmark of the industry. A comprehensive system of remuneration, incentive and performance management system has been established to attract and retain talents for our long-term and stable growth. The system consists of basic salary, legal and extra benefits (i.e. mandatory provident fund, medical and other insurance, annual leave, sick leave and various subsidies), and monetary rewards (i.e. discretionary bonus and sales commission) for the employees.

A3環境及天然資源

本集團向僱員灌輸環保意識，鼓勵僱員以環保態度履行工作。為進一步推行環保辦公室，本集團已採納下列方法：

1. 向供應商退還所有已使用的打印機墨盒作回收用途；
2. 於辦公室公共區域放置回收箱，獨立收集廢紙作回收用途；
3. 鼓勵僱員雙面印刷文件以減少用紙；及
4. 確保業務運作遵守香港及其他經營地點的環境法律。

V. 社會

B1僱傭

於2019年3月31日，本集團在香港及中國共有87名僱員。本集團致力為僱員打造公平公正及互相尊重的工作環境。本集團確保其人力資源政策符合所有適用法律及法規，並參考一般行業慣例及基準。本集團已制訂全面的薪酬、獎勵及表現管理制度以吸引及挽留人才，達致本集團長遠及穩定增長。該制度包括為僱員提供基本薪金、法定及額外福利(即強制性公積金、醫療及其他保險、年假、病假及各項津貼)以及金錢獎勵(即酌情花紅及銷售佣金)。

The Group understands that the employees are its most important asset. The Group has established a human resource policy, under which:

- employees are reviewed annually on a performance basis with reference to the market standards for consideration of promotion and/or reward;
- in order to promote a harmonious and mutual respect working environment, a staff manual is established to govern the recruitment, promotion, discipline, working hours and leaves. The staff manual also stipulates the anti-discrimination policies and employees' code of conducts;
- clear work processes according to professional and ethical labour practices have been clearly communicated to all employees. Certain policies to govern employees' affairs such as payroll, attendance and termination are clearly set out in staff appointment letters in compliance with the Employment Ordinance (Chapter 571 of the law of Hong Kong); and
- diversity of workforce are promised, including in terms of age, gender and nationality, as well as a culture of equal opportunity. The management regularly reviews the Group's remuneration policy in relation to relevant market standards.

During the Reporting Period, the Group is not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

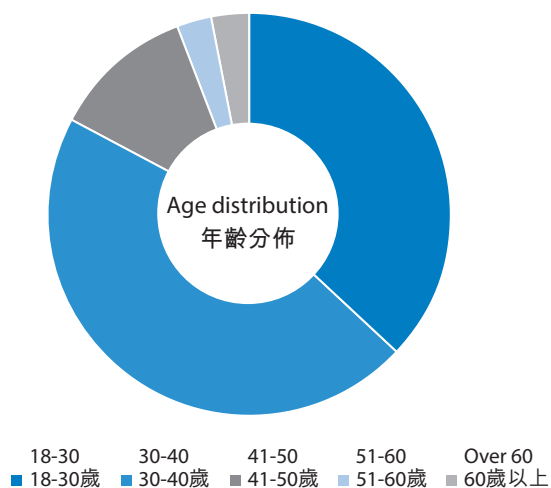
本集團深知僱員乃其最寶貴的資產。本集團已制定人力資源政策，據此：

- 參考市場標準，每年審閱僱員的表現，以考慮僱員晉升及／或獎賞；
- 為推動和諧及互相尊重的工作環境，已制定員工手冊，規管招聘、升遷、紀律、工作時數及休假。員工手冊亦訂明反歧視政策及僱員行為守則；
- 本集團已向全體僱員清楚傳達符合專業及道德的勞工常規的清晰工作流程，並已遵照香港法例第571章僱傭條例，於員工聘請書清楚載列規管薪資、出席率及終止僱傭等僱員事務的若干政策；及
- 承諾保持員工在年齡、性別及國籍方面多元化，並培養機會平等的文化。管理層就相關市場標準定期檢討本集團的薪酬政策。

於報告期間，本集團並不知悉在補償及解僱、招聘及晉升、工作時數、休假、平等機會、多元性、反歧視以及其他待遇及福利方面不遵守任何對本集團有重大影響的相關法律及法規的情況。

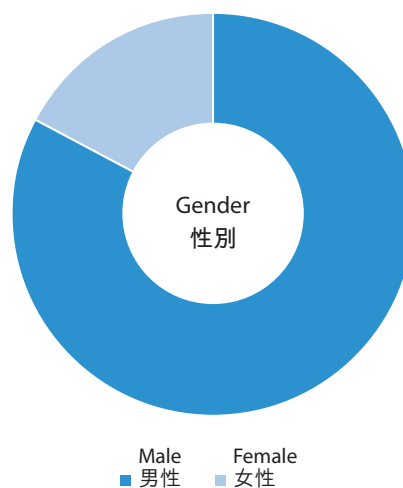
B1 EMPLOYMENT

As at 31 March 2019, all of the employees of the Group are permanent staff and the distribution of workforce is summarised as follows:



B1僱傭

於2019年3月31日，本集團所有僱員均為正式員工，職工分佈概述如下：



As at 31 March 2019, the employee turnover of the Group is summarised as follows:

於2019年3月31日，本集團僱員流失率概述如下：

		Number 人數	Rate 比率
LOCATION	地點		
Hong Kong	香港	12	34%
The PRC (excluding Hong Kong)	中國(香港除外)	23	66%
AGE DISTRIBUTION	年齡分佈		
18-30	18-30歲	13	54%
31-40	31-40歲	16	53%
41-50	41-50歲	4	27%
51-60	51-60歲	1	8%
Over 60	60歲以上	1	20%
GENDER	性別		
Male	男性	29	41%
Female	女性	6	38%
Total	總計		
Employee turnover	僱員流失率	35	40%

B2 HEALTH AND SAFETY

The Group always emphasises the importance of occupational health and safety. Workplace health and safety policies have been established in compliance with applicable local laws and laws in the mainland China. Assessments on these policies are conducted regularly to keep our standards updated and practical. For any potential problems that may jeopardise our employees' health and safety, the Group implements protective and improvement measures to minimise any incidents. The measures taken are listed below:

- provide auxiliary tools e.g. trolley, pump-action water dispenser, ladder, etc;
- set up safety warning signs, banners and slogans in the work sites;
- organise a series of trainings in relation to occupational safety;
- conduct emergency response drills regularly;
- install fire extinguishers, sprinklers, hose reels and smoke detectors;
- prohibit smoking and drinking liquor in the workplace;
- arrange regular pests control; and
- support team members to achieve a healthy work-life balance.

Appropriate measures will be continuously taken by the Group to improve safety and health of the employees in workplace.

B2健康及安全

本集團時刻強調職業健康與安全的重要性，並已遵照適用地方法律及中國內地法律制定工作場所健康與安全政策。本集團定期評估有關政策，確保其緊貼時勢及實際可行。對於可能危及僱員健康與安全的潛在問題，本集團實施並加強保護措施，盡量減少任何事故。所採取的措施列示如下：

- 提供輔助工具，例如手推車、泵式水機、梯等；
- 於工作場所張貼安全警告標誌、橫額及標語；
- 組織一系列與職業安全有關的培訓；
- 定期進行應急演習；
- 安裝滅火器、花灑、消防喉及煙霧探測器；
- 工作場所禁煙禁酒；
- 安排定期滅蟲；及
- 支援團隊成員實現健康的工作生活平衡。

本集團將繼續採取適當措施，改善僱員在工作場所的安全與健康。

During the Reporting Period, there were no material accidents in the course of our business operation which gave rise to any claims and compensation paid to our employees and the Group is not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.

於報告期間，本集團於業務營運過程中概無發生任何嚴重意外，導致任何申索及向僱員支付補償；亦不知悉在提供安全工作環境及保障僱員避免職業性危害方面不遵守任何對本集團有重大影響的相關法律及法規的情況。

		Year ended 31 March 2019 截至2019年 3月31日止年度
INDICATORS	指標	
Number of reportable injuries¹	須予申報工傷宗數 ¹	0
Injury rate²	工傷比率 ²	0
Number of reportable occupational diseases	須予申報職業病宗數	0
Occupational disease rate³	職業病比率 ³	0
Number of lost days⁴	損失工作日數 ⁴	0
Lost day rate⁵	損失工作日數比率 ⁵	0

Note:

- 1 Reportable injuries refer to work-related accidents to employees resulting in incapacity for a period exceeding three days in HK or PRC.
- 2 The injury rate is calculated based on the number of injuries per 200,000 hours worked (100 employees working 40 hours per week for 50 weeks).
- 3 The occupational disease rate is calculated based on the number of occupational diseases per 200,000 hours worked.
- 4 Lost days refer to the days that could not be worked as a consequence of a worker being unable to perform their usual work because an occupational accident or disease.
- 5 The lost days rate is calculated based on the number of lost days per 200,000 hours worked.

附註：

- 1 須予申報工傷指在香港或中國導致僱員喪失工作能力為期超過三天的工作相關意外。
- 2 工傷比率乃基於每工作200,000小時的工傷宗數(100名僱員工作50星期，每星期工作40小時)計算。
- 3 職業病比率乃基於每工作200,000小時的職業病宗數計算。
- 4 損失工作日數指因工人發生職業性意外或患上職業病而無法執行正常工作，導致不能工作的日數。
- 5 損失工作日數比率乃基於每工作200,000小時的損失工作日數計算。

B3 DEVELOPMENT AND TRAINING

Being a façade and curtain wall work solutions provider in Hong Kong, the Group recognises the importance of professionalism and competence of its staff. The main objective of training and development in the Group is to help develop key competencies which enable individuals to perform current or future jobs successfully.

The training and development programmes will be geared towards the following objectives:

- strengthening the job skills/knowledge of employees;
- improving operational efficiency and productivity; and/or
- developing the potential of employees for maximising mutual benefit to individuals and the Group.

Types of training or development activities conducted

- employee-initiated training/development activities may include external programmes that are organised by external training institutes, or by the Group; and
- employer-initiated programmes may take the form of offering sponsorship for employees to attend external programmes or organising such programmes in-house.

During the Reporting period, the Group made full use of internal resource to organise various forms of training covering management, customers service, financial, etc. to the employees.

B3發展及培訓

作為一間在香港從事外牆及幕牆工程解決方案的供應商，本集團深明員工的專業質素及能力極其重要。本集團主要培訓及發展目標在於開拓重點能力，令員工得以有效履行目前或日後的職責。

培訓及發展計劃旨在追求以下目標：

- 加強僱員的工作技能／知識；
- 提高營運效率及生產力；及／或
- 開發僱員潛能，將僱員與本集團的互利關係發揮至極。

已進行的培訓或發展活動類型

- 僱員發起的培訓／發展活動可能包括外部培訓機構或本集團籌辦的外部課程；及
- 僱主發起的計劃可能以資助僱員參加外部課程或集團內籌辦該等課程的形式進行。

於報告期間，本集團充分利用內部資源，為僱員籌辦管理、客戶服務、財務等領域的多種形式培訓。

B4 LABOUR STANDARDS

The Group fully understands that the exploitation of child and forced labour are universally prohibited, and therefore takes the responsibility against child and forced labour very seriously. The Group prohibits any child and forced labour in its operations. A system of comprehensive recruitment processes is established requiring background checks to be conducted on candidates and formalised reporting procedures to address any exceptions found. The Group also performs regular reviews and inspections to detect the existence of any child or forced labour in the operations. At the meantime, the Group also avoids engaging vendors of administrative supplies and services and contractors that are known to employ child or forced labour in their operations.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to preventing child or forced labour on the Group during the Reporting Period. In addition, no non-compliance with relevant laws and regulations that resulted in significant fines or sanctions had been reported in the Reporting Period.

B5 SUPPLY CHAIN MANAGEMENT

The Group's general business suppliers include providers of fabricated products, aluminium and steel, glass, installation work and design services for construction projects.

The Group believes that the quality of its products and services as well as its reputation will be influenced by the work with its suppliers. Therefore, the Group has established procurement policy to maintain high level of ethical standards for choosing the right supplier through careful selection and continuous measurement. The Group conducts review on key suppliers annually so as to provide an opportunity to suppliers to enhance their services and products quality, which improves both the suppliers and our procurement management effectively.

B4 勞工準則

本集團深明各界禁止剝削童工及強制勞工，因此以嚴謹態度承擔打擊童工及強制勞工的責任。本集團禁止其營運僱用任何童工及強制勞工。本集團已建立一個須審查應徵者背景的完善招聘程序及正式確立處理任何所發現例外情況的正式報告程序，另外亦定期檢討及巡查，以查明營運中有否存在任何童工或強制勞工。與此同時，本集團亦避免委聘已知在營運中聘用童工或強制勞工的行政用品及服務供應商以及承包商。

於報告期間，本集團概不知悉在防止童工或強制勞工方面嚴重違反任何對本集團有重大影響的相關法律及法規的情況。此外，於報告期間概無呈報因不遵守相關法律及法規而導致大額罰款或重大制裁的情況。

B5 供應鏈管理

本集團的一般業務供應商包括建築項目預製構件產品、鋁及鋼、玻璃、安裝工程及設計服務的提供商。

本集團相信其產品及服務質素以及聲譽受其供應商的工作影響。因此，本集團已制訂採購政策，透過審慎挑選及持續評價合適的供應商，以維持高水平道德標準。本集團每年審視主要供應商，讓彼等有機會提升服務及產品質素，此舉同時有效改善供應商及採購管理。

In selecting new suppliers, the Group compares at least three different companies and emphasises the legal compliance and integrity culture of suppliers' operations, beyond cost considerations. On-site inspections and research are conducted before the commencement of business with suppliers, followed by annual examination and evaluation in various aspects including occupational health and safety, employee rights protection, environmental protection and corporate social responsibility to ensure suppliers operated in compliance with the national standards or relevant requirement, and there are no child labour or forced labour issues. The examination and evaluation results will be used as the basis for continuation or termination of cooperation in the future.

B6 PRODUCT RESPONSIBILITY

A high priority for the Group is to ensure customer satisfaction in terms of our products and services. Strenuous efforts are made to ensure compliance with the relevant laws and regulations relating to product health and safety, advertising, labelling and privacy matters of the jurisdictions in which the Group operates. The Group's code of conduct requires its employees to comply with applicable governmental and regulatory laws, rules, codes and regulations.

挑選新供應商時，本集團最少比較三間不同的公司，並重視供應商營運的法律合規紀錄及廉正文化，更甚於成本考慮。與供應商開展業務往來前，本集團會先進行實地視察及調查，然後對多方面進行年度審查及評價，包括職業健康與安全、僱員權利保障、環保及企業社會責任，以確保供應商的營運符合國家標準或相關規定，以及並無存在童工或強制勞工問題。審查及評價結果將用作日後持續或終止合作的基準。

B6產品責任

確保客戶滿意產品及服務乃本集團首要任務。本集團致力確保在產品健康與安全、廣告、標籤及私隱事宜方面遵守本集團營運所在司法權區的相關法律及法規。本集團的行為守則要求僱員遵守適用政府及監管法律、規則、守則及法規。

The Group is not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, intellectual property rights, advertising, labeling and privacy matters relating to services provided and methods of redress during the Reporting Period. The Group has in-house rules governing the work procedures for the projects in order to ensure work quality. The Group considers that the quality of works generally depends on the quality of building materials supplied and installation works performed by subcontractors at construction sites, which in turn are generally controlled by the Group's quality control measures on suppliers, including: (i) ensuring sufficient planning prior to executing the project to ensure that quality control measures and procedures are in place; (ii) maintaining a list of approved suppliers and only engaging those on the list; and (iii) conducting sample inspections on building materials supplied based on the technical specifications of the relevant projects. Building materials that are defective or that do not meet the specifications will be returned to the suppliers. During the Reporting Period, our Group did not receive any material complaint or demand for any kind of compensation from the customers or subject to any deductions, withholding, counter-claim or set-off due to the quality issues in relation to the products and services.

B7 ANTI-CORRUPTION

Corruption, bribery or fraud in any form is strictly prohibited. The Group's anti-corruption policies set out standards of conduct to which all employees are required to adhere in order to promote the integrity of the workplace.

To combat corruption and to govern conflicts of interest, ICAC seminars available to all Hong Kong staff on anti-corruption have been conducted. In addition, unless with prior approval from senior management, employees should not give or accept any gifts, gratuities, favours or benefits that are beyond common courtesies with accepted business practices or any excessive entertainment. Breaches are subject to disciplinary actions, including the termination of employment contracts where necessary.

於報告期間，本集團並不知悉在與所提供服務及補救方法有關的健康與安全、知識產權、廣告、標籤及私隱事宜方面不遵守任何對本集團有重大影響的相關法律及法規的情況。本集團設有內部規則，規管項目工作程序以確保工程質素。本集團認為，工程質素一般取決於分包商供應的建築材料品質，以及分包商於建築地盤進行的安裝工程質素，總體而言受到本集團對供應商實施的質量監控措施所管控，包括：(i) 確保於執行項目前充份規劃，以確保落實質量監控措施及程序；(ii) 存置認可供應商名單，並只會委聘名單上的供應商；及(iii) 根據相關項目的技術規格抽樣檢查獲供應的建築材料。存在瑕疵或未合規格的建築材料將退回供應商。於報告期間，本集團並無接獲客戶的任何重大投訴或要求任何類型的賠償，亦無因產品及服務質量問題而面臨任何扣款、預扣款、反申索或對銷。

B7反貪污

本集團嚴禁任何形式的貪污、賄賂或欺詐行為。本集團的反貪污政策載有行為準則，全體僱員均須遵守，務求推動廉潔的工作環境。

為打擊貪污及規管利益衝突，本集團為全體香港員工舉行廉政公署的反貪污講座。此外，除非事先獲得高級管理層批准，否則僱員不應提供或收受任何不符合公認商業慣例且超逾平常禮節的餽贈、小費、優惠或利益或過度款待。違者會遭受紀律懲處，包括在有需要時終止僱傭合約。

We aim to maintain the highest standards of openness, uprightness and accountability and all our staff are expected to observe the highest standards of ethical, personal and professional conduct. We do not tolerate corruption, bribery, extortion, money-laundering and other fraudulent activities in connection with any of our business operations.

The Group adopted a whistle-blowing system for reporting any improprieties in financial reporting, internal control, suspected or actual fraud or other matters. Whistleblower can drop an email directly to the Audit Committee. If they prefer, they can choose to use an anonymous email address to report the matters.

The chairman of the Audit Committee can call for a meeting with the Board to investigate the reported matters.

The Board may also decide whether the Group needs to appoint an external consultant (including professional parties, ICAC or police, etc.) to deal with the reported matters.

The Group is not aware of any potential or confirmed cases regarding corruption practices brought against the Group or its employees during the Reporting Period. No whistleblowing disclosures were received during the Reporting Period. The Group is not aware of any non-compliant with relevant law and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.

B8 COMMUNITY INVESTMENT

The Group is constantly aware of the needs of the community and is ready to try its best to contribute to the community by participating in and sponsoring community activities.

In addition, the Group encourages and supports its staff to participate in volunteer services at the leisure times.

我們旨在維持最高水平的公開性、正直性及問責性，期望全體員工遵守最高水平的道德、個人及專業操守。我們絕不容忍與任何業務營運有關的貪污、賄賂、勒索、洗黑錢及其他欺詐活動。

本集團已採納舉報制度，以便就財務報告、內部控制、可疑或實際欺詐或其他事宜報告任何不當之處。舉報者可直接向審核委員會發送電郵，亦可按意願選擇使用匿名電郵地址報告有關事宜。

審核委員會主席可要求與董事會會面以調查報告事宜。

董事會亦可決定本集團是否需要委任任何外聘顧問(包括專業人士、廉政公署或警方等)處理有關報告事宜。

於報告期間，本集團並不知悉任何針對本集團或其僱員提出的潛在或已確認貪污個案。報告期間內亦無接獲舉報披露。本集團並不知悉任何不遵守與賄賂、勒索、欺詐及洗黑錢有關並對本集團有重大影響的相關法律及法規的情況。

B8 社區投資

本集團一直關注社區需要，亦已作好準備透過參與及贊助社區活動盡力貢獻社區。

此外，本集團鼓勵及支持員工於工餘時間投身義工服務。

Directors' Report

董事會報告

The Directors are pleased to present this Directors' report and the audited consolidated financial statements of the Group for the year ended 31 March 2019.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands under the Companies Law of the Cayman Islands as an exempted company with limited liability on 25 May 2017.

In preparation for the Listing, the Group underwent corporate reorganisation (the "Reorganisation"). The Reorganisation was completed on 19 January 2018, and the Company became the holding company of the Group.

Details of the Reorganisation are set out in note 1B to the consolidated financial statements of this annual report. The Shares were listed on GEM on 23 February 2018 by way of share offer.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Since 2006, the Group has mainly engaged as a subcontractor that provides façade and curtain wall works solutions in Hong Kong. Details of the principal activities of the Group's subsidiaries as at 31 March 2019 are set out in note 36 to the consolidated financial statements of this annual report. The Group's revenue for the year was derived mainly from activities carried out in Hong Kong. An analysis of the Group's revenue for the year is set out in note 5 to the consolidated financial statements of this annual report.

BUSINESS REVIEW

A review of the business of the Group for the year ended 31 March 2019, assessment of the principal risks and uncertainties faced by the Group, particulars of important events affecting the Group that have occurred subsequent to the end of the year as well as indication of likely future development in the business of the Group are set out in the section headed "Management Discussion and Analysis" of this annual report. In addition, the Group's environmental policy, compliance with the relevant laws and regulations that have significant impact of the Group and key relationships with its stakeholders are set out in this Directors' Report.

董事欣然提呈本董事會報告及本集團截至2019年3月31日止年度的經審核綜合財務報表。

公司重組

本公司於2017年5月25日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。

為籌備上市，本集團曾進行公司重組（「重組」）。重組於2018年1月19日完成，而本公司成為本集團的控股公司。

重組的詳情載於本年報綜合財務報表附註1B。股份於2018年2月23日通過股份發售的方式在GEM上市。

主要業務

本公司為一間投資控股公司。自2006年起，本集團主要為於香港提供外牆及幕牆工程解決方案的分包商。本集團附屬公司於2019年3月31日的主要業務的詳情載於本年報綜合財務報表附註36。本集團的年內收益主要源自於香港進行的業務。本集團年內收益的分析載於本年報綜合財務報表附註5。

業務回顧

截至2019年3月31日止年度對本集團業務的審視、對本集團面對的主要風險及不明朗因素的評估、年度終結後發生並對本集團有影響的重大事件的詳情，以及本集團業務相當可能有的未來發展的揭示，載於本年報「管理層討論與分析」一節。此外，本集團的環保政策、遵守對本集團有重大影響的有關法律及法規的情況以及與權益人的重要關係摘錄自本董事會報告。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2019 are set out in the consolidated financial statements on pages 78 to 179 of this annual report.

The Board does not recommend any payment of final dividend for the year ended 31 March 2019 (2018: nil).

RESERVES

Details of the movement in the reserves of the Company and the Group during the year are set out in note 38 to the consolidated financial statements of the Group and in the consolidated statement of changes in equity on page 80 of this annual report respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company's reserves available for distribution to Shareholders amounted to approximately HK\$23,393,000. Such amount represented share premium net of accumulated losses of the Company, which may be distributable provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

USE OF PROCEEDS

The net proceeds amounting from the Listing on 23 February 2018 (the "Listing Date") after deducting the underwriting fees and other listing expenses in connection with the Share Offer were approximately HK\$28.2 million.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Details of significant related party transactions undertaken by the Group during the year in the ordinary course of business are set out in note 35 to the consolidated financial statements.

The following transaction between certain connected persons (as defined in the Listing Rules) and the Company had been entered into or are ongoing for which relevant announcement, if necessary, had been made by the Company in accordance with Chapter 20 of the GEM Listing Rules.

業績及分派

本集團截至2019年3月31日止年度的業績載於本年報第78至179頁的綜合財務報表內。

董事會不建議派發截至2019年3月31日止年度任何末期股息(2018年：無)。

儲備

本公司及本集團儲備於年內的變動詳情分別載於本集團綜合財務報表附註38及本年報第80頁的綜合權益變動表內。

可供分派儲備

於2019年3月31日，本公司可向股東分派的儲備約為23,393,000港元。有關款項指抵銷本公司累計虧損後的股份溢價，可供分派，前提為於緊隨建議分派股息日期後，本公司將可於日常業務過程中償還到期債務。

所得款項用途

於2018年2月23日(「上市日期」)上市的所得款項淨額(經扣除包銷費用及其他有關股份發售的上市開支)約為28.2百萬港元。

關聯方交易及關連交易

本集團年內在日常業務過程中進行的重大關聯方交易的詳情載於綜合財務報表附註35。

若干關連人士(定義見上市規則)與本公司曾經或正在進行以下交易，而本公司已按照GEM上市規則第二十章就此作出相關公告(如有需要)。

As at 31 March 2019, Mr. Yu Lap On Stephen and two companies controlled by Mr. Chow Mo Lam or his close family members (namely, Polyfaith Holdings Limited and Polykind Far East Limited), had pledged their properties to secure banking facilities granted to certain subsidiaries within the Group for nil consideration.

Pursuant to Rule 20.88 of the GEM Listing Rules, such transaction is exempted from shareholders' approval, annual review and all disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company has complied with the requirements in Chapter 20 of the GEM Listing Rules in respect of the above financial assistance received.

Save as disclosed above, none of the related party transactions set out in note 35 to the consolidated financial statement constitutes connected transactions or continuing connected transactions under Chapter 20 of the GEM Listing Rules.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 27 to the consolidated financial statements of this annual report.

SHARE OPTION SCHEME

Prior to the Listing, the Company had conditionally adopted a share option scheme (the "Share Option Scheme") which became unconditional and effect on the Listing Date. Particulars of the Share Option Scheme are set out in note 31 to the consolidated financial statements of this annual report. No share option has been granted under the Share Option Scheme since the Listing Date, nor was there any share option outstanding as at the date of this annual report.

Save as disclosed above, no rights to subscribe for equity or debt securities of the Company have been granted to or exercised by any Directors or their associates since the effective date of the Share Option Scheme.

於2019年3月31日，余立安先生以及由周武林先生或其親屬控制的寶輝集團有限公司及寶利佳遠東有限公司兩間公司已質押彼等的物業，作為本集團若干附屬公司無償獲得銀行融資的擔保。

根據GEM上市規則第20.88條，此項交易獲豁免遵守GEM上市規則第二十章下的股東批准、年度審核及所有披露規定。本公司已就上述已收取的財務資助遵守GEM上市規則第二十章的規定。

除上文所披露者外，綜合財務報表附註35所載的關聯方交易概不構成GEM上市規則第二十章下的關連交易或持續關連交易。

物業、廠房及設備

本集團物業、廠房及設備於年內的變動詳情載於本年報綜合財務報表附註14。

股本

本公司股本於年內的變動詳情載於本年報綜合財務報表附註27。

購股權計劃

上市前，本公司有條件地採納一項購股權計劃（「該購股權計劃」）。該購股權計劃於上市日期成為無條件並生效。該購股權計劃的詳情載於本年報綜合財務報表附註31。自上市日期起概無根據該購股權計劃授出任何購股權，於本年報日期亦無任何未獲行使的購股權。

除上文所披露者外，自該購股權計劃生效日期以來，概無任何董事或彼等的聯繫人獲授或行使任何可認購本公司股本或債務證券的權利。

PRE-EMPTIVE RIGHTS

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

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the years ended 31 March 2016, 2017, 2018 and 2019, is set out on page 179 of this annual report. This summary does not form part of the audited financial statements.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Shares.

DIRECTORS

The Directors for the year ended 31 March 2019 and up to the date of this report were:

Executive Directors:

Mr. Chow Mo Lam (*Chairman*)
Mr. Yu Lap On Stephen (*Chief Executive Officer*)
Mr. Wong Kam Man

Independent non-executive Directors:

Dr. Lung Cheuk Wah
Mr. Ng Ka Lok
Mr. Wong Chi Yung

In accordance with Article 84 of the Articles, Mr. Chow Mo Lam (executive Director) and Dr. Lung Cheuk Wah (independent non-executive Director) shall retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

優先購買權

細則或開曼群島法律並無有關優先購買權的條文，以致本公司須按比例向現有股東提呈發售新股份。

財務概要

本集團截至2016年、2017年、2018年及2019年3月31日止年度的已發表業績以及資產及負債概要載於本年報第179頁。此概要並不構成經審核財務報表的一部分。

稅項寬免及豁免

本公司並不知悉股東因持有股份而享有的任何稅務寬免及豁免。

董事

截至2019年3月31日止年度及直至本報告日期止的董事如下：

執行董事：

周武林先生(*主席*)
余立安先生(*行政總裁*)
黃錦文先生

獨立非執行董事：

龍卓華博士
吳家樂先生
王志勇先生

根據細則第84條，周武林先生(執行董事)及龍卓華先生(獨立非執行董事)應於本公司的應屆股東週年大會上退任，惟符合資格並願接受重選。

TERMS OF OFFICE FOR THE INDEPENDENT NON-EXECUTIVE DIRECTORS

All the independent non-executive Directors ("INEDs") were appointed for a specific term of three years commencing on 23 February 2018 and subject to the relevant provisions of the Articles or any other applicable laws whereby the Directors shall vacate or retire from their office.

The Company has received from each INED an annual confirmation of his independence from the Group, and as at the date of this report still considers them to be independent pursuant to Rule 5.09 of the GEM Listing Rules.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

None of the Directors proposed for re-election at the forthcoming AGM has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Particulars of the emoluments of the Directors on a named basis for the year are set out in note 10 to the consolidated financial statements of this annual report.

MANAGEMENT CONTRACTS

During the year ended 31 March 2019, the Company did not enter into or have any management and administration contracts in respect of the whole or any substantial part of the business of the Company.

獨立非執行董事的任期

所有獨立非執行董事均有指定任期，自2018年2月23日起為期三年，並受有關董事離任或退任的細則相關條文或任何其他適用法例所規限。

根據GEM上市規則第5.09條，本公司已接獲由每名獨立非執行董事發出、表明其獨立於本集團的年度確認書，且於本報告日期仍認為彼等為獨立人士。

董事的服務合約

各執行董事已與本公司訂立服務協議，自上市日期起初步為期三年，之後將會續期，直至其中一方透過向另一方送達不少於三個月的書面通知終止為止。

擬於應屆股東週年大會上接受重選的董事概無與本集團訂立本集團不可於一年內無須賠償(法定賠償除外)而終止的未到期服務合約。

年內董事以具名形式收取的酬金詳情載於本年報綜合財務報表附註10。

管理合約

於截至2019年3月31日止年度，本公司並無訂立或擁有任何關於本公司整體或任何主要部分業務的管理及行政合約。

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this report, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, or in which a Director or its connected entities had a material interest (whether directly or indirectly) subsisted at the end of the Reporting Period or at any time during the Reporting Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at the date of this report, none of the Directors and their respective close associates (not being the INEDs) are considered to have interests in the businesses which compete or are likely to compete with the businesses of the Group pursuant to the GEM Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, the Directors and every one of them is entitled to be indemnified out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which the Directors or any of them, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty in their offices or otherwise in relation thereto provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

The Company has taken out and maintained Directors' liability insurance throughout the Reporting Period which provides appropriate cover for legal actions brought against the Directors.

董事於重大交易、安排或合約中的重大權益

除本報告所披露者外，於報告期間結束時或報告期間任何時間並無由本公司或其任何附屬公司訂立、與本集團業務有重大關係或董事或其關連實體直接或間接擁有重大權益的其他交易、安排或合約存續。

董事於競爭業務中的權益

於本報告日期，概無董事及彼等各自的緊密聯繫人(並非獨立非執行董事)被視為於根據GEM上市規則與本集團業務構成或可能構成競爭的業務中擁有權益。

獲准許的彌償條文

根據細則，全體董事及每一名董事均可就彼等或其中任何一人執行職責或據稱職責或其他有關職責時因任何作為或不作為而將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，從本公司資產中獲得彌償，惟本彌償保證並不延伸至與任何董事欺詐或不誠實行為有關的任何事宜。

本公司於整個報告期間已購買及維持董事責任保險，就針對董事提出的法律訴訟提供適當保障。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, the interests or short positions of the Directors and the chief executive of the Company or their respective associates in Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and/or short positions which they are deemed or taken to have under such provisions of the SFO, or which will be required, pursuant to section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(a) Interests in shares of the Company

Name of Director	Capacity	Long/short Position	Number of shares held	Percentage of shareholding in the Company
董事姓名	身份	好倉／淡倉	所持股份數目	於本公司的股權百分比
Mr. Chow Mo Lam	Interest of controlled corporation	Long position	600,000,000 Shares ^(Note)	75%
周武林先生	受控制法團權益	好倉	600,000,000股股份 ^(附註)	

Note: 600,000,000 Shares are directly held by C.N.Y. Holdings Limited, a company incorporated in British Virgin Islands with limited liability, which is owned by Mr. Chow Mo Lam ("Mr. Chow") as to 83% and by Mr. Yu Lap On Stephen ("Mr. Yu") as to 17%. Both Mr. Chow and Mr. Yu are executive Directors. By virtue of the SFO, Mr. Chow is deemed to be interested in the 600,000,000 Shares held by C.N.Y. Holdings Limited. Each of Mr. Chow, Mr. Yu and C.N.Y. Holdings Limited is regarded as a Controlling Shareholder.

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於2019年3月31日，本公司董事及最高行政人員或彼等各自的聯繫人於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括彼等根據證券及期貨條例的有關條文被當作或被視為擁有的權益及／或淡倉)，或根據證券及期貨條例第352條須記入該條所指登記冊的權益或淡倉，或根據GEM上市規則第5.46至5.67條已另行知會本公司及聯交所的權益或淡倉載列如下：

(a) 於本公司股份的權益

附註：600,000,000股股份由永盟控股有限公司(一間於英屬處女群島註冊成立的有限公司)直接持有，而永盟控股有限公司由周武林先生(「周先生」)及余立安先生(「余先生」)分別擁有83%及17%權益。周先生及余先生均為執行董事。根據證券及期貨條例，周先生被當作於永盟控股有限公司持有的600,000,000股股份中擁有權益。周先生、余先生及永盟控股有限公司各自被視為控股股東。

(b) Interests in shares of the associated corporation of the Company

(b) 於本公司相聯法團股份的權益

Name of associated corporation	Name of Director	Capacity	Long/short Position	Number of shares held	Percentage of shareholding in the associated corporation
相聯法團名稱	董事姓名	身份	好倉／淡倉	所持股份數目	於相聯法團的股權百分比
C.N.Y. Holdings Limited 永盟控股有限公司	Mr. Chow Mo Lam 周武林先生	Beneficial Owner 實益擁有人	Long position 好倉	83 shares ^(Note) 83股股份 ^(附註)	83%
C.N.Y. Holdings Limited 永盟控股有限公司	Mr. Yu Lap On Stephen 余立安先生	Beneficial Owner 實益擁有人	Long position 好倉	17 shares ^(Note) 17股股份 ^(附註)	17%

Note: 600,000,000 Shares are directly held by C.N.Y. Holdings Limited, a company incorporated in British Virgin Islands with limited liability, which is owned by Mr. Chow Mo Lam ("Mr. Chow") as to 83% and by Mr. Yu Lap On Stephen ("Mr. Yu") as to 17%. Both Mr. Chow and Mr. Yu are executive Directors. By virtue of the SFO, Mr. Chow is deemed to be interested in the 600,000,000 Shares held by C.N.Y. Holdings Limited. Each of Mr. Chow, Mr. Yu and C.N.Y. Holdings Limited is regarded as a Controlling Shareholder.

附註：600,000,000股股份由永盟控股有限公司（一間於英屬處女群島註冊成立的有限公司）直接持有，而永盟控股有限公司由周武林先生（「周先生」）及余立安先生（「余先生」）分別擁有83%及17%權益。周先生及余先生均為執行董事。根據證券及期貨條例，周先生被當作於永盟控股有限公司持有的600,000,000股股份中擁有權益。周先生、余先生及永盟控股有限公司各自被視為控股股東。

Save as disclosed above, as at 31 March 2019, none of the Directors or the chief executives of the Company or their respective associates had any interests and short positions in the shares, underlying shares, convertible notes or debentures of the Company or any of its associated corporations as recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange as at 31 March 2019.

除上文所披露者外，於2019年12月31日，概無本公司董事或最高行政人員或彼等各自的聯繫人於本公司或其任何相聯法團的股份、相關股份、可換股票據或債權證中，擁有於2019年12月31日已記入本公司根據證券及期貨條例第352條存置的登記冊的任何權益及淡倉，或以其他方式知會本公司及聯交所的任何權益及淡倉。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

Save as disclosed in the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" in this report, as at 31 March 2019, so far as was known to any Directors or chief executive of the Company, the interests which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or of whom were deemed to be directly or indirectly interested in 5% or more of the issued capital of the Company, or which were recorded in the register of interests required to be kept under Section 336 of the SFO or have been notified to the Company were as follows:

Name of Shareholders	Capacity	Long/Short position	Number of Shares held	Percentage of shareholding in the Company
股東名稱／姓名	身份	好倉／淡倉	所持股份數目	於本公司的股權百分比
C.N.Y. Holdings Limited 永盟控股有限公司	Beneficial owner ^(Note 1) 實益擁有人 ^(附註1)	Long position 好倉	600,000,000 ^(Note 1) 600,000,000股 股份 ^(附註1)	75%
Ms. Hau Pak Sui 侯白雪女士	Interest of spouse ^(Note 2) 配偶權益 ^(附註2)	Long position 好倉	600,000,000 ^(Note 2) 600,000,000股 股份 ^(附註2)	75%

Notes:

- 600,000,000 Shares are directly held by C.N.Y. Holdings Limited, a company incorporated in British Virgin Islands with limited liability, which is owned by Mr. Chow Mo Lam ("Mr. Chow") as to 83% and by Mr. Yu Lap On Stephen ("Mr. Yu") as to 17%. Both Mr. Chow and Mr. Yu are executive Directors. By virtue of the SFO, Mr. Chow is deemed to be interested in the 600,000,000 Shares held by C.N.Y. Holdings Limited. Each of Mr. Chow, Mr. Yu and C.N.Y. Holdings Limited is regarded as a Controlling Shareholder.
- Ms. Hau Pak Sui is the spouse of Mr. Chow and she is deemed to be interested in the 600,000,000 Shares, in which Mr. Chow is deemed interested by virtue of the SFO.

主要股東於股份的權益及淡倉

除本報告「董事及最高行政人員於股份、相關股份及債權證的權益及淡倉」一段所披露者外，於2019年3月31日，就本公司任何董事或最高行政人員所知，根據證券及期貨條例第XV部第2及3分部須披露的權益，或被當作直接或間接擁有本公司已發行股本5%或以上的權益，或根據證券及期貨條例第336條須存置的權益登記冊所記錄的權益，或已知會本公司的權益如下：

附註：

- 600,000,000股股份由永盟控股有限公司（一間於英屬處女群島註冊成立的有限公司）直接持有，而永盟控股有限公司由周武林先生（「周先生」）及余立安先生（「余先生」）分別擁有83%及17%權益。周先生及余先生均為執行董事。根據證券及期貨條例，周先生被當作於永盟控股有限公司持有的600,000,000股股份中擁有權益。周先生、余先生及永盟控股有限公司各自被視為控股股東。
- 侯白雪女士為周先生的配偶，根據證券及期貨條例被當作於周先生被當作擁有權益的600,000,000股股份中擁有權益。

Save as disclosed above, and as at 31 March 2019, the Directors were not aware of any persons (who were not Directors or chief executives of the Company) who had an interest or short position in the share capital of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate with the exception of granting of share options to subscribe for Shares under the Share Option Scheme.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save for those as disclosed in the above paragraph under "Directors' and Chief Executives' Interest and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Scheme" in this Directors' Report, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable to the Directors to acquire such rights in any other body corporate.

NON-COMPETITION UNDERTAKING BY THE CONTROLLING SHAREHOLDERS

Each of the Controlling Shareholders, namely C.N.Y. Holdings Limited, Mr. Chow Mo Lam and Mr. Yu Lap On Stephen, entered into a deed of non-competition in favour of the Company on 25 January 2018 (the "Deed"), details of which have been set out in the Prospectus.

除上文所披露者外，於2019年3月31日，董事並不知悉任何人士（並非本公司董事或最高行政人員）於本公司的股本中擁有根據證券及期貨條例第XV部第2及3分部須予披露的權益或淡倉，或根據證券及期貨條例第336條須記入該條所述登記冊的權益或淡倉。

購買股份或債權證的安排

於報告期間內任何時間，本公司或其任何附屬公司概無訂立任何安排，讓董事藉購入本公司或任何其他法人團體的股份或債權證而獲得利益，惟根據購股權計劃授出購股權以認購股份除外。

董事購入股份的權利

除本董事會報告上文「董事及最高行政人員於股份、相關股份及債權證的權益及淡倉」以及「購股權計劃」段落所披露者外，於年內任何時間，任何董事或彼等各自的配偶或未成年子女概無獲授任何權利，可藉購入本公司的股份或債權證而獲得利益，亦無行使任何此等權利。本公司或其任何附屬公司概無訂立任何安排，致使董事可在任何其他法人團體獲得上述權利。

控股股東作出的不競爭承諾

各控股股東（即永盟控股有限公司、周武林先生及余立安先生）於2018年1月25日訂立以本公司為受益人的不競爭契據（「契據」），有關詳情載於招股章程內。

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders to meet its immediate and long-term goals. During the Reporting Period, there were no material and significant dispute between the Group and its suppliers, customers and/or other stakeholders.

MAJOR CUSTOMERS AND SUPPLIERS

During the Reporting Period, the aggregate sales attributable to the Group's five largest customers and the aggregate purchases attributable to the Group's five largest suppliers were approximately 97% and 59% of the Group's sales and purchases respectively.

During the Reporting Period, the aggregate sales attributable to the Group's largest customer and the aggregate purchases attributable to the Group's largest supplier were approximately 50% and 26% of the Group's sales and purchases respectively.

None of the Directors, their associates or any Shareholders, which to the knowledge of the Directors owned more than 5% of the Company's issued share capital, had a beneficial interest in any of the Group's five largest suppliers and customers during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares during the period from the Listing Date to 31 March 2019.

COMPLIANCE ADVISER'S INTERESTS

The Company and Sunfund Capital Limited mutually agreed to terminate the compliance adviser agreement dated 25 January 2018 with effect from 7 May 2019, due to commercial reasons. The Company appointed First Shanghai Capital Limited ("First Shanghai") as its new compliance adviser with effect from 29 May 2019. For further information, please refer to the Company's announcements dated 6 May 2019 and 29 May 2019.

與供應商、客戶及其他權益人的關係

本集團明白與供應商、客戶及其他權益人維持良好關係，對達致即時及長遠目標極為重要。於報告期間，本集團與供應商、客戶及／或其他權益人並無發生重大及嚴重糾紛。

主要客戶及供應商

於報告期間，向本集團五大客戶銷售的總額及向本集團五大供應商採購的總額分別約佔本集團銷售及採購的97%及59%。

於報告期間，向本集團最大客戶銷售的總額及向本集團最大供應商採購的總額分別約佔本集團銷售及採購的50%及26%。

於報告期間，董事、彼等的聯繫人或任何就董事所知擁有本公司已發行股本逾5%的股東概無於本集團五大供應商及客戶中擁有任何實益權益。

購買、出售或贖回股份

於上市日期至2019年3月31日期間，本公司或其任何附屬公司概無購買、出售或贖回任何股份。

合規顧問權益

本公司與耀盛資本有限公司因商業理由經雙方同意終止於2018年1月25日訂立的合規顧問協議，自2019年5月7日起生效。本公司已委任第一上海融資有限公司（「第一上海」）為新合規顧問，自2019年5月29日起生效。進一步資料請參閱本公司日期為2019年5月6日及2019年5月29日的公告。

As at the date of this report, neither First Shanghai nor any of its directors, employees or associates had any interests in the shares of the Company or any member of the Group, or any right to subscribe for or to nominate persons to subscribe for the shares of the Company or any member of the Group.

Pursuant to the compliance adviser agreement entered into between the Company and First Shanghai on 29 May 2019, First Shanghai received and will receive fees for acting as the Company's compliance adviser for the period commencing on 29 May 2019 and ending on the date which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year after the Listing Date.

EMPLOYEES AND EMOLUMENT POLICIES

As at 31 March 2019, the Group had 87 (2018: 89) employees.

The emolument policy of the employees of the Group is formulated by the Remuneration Committee based on their merit, qualifications and competence. It is the Group's policy to compensate each employee fairly and equitably. The Group has a system for measuring employees' performance against agreed-upon goals with specific performance standards. Performance discussion is carried out on an ongoing basis and a formal evaluation is conducted once a year to review employees' overall performance, achievements, and areas in need of improvement. Salary review will be based on individual performance and subject to the Group's discretion.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 23 to 38 of this annual report.

於本報告日期，第一上海或其任何董事、僱員或聯繫人概無於本公司或本集團任何成員公司的股份中擁有任何權益，亦無任何權利認購或提名他人認購本公司或本集團任何成員公司的股份。

根據本公司與第一上海於2019年5月29日訂立的合規顧問協議，第一上海已經及將會就擔任本公司的合規顧問收取費用，任期自2019年5月29日開始，並於本公司遵守GEM上市規則第18.03條刊發於上市日期後第二個完整財政年度的財務業績當日結束。

僱員及酬金政策

於2019年3月31日，本集團僱用87名(2018年：89名)僱員。

本集團僱員的酬金政策乃由薪酬委員會根據僱員的表現、資歷及工作能力制定。本集團對各僱員進行補償的政策公平且公正。本集團設有按照既定目標根據特定績效標準衡量僱員表現的系統。績效考核持續進行，而正式評審則每年進行一次，以檢討僱員的整體績效、表現及需提升的領域。薪金檢討建基於個人表現，並將由本集團酌情釐定。

企業管治

本公司致力維持良好企業管治常規水平。有關本公司所採納企業管治常規的資料，載於本年報第23至38頁的企業管治報告內。

ENVIRONMENTAL POLICY

As a subcontractor that provides façade and curtain wall works solutions in Hong Kong, the Group is subject to certain environmental requirements in Hong Kong. The laws and regulations which have a significant impact on the Group include, among others, Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong), Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong) and Public Health and Municipal Services Ordinance (Chapter 132 of the Laws of Hong Kong).

We require our subcontractors to be in strict legal compliance with the applicable environmental protection laws and regulations during the whole term of engagement. During the year ended 31 March 2019, the Group did not receive notice of any environmental non-compliance in Hong Kong addressed either to the Group or to our subcontractors.

Discussions on the environmental policies and performance, compliance by the Group with the relevant laws and regulations that have a significant impact on the Group and the account of key relationships between the Group and our stakeholders are contained in the ESG Report on pages 39 to 53 of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained sufficient public float as required under the GEM Listing Rules.

環境政策

作為在香港提供外牆及幕牆工程解決方案的分包商，本集團須遵守香港若干環境規定。對本集團構成重大影響的法律及法規包括(其中包括)《空氣污染管制條例》(香港法例第311章)、《噪音管制條例》(香港法例第400章)、《廢物處置條例》(香港法例第354章)及《公眾衛生及市政條例》(香港法例第132章)。

我們要求分包商於委聘期間一直嚴格遵守適用環境保護法律及法規。於截至2019年3月31日止年度，本集團並無收到任何有關本集團或我們分包商在香港違反任何環境規定的通知。

有關環境政策及績效的討論、本集團遵守對其構成重大影響的相關法律及法規的情況，以及本集團與權益人的主要關係的說明載於本年報第39至53頁的環境、社會及管治報告內。

遵守法律及法規

就董事經作出一切合理查詢後所知、所悉及所信，年內，本集團已於各重大方面遵守對本集團業務及營運構成重大影響的相關法律及法規。

足夠公眾持股量

根據本公司可公開獲得的資料及就董事所知，於本報告日期，本公司已維持GEM上市規則所規定的足夠公眾持股量。

AUDIT COMMITTEE

The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the audited consolidated financial statements for the year ended 31 March 2019, with the external auditor. There were no disagreements from the auditor of the Company or the Audit Committee in respect of the accounting policies adopted by the Company.

AUDITOR

The financial statements have been audited by the Company's auditor, Deloitte Touche Tohmatsu which will retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting of the Company.

On behalf of the Board

CHOW MO LAM

Chairman and Executive Director

Hong Kong, 21 June 2019

審核委員會

審核委員會已與本集團管理層檢討本集團所採納的會計原則及慣例，並與外聘核數師討論審核、內部監控及財務申報事宜，包括審閱截至2019年3月31日止年度的經審核綜合財務報表。本公司的核數師或審核委員會對本公司所採納的會計政策並無任何異議。

核數師

財務報表已由本公司的核數師德勤•關黃陳方會計師行審核，德勤•關黃陳方會計師行將於本公司應屆股東週年大會上退任，且將合資格並願意獲續聘。

代表董事會

主席兼執行董事

周武林

香港，2019年6月21日



TO THE SHAREHOLDERS OF POLYFAIR HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

致寶發控股有限公司
(於開曼群島註冊成立的有限公司)
列位股東

Opinion

We have audited the consolidated financial statements of Polyfair Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 78 to 179, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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.

意見

本核數師(以下簡稱「我們」)已審計列載於第78至179頁的寶發控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於2019年3月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2019年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

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

關鍵審計事項

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

TO THE SHAREHOLDERS OF
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致寶發控股有限公司
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列位股東(續)

Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項

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

Impairment assessment of trade receivables and contract assets 貿易應收款項及合約資產的減值評估

We identified the impairment assessment of trade receivables and contract assets as a key audit matter due to the significance of trade receivables and contract assets to the Group's consolidated financial position and the involvement of significant management estimates in determining the expected credit losses ("ECL") of the Group's trade receivables and contract assets at the end of the reporting period.

我們將貿易應收款項及合約資產的減值評估識別為關鍵審計事項，乃由於貿易應收款項及合約資產對貴集團綜合財務狀況而言屬重大，且當中涉及就釐定貴集團貿易應收款項及合約資產於報告期末的預期信貸虧損的重大管理層估算。

As at 31 March 2019, the Group's trade receivables and contract assets, net of lifetime ECL of HK\$2,803,000 and HK\$762,000 respectively, amounting to HK\$23,616,000 and HK\$104,564,000 respectively. As disclosed in note 2 to the consolidated financial statements, the Group adopted Hong Kong Financial Reporting Standard 9 "Financial Instruments" ("HKFRS 9") and recognised an additional impairment of HK\$1,110,000 and HK\$663,000 on the trade receivables and contract assets respectively, as at 1 April 2018 in accordance with the transition provisions of HKFRS 9. As disclosed in note 33 to the consolidated financial statements, the Group recognised an amount of HK\$1,693,000 and HK\$99,000 of ECL of trade receivables and contract assets respectively for the year.

於2019年3月31日，貴集團的貿易應收款項及合約資產(扣除全期預期信貸虧損分別2,803,000港元及762,000港元後)分別為23,616,000港元及104,564,000港元。誠如綜合財務報表附註2所披露，貴集團採納香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)，並於2018年4月1日根據香港財務報告準則第9號的過渡條文就貿易應收款項及合約資產確認額外減值分別1,110,000港元及663,000港元。誠如綜合財務報表附註33所披露，貴集團已確認年內貿易應收款項及合約資產的預期信貸虧損分別1,693,000港元及99,000港元。

Our procedures in relation to impairment assessment of trade receivables and contract assets included:

我們有關貿易應收款項及合約資產的減值評估的程序包括：

- Understanding key controls on how the management estimate the impairment allowance for trade receivables and contract assets based on ECL calculation;
- 了解管理層基於預期信貸虧損計算法進行的貿易應收款項及合約資產減值撥備估計的方法的關鍵控制；
- Obtaining an understanding of the management's impairment assessment for trade receivables and contract assets based on ECL calculation;
- 了解管理層基於預期信貸虧損計算法進行的貿易應收款項及合約資產減值評估；
- Assessing the reasonableness of key estimations adopted by the management in determining the ECL of trade receivables and contract assets, including loss rates and default rates applied in the calculation, with reference to their financial background, creditability, ageing and likelihood of collection with reference to repayment history and/or past due status of respective debtors, and forward looking information; and
- 評估管理層於釐定貿易應收款項及合約資產的預期信貸虧損時採納的關鍵估計是否合理，包括計算所用的虧損率及違約率，當中參照各應收賬款的還款紀錄及／或逾期情況以及前瞻性資料，考慮其財務背景、信譽、賬齡及收回可能性；及

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列位股東(續)

Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

Impairment assessment of trade receivables and contract assets (continued)

貿易應收款項及合約資產的減值評估(續)

As disclosed in note 4 to the consolidated financial statements, the management of the Group assessed the amount of lifetime ECL each of the trade receivables and contract assets individually, after considering the financial background, creditability, ageing, and likelihood of collection with reference to repayment history and/or past due status of respective debtors. Estimated loss rates are based on historical observed default rates over the expected life of the respective trade receivables and contract assets and are adjusted for forward-looking information.

誠如綜合財務報表附註4所披露，貴集團的管理層個別評估每一項貿易應收款項及合約資產的全期預期信貸虧損金額，當中參照各應收賬款的還款紀錄及／或逾期情況，考慮其財務背景、信譽、賬齡及收回可能性。估計虧損率乃基於符合相關貿易應收款項及合約資產的預期期限的過往觀察所得違約率，並按前瞻性資料調整。

- Assessing the accuracy of the ECL calculation as at 1 April 2018 and 31 March 2019 by checking with inputs applied to the calculation, including loss rates and default rates applied for the respective debtors, on a sample basis, with the rates determined by the management in their assessment.
- 透過抽樣檢查計算所用輸入數據(包括各應收賬款的虧損率及違約率)與管理層於其評估中釐定的比率，評估於2018年4月1日及2019年3月31日的預期信貸虧損的計算是否準確。

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Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項

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

Recognition of revenue and cost from construction contracts 確認來自建築合約的收益及成本

We identified the recognition of revenue and cost from construction contracts as a key audit matter due to its significance to the Group's consolidated financial statements and involvement of significant management estimates in determining estimated outcomes of the construction contracts.

我們將確認來自建築合約的收益及成本識別為關鍵審計事項，乃由於其對貴集團的綜合財務報表而言屬重大，且於釐定建築合約的估計成果時涉及重大管理層估計。

Our procedures in relation to recognition of revenue and cost from construction contracts included:

我們有關確認來自建築合約的收益及成本的程序包括：

- Obtaining an understanding of the Group's controls and processes over revenue recognition, budget preparation, and determination of estimated outcome of construction contracts;
- 了解貴集團有關收益確認、預算編製以及釐定建築合約估計成果的監控及程序；
- Verifying the reasonableness of estimated total costs by agreeing to the latest costs quotations provided by major subcontractors/suppliers/vendors, on a sample basis, and understanding from the management of the Group to evaluate the reasonableness of their estimated total contract costs, taking into account of factors including the profit margin of similar construction contracts, the duration and the complexity of the construction contracts, on a sample basis;
- 透過抽樣比較由主要分包商／供應商／服務供應商提供的最新成本報價與貴集團管理層的理解，抽樣評價估計總合約成本是否合理，當中考慮類似建築合約的利潤率、建築合約的期限及複雜性等因素，以抽樣核實估計總成本是否合理；

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Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

Recognition of revenue and cost from construction contracts (continued)

確認來自建築合約的收益及成本(續)

The Group recognised revenue from provision of construction services of HK\$215,778,000 during the year ended 31 March 2019.

於截至2019年3月31日止年度，貴集團確認提供建築服務的收益215,778,000港元。

As disclosed in note 4 to the consolidated financial statements, revenue from provision of construction services are recognised by reference to the progresses toward complete satisfaction of these services. Budgeted contract costs and profit margin are prepared by the management of the Group on the basis of quotations from time to time provided by the major subcontractors, suppliers or vendors involved and the experience of the management of the Group. In order to keep the budget accurate and up-to-date, the management of the Group conducts periodic reviews of the budgets of contracts by comparing the budgeted amounts to the actual amounts incurred. Such significant estimate may have impact on the revenue recognised in each period.

誠如綜合財務報表附註4所披露，提供建築服務的收益乃參照已全面滿足該等服務的進度確認。貴集團的管理層基於由所涉主要分包商、供應商或服務供應商不時提供的報價以及貴集團管理層的經驗編製預算合約成本及利潤率。為保持預算準確且合時，貴集團的管理層定期透過比較預算金額與實際已產生金額，檢討合約預算。有關重大估計可能對於各期間確認的收益產生影響。

• Checking the budgeted contract costs to construction contracts and supporting documents in relation to the variations and claims included in the budgeted contract costs and relevant cost documents, and comparing actual results with the budgets, on a sample basis; and

• 抽樣檢查建築合約預算合約成本及與預算合約成本所列修訂令及申索有關的證明文件以及相關成本文件，並比較實際結果與預算；及

• Evaluating the calculation of revenue and verifying the inputs relating to the calculation, including obtaining payment certificates/cost documents in relation to construction costs incurred and calculation of profit margin determined with reference to the budget, on a sample basis.

• 抽樣評價收益的計算方法並核實與計算方法有關的輸入數據，包括取得與已產生建築成本及計算參照預算釐定的利潤率有關的付款單／成本文件。

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列位股東(續)

Key Audit Matters (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項

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

Recognition of revenue and cost from construction contracts (continued) 確認來自建築合約的收益及成本(續)

Recognised amounts of revenue from provision of construction services reflect management's best estimate of each contract's outcome and value of works completed, which are determined on the basis of a number of estimates. This includes the assessment of the profitability of on-going construction contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty. The actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of each reporting period, which would affect the revenue and profit or loss recognised in future years as an adjustment to the amounts recorded to date.

來自提供建築服務的已確認收益金額反映管理層對每一份合約的成果及已完成工作的價值的最佳估計，此乃基於若干估計釐定，包括對進行中建築合約利潤的評估。尤其是較複雜的合約，完成成本及合約利潤涉及重大估計不確定性。總成本或收益的實際結果可能高於或低於各報告期末的估計，此將影響未來年度確認為對迄今已列賬金額的調整的收益及溢利或虧損。

**TO THE SHAREHOLDERS OF
POLYFAIR HOLDINGS LIMITED (continued)**
(incorporated in the Cayman Islands with limited liability)

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our 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 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 determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

致寶發控股有限公司
(於開曼群島註冊成立的有限公司)
列位股東(續)

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

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

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

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。

TO THE SHAREHOLDERS OF
POLYFAIR HOLDINGS LIMITED (continued)
(incorporated in the Cayman Islands with limited liability)

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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

致寶發控股有限公司
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列位股東(續)

核數師就審計綜合財務報表承擔的責任

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

TO THE SHAREHOLDERS OF
POLYFAIR HOLDINGS LIMITED (continued)
(incorporated in the Cayman Islands with limited liability)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

致寶發控股有限公司
(於開曼群島註冊成立的有限公司)
列位股東(續)

核數師就審計綜合財務報表承擔的責任(續)

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

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

**TO THE SHAREHOLDERS OF
POLYFAIR HOLDINGS LIMITED (continued)**
(incorporated in the Cayman Islands with limited liability)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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 the independent auditor's report is Wan Chi Lap.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21 June 2019

致寶發控股有限公司
(於開曼群島註冊成立的有限公司)
列位股東(續)

核數師就審計綜合財務報表承擔的責任(續)

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是尹志立。

德勤•關黃陳方會計師行
執業會計師
香港
2019年6月21日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

For the year ended 31 March 2019
截至2019年3月31日止年度

		NOTES 附註	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Revenue	收益	5	215,778	271,841
Cost of services	服務成本		(203,426)	(234,368)
Gross profit	毛利		12,352	37,473
Other income, gains and losses	其他收入、收益及虧損	6	1,947	1
Impairment losses	減值虧損	7	(1,794)	–
Administrative expenses	行政開支		(14,185)	(11,820)
Finance costs	融資成本	8	(5,203)	(3,034)
Other expenses	其他開支		–	(14,536)
(Loss) profit before taxation	除稅前(虧損)溢利	9	(6,883)	8,084
Taxation	稅項	11	302	(3,915)
(Loss) profit for the year	年內(虧損)溢利		(6,581)	4,169
Other comprehensive (expense) income	其他全面(開支)收入			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目:</i>			
Exchange difference arising on translation of foreign operation	換算海外業務所產生的匯兌差額		(58)	100
Other comprehensive (expense) income for the year	年內其他全面(開支)收入		(58)	100
Total comprehensive (expense) income for the year	年內全面(開支)收入總額		(6,639)	4,269
(Loss) earnings per share – basic	每股(虧損)盈利—基本	13	HK cents 港仙 (0.82)	HK cents 港仙 0.67

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2019
於2019年3月31日

		NOTES 附註	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,372	1,569
Deposits	按金	20	472	413
Financial assets at fair value through profit or loss	按公平值計入損益的 金融資產	15	10,023	–
Payments for life insurance policies	人壽保險保單 付款	15	–	8,379
Pledged bank deposit	已質押銀行存款	21	–	25,000
Deferred tax assets	遞延稅項資產	26	609	–
			12,476	35,361
Current assets	流動資產			
Amounts receivable on contract work	應收合約 工程款	16	–	83,148
Contract assets	合約資產	17	104,564	–
Trade receivables	貿易應收款項	18	23,616	–
Progress payments receivable	應收進度款	18	–	17,848
Retention money receivables	應收保留金	19	–	22,906
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	20	2,640	5,165
Tax recoverable	可收回稅項		1,013	–
Pledged bank deposits	已質押銀行存款	21	32,141	7,001
Bank balances and cash	銀行結餘及現金	21	14,791	64,313
			178,765	200,381
Current liabilities	流動負債			
Contract liabilities	合約負債	23	–	–
Trade and other payables	貿易及其他應付款項	24	32,425	47,925
Tax payable	應付稅項		–	827
Bank borrowings	銀行借款	25	97,363	117,192
			129,788	165,944
Net current assets	流動資產淨值		48,977	34,437
Net assets	資產淨值		61,453	69,798
Capital and reserves	資本及儲備			
Share capital	股本	27	8,000	8,000
Reserves	儲備		53,453	61,798
Total equity	權益總額		61,453	69,798

The consolidated financial statements on pages 78 to 179 were approved and authorised for issue by the board of directors on 21 June 2019 and are signed on its behalf by:

第78至179頁的綜合財務報表乃經董事會於2019年6月21日批准及授權刊發並經下列董事代表簽署：

CHOW MO LAM
周武林
DIRECTOR
董事

YU LAP ON STEPHEN
余立安
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2019
截至2019年3月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital 股本	Share premium 股份溢價	Other reserve 其他儲備	Translation reserve 換算儲備	Retained profits 保留溢利	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2017	於2017年4月1日	3,000	-	-	-	16,614	19,614
Profit for the year	年內溢利	-	-	-	-	4,169	4,169
Other comprehensive income for the year	年內其他全面收入	-	-	-	100	-	100
Total comprehensive income for the year	年內全面收入總額	-	-	-	100	4,169	4,269
Effect of reorganisation (as defined in note 1B)	重組(定義見附註1B)的影響	(3,000)	-	3,000	-	-	-
Issue of new shares	發行新股份	2,000	54,000	-	-	-	56,000
Capitalisation issue	資本化發行	6,000	(6,000)	-	-	-	-
Share issuance costs	股份發行成本	-	(10,085)	-	-	-	(10,085)
At 31 March 2018	於2018年3月31日	8,000	37,915	3,000	100	20,783	69,798
Adjustments upon adoption of HKFRS 9 (note 2)	於採納香港財務報告準則第9號時調整(附註2)	-	-	-	-	(1,706)	(1,706)
At 1 April 2018 (restated)	於2018年4月1日(經重列)	8,000	37,915	3,000	100	19,077	68,092
Loss for the year	年內虧損	-	-	-	-	(6,581)	(6,581)
Other comprehensive expense for the year	年內其他全面開支	-	-	-	(58)	-	(58)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(58)	(6,581)	(6,639)
At 31 March 2019	於2019年3月31日	8,000	37,915	3,000	42	12,496	61,453

Note: Other reserve represented the difference between the share capital of the Company issued as consideration of acquiring Polyfair Construction & Engineering Limited ("Polyfair HK") and issued share capital of Polyfair HK on 19 January 2018 pursuant to the Reorganisation as set out and defined in note 1B.

附註：其他儲備指本公司根據附註1B所載及界定的重組於2018年1月19日發行作為收購寶發建設工程有限公司(「寶發香港」)的代價的股本與寶發香港已發行股本之間的差額。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2019
截至2019年3月31日止年度

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Operating activities	經營活動		
(Loss) profit before taxation	除稅前(虧損)溢利	(6,883)	8,084
Adjustments for:	就下列項目作出的調整:		
Depreciation	折舊	490	205
Fair value gain on payments for life insurance policies	人壽保險保單付款的公平值收益	(1,635)	-
Finance costs	融資成本	5,203	3,034
Interest income	利息收入	(147)	(155)
Impairment losses	減值虧損	1,794	-
Premium charged on life insurance policies	人壽保險保單保費	-	115
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	(1,178)	11,283
Increase in amounts receivable on contract work	應收合約工程款增加	-	(24,218)
Increase in trade receivables	貿易應收款項增加	(8,571)	-
Increase in progress payments receivable	應收進度款增加	-	(14,494)
Increase in retention money receivables	應收保留金增加	-	(15,715)
Decrease in contract assets	合約資產減少	728	-
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	2,223	1,675
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加	(14,335)	25,411
Decrease in contract liabilities	合約負債減少	(627)	-
Cash used in operations	經營所用現金	(21,760)	(16,058)
Hong Kong Profits Tax paid	已付香港利得稅	(1,840)	(2,183)
People's Republic of China (the "PRC") Enterprise Income Tax paid	已付中華人民共和國(「中國」)企業所得稅	(14)	(5)
Net cash used in operating activities	經營活動所用現金淨額	(23,614)	(18,246)
Investing activities	投資活動		
Interest received	已收利息	147	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(308)	(863)
Placement of pledged bank deposits	存入已質押銀行存款	(140)	(30,000)
Payments for life insurance policies	人壽保險保單付款	-	(8,573)
Net cash used in investing activities	投資活動所用現金淨額	(301)	(39,436)
Financing activities	融資活動		
New bank borrowings raised	新增銀行借款	589,893	460,446
Repayment of bank borrowings	償還銀行借款	(609,722)	(385,153)
Advance from a director	一名董事墊款	-	35,382
Repayment to a director	償還一名董事款項	-	(42,437)
Finance costs paid	已付融資成本	(5,203)	(3,034)
Transaction costs attributable to issue of shares	發行股份應佔的交易成本	(485)	(8,762)
Proceeds from issue of shares	發行股份的所得款項	-	56,000
Net cash (used in) from financing activities	融資活動(所用)所得現金淨額	(25,517)	112,442
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額	(49,432)	54,760
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物	64,313	9,465
Effect of foreign exchange rate changes	外幣匯率變動的影響	(90)	88
Cash and cash equivalents at end of the year	年末的現金及現金等價物	14,791	64,313
Analysis of cash and cash equivalents:	現金及現金等價物分析:		
Bank balances and cash	銀行結餘及現金	14,791	64,313

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019
截至2019年3月31日止年度

1A. General

Polyfair Holdings Limited (the “Company”) was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 25 May 2017 and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 23 February 2018. Its immediate and ultimate holding company is C.N.Y. Holdings Limited (“CNY”), a company incorporated in the British Virgin Islands (the “BVI”). It is held as to 83% by Mr. Chow Mo Lam (“Mr. Chow”) and 17% by Mr. Yu Lap On Stephen (“Mr. Yu”). The addresses of the Company’s registered office and the principal place of business are set out in the section headed “Corporate Information” to the annual report.

The Company acts as an investment holding company and its subsidiaries are principally engaged in providing design and project management services for façade and installation of curtain wall systems. The Company and all of the subsidiaries are collectively referred to as the “Group”.

The consolidated financial statements are presented in Hong Kong dollar (“HK\$”), which is also the functional currency of the Company.

1B. Reorganisation and Basis of Preparation and Presentation of Consolidated Financial Statements

Before the completion of a group reorganisation as more fully explained in the section headed “History, Reorganisation and Corporate Structure” in the prospectus issued by the Company dated 31 January 2018, Polyfair HK was held as to 83% by Mr. Chow and 17% by Mr. Yu. In preparation of the listing of the Company’s shares on GEM of the Stock Exchange and pursuant to the reorganisation (the “Reorganisation”), the companies comprising the Group underwent the Reorganisation as described below.

- (i) On 21 April 2017, CNY was incorporated in the BVI with limited liability, allotted and issued 83 and 17 shares, credited as fully paid at a par value of United States dollar (“US\$”) 1, to Mr. Chow and Mr. Yu, respectively.

1A. 一般資料

寶發控股有限公司(「本公司」)於2017年5月25日根據開曼群島法律第22章公司法(1961年法例三，經綜合及修訂)在開曼群島註冊成立並登記為獲豁免有限公司，且其股份自2018年2月23日起於香港聯合交易所有限公司(「聯交所」)GEM上市。其直接及最終控股公司為永盟控股有限公司(「永盟」)。該公司為於英屬處女群島註冊成立的公司，分別由周武林先生(「周先生」)及余立安先生(「余先生」)持有83%及17%權益。本公司的註冊辦事處地址及主要營業地點載於年報「公司資料」一節內。

本公司為投資控股公司，其附屬公司主要從事提供外牆設計及項目管理服務以及幕牆系統安裝的業務。本公司及其所有附屬公司統稱為「本集團」。

綜合財務報表以港元呈列，該貨幣亦為本公司的功能貨幣。

1B. 重組以及綜合財務報表的編製及呈列基準

於集團重組(進一步詳情於本公司所刊發日期為2018年1月31日的招股章程中「歷史、重組及公司架構」一節詳盡闡釋)完成前，寶發香港分別由周先生及余先生持有83%及17%權益。為籌備本公司股份於聯交所GEM上市及根據重組(「重組」)，本集團旗下公司已進行下文所述重組。

- (i) 於2017年4月21日，永盟於英屬處女群島註冊成立為有限公司，分別向周先生及余先生配發及發行83股及17股面值1美元並按面值入賬列作繳足的股份。

1B. Reorganisation and Basis of Preparation and Presentation of Consolidated Financial Statements (continued)

- (ii) On 25 May 2017, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. The authorised share capital was HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each and initially one nil paid share was allotted and issued at par to an independent third party, which was then transferred to CNY on the same date, and an additional 99 nil paid shares were allotted and issued at par to CNY on the same date.
- (iii) On 8 June 2017, Polyfair Group Limited ("Polyfair BVI") was incorporated in the BVI with limited liability, allotted and issued one share, credited as fully paid at a par value of US\$1 to the Company.
- (iv) On 19 January 2018, Mr. Chow and Mr. Yu transferred the entire issued share capital of Polyfair HK to Polyfair BVI (as the nominee of the Company). The consideration was satisfied by allotting and issuing 83 and 17 shares of the Company to Mr. Chow and Mr. Yu, (or their respective nominee) respectively, credited as fully paid and crediting as fully paid at par the 100 nil paid shares in issue. The Company had nominated its direct wholly-owned subsidiary, Polyfair BVI, to hold the entire issued share capital of Polyfair HK. Mr. Chow and Mr. Yu had nominated CNY to hold the 100 new shares. After the above transactions, Polyfair HK is wholly-owned by Polyfair BVI.

The Reorganisation involved incorporation of and interspersing CNY, the Company and Polyfair BVI between Polyfair HK and its shareholders. Upon the completion of the Reorganisation, the Company has become the holding company of the companies now comprising the Group on 19 January 2018. The Group resulting from the Reorganisation is regarded as a continuing entity.

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 ended 31 March 2018 which include the results, changes in equity and cash flows of the companies now comprising the Group have been prepared as if the current group structure upon completion of the Reorganisation had been in existence since 1 April 2017, or since their respective dates of incorporation, whichever is the shorter period.

1B. 重組以及綜合財務報表的編製及呈列基準(續)

- (ii) 於2017年5月25日，本公司於開曼群島註冊成立為獲豁免有限公司。法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份，其中1股未繳股款股份初步按面值配發及發行予一名獨立第三方，隨後於同日轉讓予永盟，另外99股未繳股款股份於同日按面值配發及發行予永盟。
- (iii) 於2017年6月8日，寶發集團有限公司(「寶發BVI」)於英屬處女群島註冊成立為有限公司，向本公司配發及發行1股面值1美元並按面值入賬列作繳足的股份。
- (iv) 於2018年1月19日，周先生及余先生將寶發香港的全部已發行股本轉讓予寶發BVI(作為本公司的代名人)。代價以分別向周先生及余先生(或彼等各自的代名人)配發及發行83股及17股本公司股份(入賬列作繳足)並將100股已發行未繳股款股份按面值入賬列作繳足結付。本公司已提名其直接全資附屬公司寶發BVI持有寶發香港的全部已發行股本。周先生及余先生已提名永盟持有100股新股份。於上述交易完成後，寶發香港由寶發BVI全資擁有。

重組涉及註冊成立永盟、本公司及寶發BVI以及將永盟、本公司及寶發BVI在寶發香港與其股東之間進行分拆。於重組完成後，本公司於2018年1月19日成為本集團現時旗下各公司的控股公司。經重組而成的本集團被視為持續經營實體。

截至2018年3月31日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表(包括本集團現時旗下各公司的業績、權益變動及現金流量)已予編製，猶如於重組完成時的現行集團架構自2017年4月1日或有關公司各自的註冊成立日期起(以較短者為準)一直存在。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019
截至2019年3月31日止年度

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

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

In addition, the Group has early applied Amendments to HKFRS 9 “Prepayment Features with Negative Compensation” which will be mandatorily effective for the Group for the financial year beginning on 1 April 2019.

Except as described below, the application of the amendments to 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.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)

本集團已於本年度首次應用下列由香港會計師公會頒佈的新訂香港財務報告準則及香港財務報告準則(修訂本)：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約的收益及相關修訂本
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及預付代價
香港財務報告準則第2號(修訂本)	以股份為基礎付款交易的分類及計量
香港財務報告準則第4號(修訂本)	於香港財務報告準則第4號「保險合約」下應用香港財務報告準則第9號「金融工具」
香港會計準則第28號(修訂本)	作為香港財務報告準則2014年至2016年週期的年度改進的一部分
香港會計準則第40號(修訂本)	轉讓投資物業

此外，本集團已提早應用將就本集團於2019年4月1日開始的財政年度強制生效的香港財務報告準則第9號(修訂本)「具有負補償的提早還款特性」。

除下文所述者外，於本年度應用香港財務報告準則的(修訂本)對本集團本年度及過往年度的財務表現及狀況及／或本綜合財務報表所載的披露事項並無重大影響。

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 April 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 April 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group recognises revenue from the following major source which arise from contracts with customers:

- Revenue from construction contracts

Information about the Group’s accounting policies and performance obligations resulting from application of HKFRS 15 are disclosed in notes 3 and 5 respectively.

Summary of effects arising from initial application of HKFRS 15

The directors of the Company reviewed and assessed the effect of application of HKFRS 15 and considered that there is no material impact on the timing and amounts of revenue recognised in current year and retained profits as at 1 April 2018.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.1 香港財務報告準則第15號「來自客戶合約的收益」

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響已於2018年4月1日(首次應用日期)確認。於首次應用日期的任何差額於年初保留溢利確認，且並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅就於2018年4月1日尚未完成的合約追溯應用該準則。因此，由於比較資料乃根據香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋編製，故若干比較資料可能無法用作比較。

本集團確認來自以下主要來源的客戶合約收益：

- 建築合約收益

本集團因應用香港財務報告準則第15號而披露的會計政策及履約責任資料分別載於附註3及5。

首次應用香港財務報告準則第15號所產生的影響概要

本公司董事已審閱及評估應用香港財務報告準則第15號的影響，並認為對本年度確認收益的時間及金額以及於2018年4月1日的保留溢利並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

The following table summarises the impacts of applying HKFRS 15 on the Group’s consolidated statement of financial position as at 1 April 2018 for the line items affected. Line items that were not affected by the changes have not been included.

			Carrying amounts previously reported at 31 March 2018	Impacts of adopting HKFRS 15	Carrying amounts under HKFRS 15 at 1 April 2018*
		Notes	之前報告的於2018年3月31日的賬面值 HK\$'000 千港元	採納香港財務報告準則第15號的影響 HK\$'000 千港元	根據香港財務報告準則第15號於2018年4月1日的賬面值* HK\$'000 千港元
Contract assets	合約資產	(a)	-	106,054	106,054
Amounts receivable on contract work	應收合約工程款	(a)	83,148	(83,148)	-
Progress payments receivable	應收進度款	(b)	17,848	(17,848)	-
Retention money receivables	應收保留金	(a)	22,906	(22,906)	-
Trade receivables	貿易應收款項	(b)	-	17,848	17,848
Contract liabilities	合約負債	(c)	-	627	627
Trade and other payables	貿易及其他應付款項	(c)	47,925	(627)	47,298

* The amounts in this column are before the adjustments from application of HKFRS 9.

Notes:

- (a) At 1 April 2018, amounts receivable on contract work of HK\$83,148,000 and retention money receivables of HK\$22,906,000 were reclassified to contract assets.
- (b) At 1 April 2018, progress payments receivable of HK\$17,848,000 were reclassified to trade receivables.
- (c) At 1 April 2018, receipts in advance from a customer of HK\$627,000, previously included in trade and other payables, were reclassified to contract liabilities.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.1 香港財務報告準則第15號「來自客戶合約的收益」(續)

首次應用香港財務報告準則第15號所產生的影響概要(續)

下表概列應用香港財務報告準則第15號對本集團於2018年4月1日的綜合財務狀況表中受影響分項的影響。不受變動影響的分項並無包括在內。

* 該欄金額尚未就應用香港財務報告準則第9號作出調整。

附註:

- (a) 於2018年4月1日，應收合約工程款83,148,000港元及應收保留金22,906,000港元已重新分類至合約資產。
- (b) 於2018年4月1日，應收進度款17,848,000港元已重新分類至貿易應收款項。
- (c) 於2018年4月1日，之前計入貿易及其他應付款項的預收一名客戶款項627,000港元已重新分類至合約負債。

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

The following tables summarise the impacts of applying HKFRS 15 on the Group’s consolidated statement of financial position as at 31 March 2019 and consolidated statement of cash flows for the current year for each of the line items affected. Line items that were not affected by the changes have not been included.

Impact on the consolidated statement of financial position

			As reported	Reclassification	Amounts without application of HKFRS 15
		Notes	所報告	重新分類	未應用香港財務報告準則第15號的金額
		附註	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元
Contract assets	合約資產	(a)	104,564	(104,564)	-
Amounts receivable on contract work	應收合約工程款	(a)	-	81,746	81,746
Progress payments receivable	應收進度款	(b)	-	23,616	23,616
Retention money receivables	應收保留金	(a)	-	22,818	22,818
Trade receivables	貿易應收款項	(b)	23,616	(23,616)	-

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.1 香港財務報告準則第15號「來自客戶合約的收益」(續)

首次應用香港財務報告準則第15號所產生的影響概要(續)

下表概列應用香港財務報告準則第15號對本集團於2019年3月31日的綜合財務狀況表及本年度綜合現金流量表中各受影響分項的影響。不受變動影響的分項並無包括在內。

對綜合財務狀況表的影響

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

Impact on the consolidated statement of cash flows

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.1 香港財務報告準則第15號「來自客戶合約的收益」(續)

首次應用香港財務報告準則第15號所產生的影響概要(續)

對綜合現金流量表的影響

			As reported	Reclassification	Amounts without application of HKFRS 15 未應用香港 財務報告準則 第15號的金額
		Notes 附註	所報告 HK\$'000 千港元	重新分類 HK\$'000 千港元	HK\$'000 千港元
Increase in trade receivables	貿易應收款項 增加	(b)	(8,571)	8,571	-
Increase in progress payments receivable	應收進度款 增加	(b)	-	(8,571)	(8,571)
Decrease in amounts receivable on contract work	應收合約工程款 減少	(a)	-	1,051	1,051
Increase in retention money receivables	應收保留金 增加	(a)	-	(323)	(323)
Decrease in contract assets	合約資產減少	(a)	728	(728)	-
Decrease in trade and other payables	貿易及其他 應付款項減少	(c)	(14,335)	(627)	(14,962)
Decrease in contract liabilities	合約負債 減少	(c)	(627)	627	-

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

Impact on the consolidated statement of cash flows (continued)

Notes:

- (a) At 31 March 2019, amounts receivable on contract work and retention money receivables of HK\$81,746,000 and HK\$22,818,000 respectively were classified as contract assets and the amount would have been included in amounts receivable on contract work and retention money receivables without application of HKFRS 15.
- (b) At 31 March 2019, progress payments receivable of HK\$23,616,000 were classified as trade receivables and the amount would have been included in progress payments receivable without application of HKFRS 15.
- (c) Included in the consolidated statement of cash flows for the year ended 31 March 2019, receipts in advance from a customer of HK\$627,000 are classified as contract liabilities and the amount would have been classified as trade and other payables without application of HKFRS 15.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.1 香港財務報告準則第15號「來自客戶合約的收益」(續)

首次應用香港財務報告準則第15號所產生的影響概要(續)

對綜合現金流量表的影響(續)

附註：

- (a) 於2019年3月31日，應收合約工程款及應收保留金分別81,746,000港元及22,818,000港元分類為合約資產，如無應用香港財務報告準則第15號，則應計入應收合約工程款及應收保留金。
- (b) 於2019年3月31日，應收進度款23,616,000港元分類為貿易應收款項，如無應用香港財務報告準則第15號，則應計入應收進度款。
- (c) 截至2019年3月31日止年度的綜合現金流量表包括預收一名客戶款項627,000港元分類為合約負債，如無應用香港財務報告準則第15號，則應分類為貿易及其他應付款項。

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綜合財務報表附註

For the year ended 31 March 2019
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2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.2 HKFRS 9 “Financial Instruments” and the related amendments

In the current year, the Group has applied HKFRS 9, Amendments to HKFRS 9, and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities; (2) expected credit losses (“ECL”) for financial assets; and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The difference, if any, between carrying amounts as at 31 March 2018 and the carrying amounts as at 1 April 2018 are recognised in the opening retained profits, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.2 香港財務報告準則第9號「金融工具」及相關修訂本

於本年度，本集團已應用香港財務報告準則第9號、香港財務報告準則第9號(修訂本)及其他香港財務報告準則的相關後續修訂本。香港財務報告準則第9號引入以下新規定：(1)金融資產及金融負債的分類及計量；(2)金融資產的預期信貸虧損；及(3)一般對沖會計。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對於2018年4月1日(首次應用日期)尚未終止確認的工具追溯應用分類及計量規定(包括減值)，而於2018年4月1日已終止確認的工具則並無應用該等規定。於2018年3月31日的賬面值與2018年4月1日的賬面值之間的差額(如有)於年初保留溢利確認，無須重列比較資料。

因此，由於比較資料乃根據香港會計準則第39號「金融工具：確認及計量」編製，故若干比較資料可能無法用作比較。

因應用香港財務報告準則第9號而引致的會計政策於附註3披露。

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.2 HKFRS 9 “Financial Instruments” and the related amendments (continued)

Summary of effects arising from initial application of HKFRS 9

		Contract assets	Trade receivables	Prepayments, deposits and other receivables	Deferred tax assets	Payments for life insurance policies	Financial assets at fair value through profit or loss (“FVTPL”)	Retained profits
	Notes	HK\$'000	HK\$'000	預付款項、按金及其他應收款項	遞延稅項資產	人壽保險保單付款	計入損益的金融資產	保留溢利
	附註	千港元	千港元	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元
At 31 March 2018 – HKAS 39	於2018年3月31日 – 香港會計準則第39號	-	-	5,165	-	8,379	-	20,783
Effect arising from initial application of HKFRS 15	首次應用香港財務報告準則第15號所產生的影響	106,054	17,848	-	-	-	-	-
Effect arising from initial application of HKFRS 9	首次應用香港財務報告準則第9號所產生的影響	-	-	-	-	-	-	-
Reclassification From loans and receivables	重新分類 從貸款及應收款項	(a)	-	(234)	-	(8,379)	8,613	-
Remeasurement Impairment under ECL model	重新計量 預期信貸虧損模型下的減值	(b)	(663)	(1)	293	-	-	(1,481)
From amortised cost to fair value	從攤銷成本至公平值	(a)	-	-	-	-	(225)	(225)
At 1 April 2018 (restated)	於2018年4月1日 (經重列)	105,391	16,738	4,930	293	-	8,388	19,077

(a) Loans and receivables

Payments for life insurance policies of HK\$8,613,000 previously classified as loans and receivables were reclassified to financial assets at FVTPL upon the application of HKFRS 9 because its cash flows do not represent solely payments of principal and interest on the principal amount outstanding. The related fair value loss of HK\$225,000 was adjusted to retained profits at 1 April 2018.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.2 香港財務報告準則第9號「金融工具」及相關修訂本(續)

首次應用香港財務報告準則第9號所產生的影響概要

(a) 貸款及應收款項

於應用香港財務報告準則第9號時，之前分類至貸款及應收款項的人壽保險保單付款8,613,000港元已重新分類至按公平值計入損益的金融資產，原因為其現金流量並非純粹為支付本金及未償還本金額利息。於2018年4月1日，相關公平值虧損225,000港元已於保留溢利中調整。

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.2 HKFRS 9 “Financial Instruments” and the related amendments (continued)

Summary of effects arising from initial application of HKFRS 9 (continued)

(b) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables and contract assets. To measure the ECL, trade receivables and contract assets are assessed individually. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore estimated the expected loss rates for the trade receivables and the contract assets on the same basis.

Upon the initial application of HKFRS 9, ECL for other financial assets at amortised cost, including pledged bank deposits, bank balances, deposits and other receivables are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

As at 1 April 2018, additional impairment allowance of HK\$1,481,000, net of deferred tax assets in relation to impairment allowance for ECL of HK\$293,000, have been recognised against retained profits. The additional impairment allowance is charged against the trade receivables, contract assets and other receivables.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.2 香港財務報告準則第9號「金融工具」及相關修訂本(續)

首次應用香港財務報告準則第9號所產生的影響概要(續)

(b) 預期信貸虧損模型下的減值

本集團應用香港財務報告準則第9號的簡化方法計量預期信貸虧損，該方法就所有貿易應收款項及合約資產使用全期預期信貸虧損。為計量預期信貸虧損，本集團個別評估貿易應收款項及合約資產。合約資產與未出具發票的在建工程有關，大致上具有與同類合約的貿易應收款項相同的風險特徵。因此，本集團按照相同基準估計貿易應收款項及合約資產的預期虧損率。

於首次應用香港財務報告準則第9號時，由於按攤銷成本計量的其他金融資產(包括已質押銀行存款、銀行結餘、按金及其他應收款項)的信貸風險自首次確認以來並無大幅增加，故其預期信貸虧損乃按12個月預期信貸虧損基準評估。

於2018年4月1日，額外信貸虧損撥備1,481,000港元(已扣除與預期信貸虧損的虧損撥備有關的遞延稅項資產293,000港元)已於保留溢利中確認。額外虧損撥備已從貿易應收款項、合約資產及其他應收款項扣除。

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

New and amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.3 Impacts on opening consolidated statement of financial position arising from the application of all new standards

As a result of the changes in the Group’s accounting policies above, the opening consolidated statement of financial position had to be restated. The following table shows the adjustments recognised for each of the line items affected. Line items that were not affected by the changes have not been included.

		31 March 2018 2018年 3月31日 HK\$'000 千港元	HKFRS 15 香港財務 報告準則 第15號 HK\$'000 千港元	HKFRS 9 香港財務 報告準則 第9號 HK\$'000 千港元	1 April 2018 2018年 4月1日 HK\$'000 千港元
Contract assets	合約資產	-	106,054	(663)	105,391
Amounts receivable on contract work	應收合約工程款	83,148	(83,148)	-	-
Progress payments receivable	應收進度款	17,848	(17,848)	-	-
Retention money receivables	應收保留金	22,906	(22,906)	-	-
Trade receivables	貿易應收款項	-	17,848	(1,110)	16,738
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	5,165	-	(235)	4,930
Deferred tax assets	遞延稅項資產	-	-	293	293
Payments for life insurance policies	人壽保險保單付款	8,379	-	(8,379)	-
Financial assets at FVTPL	按公平值計入損益的金融資產	-	-	8,388	8,388
Contract liabilities	合約負債	-	627	-	627
Trade and other payables	貿易及其他應付款項	47,925	(627)	-	47,298
Retained profits	保留溢利	20,783	-	(1,706)	19,077

Note: For the purposes of reporting cash flows from operating activities under indirect method for the year ended 31 March 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2018 as disclosed above.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

於本年度強制生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

2.3 應用所有新訂準則對年初綜合財務狀況表產生的影響

由於上述本集團會計政策出現變動，故本集團須重列年初綜合財務狀況表。下表列示就各分項確認的調整。不受變動影響的分項並無包括在內。

附註：為呈報截至2019年3月31日止年度根據間接法的經營活動所得現金流量，營運資金變動已基於上文所披露於2018年4月1日的年初綜合財務狀況表計算。

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

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle ¹

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則(修訂本)

本集團並無提前應用下列已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則(修訂本)：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理的不確定性 ¹
香港財務報告準則第3號(修訂本)	業務的定義 ⁴
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或投入 ²
香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義 ⁵
香港會計準則第19號(修訂本)	計劃修訂、縮減或結清 ¹
香港會計準則第28號(修訂本)	於聯營公司及合營企業的長期權益 ¹
香港財務報告準則(修訂本)	香港財務報告準則2015年至2017年週期的年度改進 ¹

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

New and amendments to HKFRSs in issue but not yet effective (continued)

- 1 Effective for annual periods beginning on or after 1 January 2019.
- 2 Effective for annual periods beginning on or after a date to be determined.
- 3 Effective for annual periods beginning on or after 1 January 2021.
- 4 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- 5 Effective for annual periods beginning on or after 1 January 2020.

Except for the new HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

- 1 於2019年1月1日或之後開始的年度期間生效。
- 2 於待定日期或之後開始的年度期間生效。
- 3 於2021年1月1日或之後開始的年度期間生效。
- 4 對於收購日期為2020年1月1日或之後開始的首個年度期間開始之時或之後的業務合併及資產收購生效。
- 5 於2020年1月1日或之後開始的年度期間生效。

除下述新訂香港財務報告準則外，本公司的董事預計應用所有其他新訂香港財務報告準則及香港財務報告準則(修訂本)於可見將來不會對綜合財務報表有任何重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模型。香港財務報告準則第16號於生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定基於香港財務報告準則第15號對於相關資產轉讓應否入賬列作銷售的規定釐定售後租回交易。香港財務報告準則第16號亦包括有關分租及租賃修訂的規定。

經營租賃及融資租賃的差異自承租人會計中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模型替代，惟短期租賃及低價值資產租賃除外。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

HKFRS 16 “Leases” (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, where upfront prepaid lease payments will continue to be presenting as investing or operating cash flows in accordance with the nature, as appropriate.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 March 2019, the Group has non-cancellable operating lease commitments of HK\$4,020,000 as disclosed in note 28. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

香港財務報告準則第16號「租賃」(續)

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按租賃款項(非當日支付)的現值計量。隨後，租賃負債會就利息及租賃款項以及(其中包括)租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將經營租賃款項呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債的租賃款項將分配至本金及利息部分(將呈列為融資現金流量)，而前期預付租賃款項將繼續按照性質呈列為投資或經營現金流(視適當情況而定)。

除同時適用於出租人的若干規定外，香港財務報告準則第16號大致沿用香港會計準則第17號的出租人會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求作出廣泛的披露。

於2019年3月31日，本集團有不可撤銷的經營租賃承擔4,020,000港元(如附註28所披露)。初步評估顯示該等安排將符合租賃的定義。於應用香港財務報告準則第16號時，本集團將就所有該等租賃確認使用權資產及相應負債，除非當中任何租賃符合低價值或短期租賃的資格。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

HKFRS 16 “Leases” (continued)

In addition, the Group currently considers refundable rental deposits paid of HK\$552,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) – Int 4. Therefore, the Group has not reassessed whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group has elected the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

2. 應用新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則(修訂本)(續)

香港財務報告準則第16號「租賃」(續)

此外，本集團現時認為已支付的可退回租賃按金552,000港元為香港會計準則第17號適用的租賃項下的權利。根據香港財務報告準則第16號項下租賃款項的定義，該等按金並非與相關資產使用權有關的款項。因此，該等按金的賬面值或會調整為攤銷成本。對於已支付的可退回租賃按金的調整被視為額外租賃款項，並計入使用權資產的賬面值。

應用新規定或會導致更改上文所示的計量方式、呈列方式及披露事項。本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而不會就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號並未識別為包括租賃的合約應用該準則。因此，本集團並無重新評估合約是否租賃或是否包括於首次應用日期前已存在的租賃。再者，本集團(作為承租人)已選擇經修改追溯法應用香港財務報告準則第16號，並於年初保留溢利確認首次應用的累計影響，而不會重列比較資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019
截至2019年3月31日止年度

3. 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 (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for financial assets at FVTPL (upon application of HKFRS 9) that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange of 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 at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKAS 17, and measurement that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

3. 主要會計政策

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所GEM證券上市規則（「上市規則」）及香港公司條例所規定的適用披露。

綜合財務報表已根據下述會計政策所闡釋的歷史成本法編製，惟（應用香港財務報告準則第9號後）按公平值計入損益的金融資產於各報告期末按公平值計量除外。

歷史成本一般根據交換貨品及服務時所給予的代價的公平值計量。

公平值為於計量日市場參與者於有序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否可直接觀察或使用其他估值方法估計。估計資產或負債的公平值時，本集團考慮市場參與者於計量日對資產或負債定價時所考慮的資產或負債特點。綜合財務報表內作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號「以股份為基礎付款」範圍內的股份付款交易、香港會計準則第17號範圍內的租賃交易以及與公平值類似但並非公平值（如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）的計量除外。

3. Significant Accounting Policies (continued)

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

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

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 and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

3. 主要會計政策(續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體重要性分類為第一級、第二級及第三級，詳情如下：

- 第一級輸入數據為實體有能力於計量日取得的完全相同的資產或負債於活躍市場的報價(未調整)；
- 第二級輸入數據為不包括第一級內的報價但可直接或間接就資產及負債觀察的輸入數據；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司及由本公司及其附屬公司所控制的實體的財務報表。本公司在下列情況下取得控制權：

- 具有對投資對象的權力；
- 因參與投資對象業務而承擔可變回報的風險或享有可變回報的權利；及
- 能夠使用其權力以影響其回報。

倘事實及情況顯示上文所列控制權的三項元素的一項或多項有變，則本公司重新評估其是否控制投資對象。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019
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3. Significant Accounting Policies (continued)

Basis of consolidation (continued)

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

Where necessary, adjustments are made to the financial statements of subsidiary to bring its accounting policies in line with the Group's accounting policies.

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

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 主要會計政策(續)

綜合賬目基準(續)

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團喪失該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售的附屬公司收支均計入綜合損益及其他全面收入表。

如有需要，附屬公司的財務報表將予調整，使其會計政策與本集團的會計政策一致。

與本集團各成員公司間交易有關的所有集團內公司間的資產、負債、權益、收入、開支以及現金流量於綜合入賬時悉數對銷。

來自客戶合約的收益(根據附註2的過渡條文應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於達成履約責任時(或期間)確認收益，即於與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時確認收益。

履約責任指一個明確貨品或一項明確服務(或一批明確貨品或服務)或一系列大致相同的明確貨品或服務。

3. Significant Accounting Policies (continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

3. 主要會計政策(續)

來自客戶合約的收益(根據附註2的過渡條文應用香港財務報告準則第15號後)(續)

倘符合下列其中一項標準，則控制權在一段時間內轉移，而收益會按一段時間內已完全滿足相關履約責任的進度確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團履約將產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收益會在當客戶獲得明確貨物或服務的控制權時在某一時點確認。

合約資產指本集團就本集團已向客戶轉讓的貨品或服務而於交換過程中收取代價的權利(尚未成為無條件)，並根據香港財務報告準則第9號進行減值評估。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前所需者僅為時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)而須向客戶轉讓貨品或服務的責任。

與同一合約相關的合約資產及合約負債按淨額基準入賬及呈列。

3. Significant Accounting Policies (continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Input method

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

Variable consideration

For contracts that contain variable consideration (i.e. variation orders), the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

3. 主要會計政策(續)

來自客戶合約的收益(根據附註2的過渡條文應用香港財務報告準則第15號後)(續)

隨時間確認收益：計量完全滿足履約責任的進度

輸入法

完全滿足履約責任的進度乃根據輸入法計量，即根據本集團為滿足履約責任所作付出或投入佔預期對滿足有關履約責任的總投入的比例確認收益，有關方法最能反映本集團於轉移貨品或服務控制權方面的履約情況。

可變代價

就包含可變代價(即修訂令)的合約而言，本集團使用以下其中一種方法估計本集團有權收取的代價金額：(a)預期價值法或(b)最有可能的金額(視乎何種方法更能預測本集團有權收取的代價金額而定)。

可變代價的估計金額僅在以下情況下，方會計入交易價格：於計入交易價格時很大可能不會導致其後關乎可變代價的不確定因素獲得解決時出現收益大幅撥回。

於各報告期末，本集團更新估計交易價格(包括更新評估有關可變代價的估計是否受到限制)，以真實反映於報告期末存在的情況以及於報告期內該等情況發生的變化。

3. Significant Accounting Policies (continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

Revenue recognition (prior to 1 April 2018)

Revenue is measured at the fair value of the consideration received or receivable.

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

Interest income 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.

The Group's policy for the recognition of revenue from provision of construction services is described in the accounting policy for "provision of construction services" below.

3. 主要會計政策(續)

來自客戶合約的收益(根據附註2的過渡條文應用香港財務報告準則第15號後)(續)

委託人與代理人

當有另一方涉及向客戶提供貨品或服務時，本集團會釐定其承諾性質屬由其自身提供指定貨品或服務(即本集團為委託人)的履約責任，還是屬安排由其他方提供該等貨品或服務(即本集團為代理人)的履約責任。

倘本集團於指定貨品或服務轉交客戶前控制該貨品或服務，則本集團為委託人。

收益確認(2018年4月1日前)

收益按已收或應收代價的公平值計量。

收益於收益金額能可靠地計量；未來經濟利益很可能流向本集團及本集團的各項活動已達到特定標準時(如下文所述)確認。

利息收入以時間基準參照尚未償還本金並按適用的實際利率計算，實際利率乃將估計未來現金收入按金融資產的預期使用年期準確折現至該資產於初步確認時的賬面淨值的利率。

本集團確認提供建築服務所得收益的政策於下文有關「提供建築服務」的會計政策內闡述。

3. Significant Accounting Policies (continued)

Revenue recognition (prior to 1 April 2018) (continued)

Provision of construction services

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activities at the end of the reporting period, measured based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts receivable on contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts payable on contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as receipts in advance. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under progress payments receivable.

3. 主要會計政策(續)

收益確認(2018年4月1日前) (續)

提供建築服務

倘建築合約的成果能可靠地估計，則收益及成本將參考於報告期末合約活動的完工階段予以確認，並按迄今為止已進行工程所產生的合約成本佔估計總合約成本的比例計量，除非此階段不能代表完工階段則作別論。合約工程、申索及獎金的變動僅於其金額能可靠地計量並認為有可能收回時方予列賬。

倘建築合約的成果無法可靠地估計，則合約收益僅會以可能收回的已產生合約成本為限予以確認。合約成本於產生期間確認為開支。

當總合約成本將有可能超過總合約收益時，預期虧損會即時確認為開支。

倘迄今為止所產生的合約成本加已確認溢利減去已確認虧損超過進度款項，則盈餘列作應收合約工程款。對於進度款項超過迄今為止已產生合約成本加已確認溢利減去已確認虧損的合約，盈餘列作應付合約工程款。進行相關工程前收取的款項計入綜合財務狀況表作為負債及作為預收款項。已進行工程所欠付但未由客戶支付的款項計入綜合財務狀況表作為應收進度款。

3. Significant Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment 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 property, 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 disposal or retirement of an item of property, 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.

Impairment losses on 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 relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, 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.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備於綜合財務狀況表內按成本減其後的累計折舊及累計減值虧損(如有)列賬。

折舊乃以直線法按其估計可使用年期撇減物業、廠房及設備項目的成本確認。估計可使用年期及折舊法於各報告期末檢討，而任何估計變動的影響將於未來入賬。

物業、廠房及設備項目於出售時或當預期持續使用該資產不會於日後產生經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生的任何收益或虧損按出售所得款項與資產賬面值之間的差額釐定，並於損益內確認。

有形資產減值虧損

於報告期末，本集團檢討其有形資產賬面值，以確定是否有跡象表明有關資產已出現減值虧損。倘存在任何相關跡象，會估計該資產的可收回金額，以確定減值虧損(如有)的範圍。

有形資產的可收回金額須接受個別估計。倘無法估計個別資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。倘可識別合理及一致的分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可識別合理及一致分配基準的最小組別現金產生單位。

3. Significant Accounting Policies (continued)

Impairment losses on tangible assets (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the 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 a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Leases

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

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

有形資產減值虧損(續)

可收回金額指公平值減銷售成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量按反映當時市場對貨幣的時間價值及未調整未來現金流量估計的資產(或現金產生單位)特定風險之評估的除稅前折現率折算成現值。

倘資產(或現金產生單位)的可收回金額估計少於其賬面值，則將資產(或現金產生單位)的賬面值下調至其可收回金額。減值虧損即時於損益內確認。

倘減值虧損隨後撥回，則資產(或現金產生單位)的賬面值會調升至其修訂後的估計可收回金額，惟調升後的賬面值不超過資產(或現金產生單位)於過往年度並無確認減值虧損時原應釐定的賬面值。減值虧損撥回即時於損益內確認。

租賃

每當租賃條款將所有權的絕大部分風險及回報轉移至承租人，該等租賃均分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人

經營租賃款項於租期內以直線法確認為開支。

3. Significant Accounting Policies (continued)

Provisions

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 obligation, and a reliable estimate can be made of the amount of the obligation.

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

Provisions for the expected cost of warranty obligations under the relevant services agreements are recognised at the date of services performed, based on the best estimate made by the directors of the Company of the expenditure required to settle the Group's obligation.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in term of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策(續)

撥備

當本集團因過往事件而須承擔現有責任(法定或推定)，本集團將可能須履行該責任，並能可靠地估計有關責任的金額時確認撥備。

確認為撥備的金額為於報告期末經計入有關責任的風險及不明朗因素後，對履行現有責任所需代價的最佳估計。倘撥備使用履行現有責任的估計現金流量計量，則其賬面值為該等現金流量的現值(倘貨幣時間價值的影響屬重大)。

有關服務協議下保修責任預期成本的撥備，乃於提供服務當日按本公司董事對履行本集團責任所需支出的最佳估計確認。

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易按交易日期的現行匯率換算為各自的功能貨幣(即該實體經營所處主要經濟環境的貨幣)入賬。於報告期末，以外幣計值的貨幣項目按該日的現行匯率重新換算。以外幣計值且以歷史成本計算的非貨幣項目概不重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額均於彼等產生期間於損益內確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 March 2019
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3. Significant Accounting Policies (continued)

Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the group entities are translated into the presentation currency of the Company (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Retirement benefits costs

Payments to government-managed retirement benefits scheme and the Mandatory Provident Fund Scheme (the “MPF Scheme”) are recognised as an expense when employees have rendered services entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

3. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，集團實體的資產及負債乃使用報告期末的現行匯率換算為本公司的呈列貨幣(即港元)。收入及開支項目按期內的平均匯率換算。所產生的匯兌差額(如有)於其他全面收入確認並於匯兌儲備項下的權益累計。有關匯兌差額於出售境外業務期間的損益內確認。

退休福利成本

政府管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)的應付供款於僱員提供服務而有權享有供款時確認為開支。

短期僱員福利

短期僱員福利乃按僱員提供服務時預期將予支付的未折現福利金額確認。所有短期僱員福利均確認為開支，除非另有香港財務報告準則要求或允許將福利納入資產成本內。

僱員的應計福利(例如工資、薪金及年假)乃於扣減任何已付金額後確認為負債。

3. Significant Accounting Policies (continued)

Borrowing costs

All borrowing costs not directly attributable to the construction, acquisition or production of qualifying assets are recognised in profit or loss in the period in which they are incurred.

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 (loss) profit before taxation because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策(續)

借款成本

所有並非與建設、收購或生產合資格資產直接相關的借款成本均於產生期間於損益內確認。

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項乃按年內應課稅溢利計量。應課稅溢利與除稅前(虧損)溢利有別，乃由於其他年度應課稅或可扣稅的收入或開支項目，以及毋須課稅或不可扣稅的項目所致。本集團的即期稅項負債乃按報告期末已實行或實質上已實行的稅率計量。

遞延稅項乃按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用的相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般就所有可扣稅暫時差額確認，惟遞延稅項資產僅限於在有應課稅溢利可供抵銷可扣稅暫時差額時方予以確認。倘暫時差額乃因初步確認一項不影響應課稅溢利或會計溢利的交易的資產及負債(業務合併除外)而產生，則有關的遞延稅項資產及負債不予確認。

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For the year ended 31 March 2019
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3. 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss.

3. 主要會計政策(續)

稅項(續)

有關於附屬公司投資的應課稅暫時差額確認為遞延稅項負債，惟本集團有能力控制暫時差額的撥回而暫時差額很可能在可見未來不會被撥回則除外。與該等投資有關的可扣稅暫時差額所產生的遞延稅項資產僅會在有充足的應課稅溢利以抵銷動用暫時差額的利益且預期於可見將來可予撥回時予以確認。

遞延稅項資產的賬面值會於各報告期末作檢討，並於無足夠應課稅溢利可供收回全部或部分資產時予以扣減。

遞延稅項資產及負債乃按預期於負債獲償還或資產獲變現期間適用的稅率（以報告期末已實行或實質上已實行的稅率（及稅法）為基準）計量。

遞延稅項負債及資產的計量反映本集團於報告期末，預期將要收回或償還其資產及負債的賬面值的方式的稅務後果。

倘有可依法強制執行權利將即期稅項資產與即期稅項負債抵銷，而兩者又與同一稅務機構徵收的所得稅相關，且本集團擬按淨額基準結算其即期稅項資產及負債，則可抵銷遞延稅項資產及負債。

即期及遞延稅項於損益內確認。

3. Significant Accounting Policies (continued)

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 April 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised directly in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and 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 asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 主要會計政策(續)

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方之一時確認。所有以常規方式購買或出售的金融資產，均按交易日基準進行確認及終止確認。以常規方式購買或出售乃指要求於相關市場中的規則或慣例通常約定的時間內交付資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，惟客戶合約所產生的貿易應收款項（自2018年4月1日起初步根據香港財務報告準則第15號計量）除外。收購或發行金融資產及金融負債（按公平值計入損益的金融資產除外）直接應佔的交易成本於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除（視情況而定）。收購按公平值計入損益的金融資產直接應佔的交易成本直接於損益內確認。

實際利息法乃計算金融資產或金融負債的攤銷成本以及於有關期間內分配利息收入及利息開支的方法。實際利率乃於初步確認時按金融資產或金融負債的預期使用年期或適用的較短期間準確折現估計未來現金收入及付款（包括構成實際利率不可或缺部分的全部已付或已收費用及利率差價、交易成本及其他溢價或折讓）至賬面淨值的利率。

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3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

3. 主要會計政策(續)

金融工具(續)

金融資產

金融資產的分類及其後計量(根據附註2的過渡條文應用香港財務報告準則第9號後)

符合以下條件的金融資產其後按攤銷成本計量:

- 金融資產於以收取合約現金流量為目的之業務模式內持有;及
- 因合約條款使然於特定日期產生的現金流量純粹為支付本金及未償還本金的利息。

符合以下條件的金融資產其後按公平值計入其他全面收入計量:

- 金融資產於以收取合約現金流量及出售為目的之業務模式內持有;及
- 因合約條款使然於特定日期產生的現金流量純粹為支付本金及未償還本金的利息。

所有其他金融資產其後按公平值計入損益計量。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income (“FVTOCI”) as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)

符合以下條件的金融資產將獲分類為持作買賣：

- 其購入乃主要為於不久將來出售；或
- 於初次確認時其為本集團共同管理的已識別金融工具組合的一部分，並於近期呈現實際短期獲利的模式；或
- 其屬於未獲指定為(且有效的)對沖工具的衍生工具。

此外，倘能消除或大幅減少會計錯配，則本集團或會不可撤回地將必須按攤銷成本或按公平值計入其他全面收入計量的金融資產指定為按公平值計入損益。

攤銷成本及利息收入

其後按攤銷成本計量的金融資產採用實際利息法確認利息收入。利息收入就金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃透過就金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險有所改善，致使金融資產不再出現信貸減值，則釐定資產不再出現信貸減值後，自報告期開始起利息收入乃透過就金融資產賬面總值應用實際利率予以確認。

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3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL (representing payments for life insurance policies) are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss and included in the “other income, gains and losses” line item.

Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2)

The Group recognises an impairment allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, pledged bank deposits, bank balances, deposits and other receivables) and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產

不符合按攤銷成本計量或按公平值計入其他全面收入或指定為按公平值計入其他全面收入計量標準的金融資產，按公平值計入損益。

按公平值計入損益的金融資產(即人壽保險保單付款)按於各報告期末的公平值計量，任何公平值收益或虧損於損益內確認，並計入「其他收入、收益及虧損」項目。

金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)

本集團就須根據香港財務報告準則第9號減值的金融資產(包括貿易應收款項、已質押銀行存款、銀行結餘、按金及其他應收款項)以及合約資產的預期信貸虧損確認減值撥備。預期信貸虧損金額於各報告日期更新，以反映自初次確認以來信貸風險的變動。

全期預期信貸虧損指於相關工具的預期使用年期內所有可能發生的違約事件所產生的預期信貸虧損。相反，12個月預期信貸虧損指預期於報告日期後12個月內可能發生的違約事件所產生的部分全期預期信貸虧損。本集團根據其過往信貸虧損經驗進行評估，並就債務人的特定因素、整體經濟狀況以及對於報告日期當前狀況及對未來狀況預測的評估作出調整。

3. Significant Accounting Policies (continued)**Financial instruments (continued)****Financial assets (continued)**

Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2) (continued)

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the impairment allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策(續)**金融工具(續)****金融資產(續)**

金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)

本集團一直就貿易應收款項及合約資產確認全期預期信貸虧損。該等資產的預期信貸虧損將單獨評估。

至於所有其他工具，本集團計量的減值撥備相等於12個月預期信貸虧損，除非自初次確認以來信貸風險大幅增加，則本集團確認全期預期信貸虧損。對於應否確認全期預期信貸虧損，本集團會根據自初次確認以來出現違約的可能性或風險大幅增加作出評估。

(i) 信貸風險大幅增加

於評估信貸風險是否自初次確認以來大幅增加時，本集團比較金融工具於報告日期出現違約的風險與金融工具於初次確認日期出現違約的風險。本集團作出評估時，會考慮合理及可靠的定量及定性資料，包括過往經驗及毋需繁重成本或精力即可獲得的前瞻性資料。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2) (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)

(i) 信貸風險大幅增加(續)

具體而言，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期大幅下降；
- 現有或預測有不利變動的業務、財務或經濟狀況，預期將導致債務人履行其債務責任的能力大幅下降；
- 債務人經營業績的實際或預期嚴重惡化；及
- 債務人的監管、經濟或技術環境中實際或預期的重大不利變動，導致債務人履行其債務責任的能力大幅下降。

不論上述評估得出何種結果，本集團假定，當合約付款逾期超過30日時，初次確認以來的信貸風險已大幅增加，除非本集團有合理且具理據的資料支持並非如此，則另作別論。

本集團定期監察用以識別信貸風險有否大幅增加的標準的效益，並於適用情況下修訂標準以確保標準能在款項逾期前識別信貸風險大幅增加。

3. Significant Accounting Policies (continued)**Financial instruments (continued)****Financial assets (continued)****Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2) (continued)**

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

3. 主要會計政策(續)**金融工具(續)****金融資產(續)****金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)**

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或取自外界來源的資料顯示債務人不大可能悉數向其債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上述情況，本集團認為，違約於金融資產逾期超過90日時發生，除非本集團有合理且具理據的資料顯示更滯後的違約標準更為恰當，則另作別論。

(iii) 出現信貸減值的金融資產

當發生對金融資產的估計未來現金流量構成不利影響的一件或多件違約事件之時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括有關以下事件的可觀察數據：

- (a) 發行人或借款人陷入重大財務困難；
- (b) 違反合約，例如拖欠或逾期事件；
- (c) 借款人的貸款人出於與借款人財務困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；或
- (d) 借款人有可能面臨破產或其他財務重組。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2) (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)

(iv) 撇銷政策

當有資料顯示交易對手處於嚴重財務困難及無實際收回可能時(例如,交易對手被清盤或進入破產程序),本集團將撇銷金融資產。經考慮法律意見後(如適用),遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事件。任何其後收回均於損益內確認。

(v) 計量及確認預期信貸虧損

計量預期信貸虧損即計算違約概率、違約損失(即違約導致的損失數額)及違約時的風險的函數。評估違約概率及違約損失乃依據經前瞻性資料調整的過往數據。預期信貸虧損的估計反映無偏頗的概率加權平均金額,其乃根據相應違約風險加權釐定。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期將收取的現金流量間的差額,並按於初次確認時釐定的實際利率折現。

利息收入乃基於金融資產的賬面總值計量,除非金融資產出現信貸減值,在該情況下,利息收入按金融資產的攤銷成本計量。

3. Significant Accounting Policies (continued)**Financial instruments (continued)****Financial assets (continued)**

Impairment of financial assets and contract assets (upon application of HKFRS 9 with transitions in accordance with note 2) (continued)

(v) Measurement and recognition of ECL (continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, other receivables and contract assets where the corresponding adjustment is recognised through an impairment allowance account.

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 April 2018)

The Group's financial assets are classified into loans and receivables.

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 retention money receivables payments for life insurance policies, progress payments receivable, deposits, other receivables, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

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

3. 主要會計政策(續)**金融工具(續)****金融資產(續)**

金融資產及合約資產減值(根據附註2的過渡條文應用香港財務報告準則第9號後)(續)

(v) 計量及確認預期信貸虧損(續)

本集團透過調整所有金融工具的賬面值於損益內確認其減值收益或虧損，惟貿易應收款項、其他應收款項及合約資產透過減值撥備賬確認相應調整除外。

金融資產的分類及其後計量(2018年4月1日應用香港財務報告準則第9號前)

本集團的金融資產乃分類為貸款及應收款項。

貸款及應收款項

貸款及應收款項為在活躍市場上並無報價而具有固定或待定付款的非衍生金融資產。於首次確認後，貸款及應收款項(包括應收保留金、人壽保險保單付款、應收進度款、按金、其他應收款項、已質押銀行存款以及銀行結餘及現金)使用實際利息法按攤銷成本減任何減值計量。

利息收入採用實際利率確認，惟短期應收款項除外，其所確認的利息乃微不足道。

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3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018)

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 assets, 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 or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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 periods, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of 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.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(2018年4月1日應用香港財務報告準則第9號前)

金融資產於各報告期末就有否出現減值跡象接受評估。當有客觀證據顯示於初步確認金融資產後發生的一項或多項事件導致金融資產的估計未來現金流量受到影響時，則有關金融資產將被視為出現減值。

減值的客觀證據可能包括：

- 發行人或交易對手陷入重大財務困難；或
- 違反合約，例如未償還或拖欠支付利息或本金付款；或
- 借款人有可能面臨破產或財務重組。

應收款項組合的客觀減值證據可能包括本集團的過往收款經驗、組合內延遲還款至超逾平均信貸期的次數增加，以及與應收款項違約有關的全國或地方經濟狀況的可觀察變動。

就按攤銷成本列賬的金融資產而言，已確認減值虧損金額為資產賬面值與估計未來現金流量的現值(以金融資產的原實際利率折算)之間的差額。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018) (continued)

The carrying amount of the financial assets are reduced by the impairment loss directly for all financial assets with the exception of trade 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 trade receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(2018年4月1日應用香港財務報告準則第9號前)(續)

就所有金融資產而言，金融資產的賬面值直接按減值虧損減少，惟貿易應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目的賬面值變動於損益內確認。倘貿易應收款項被認為無法收回，則於撥備賬目撇銷。過往已撇銷的款項如於其後收回，則計入損益。

就按攤銷成本計量的金融資產而言，倘於其後期間減值虧損的數額減少，而減幅可能與確認減值後的某一事件有客觀聯繫，則先前確認的減值虧損於損益內予以撥回，惟於撥回減值當日金融資產的賬面值不得超逾未確認減值時的攤銷成本。

終止確認金融資產

本集團僅在獲取金融資產所產生現金流量的合約權利屆滿，或其將金融資產及該資產所有權的絕大部分風險及回報轉讓予另一實體的情況下，方會終止確認金融資產。

於終止確認一項按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價總和之間的差額於損益內確認。

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3. Significant Accounting Policies (continued)

Financial instruments (continued)

Financial liabilities and equity

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

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities, including trade and other payables and bank borrowings, are subsequently measured at amortised cost, using the effective interest method.

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 payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the impairment allowance determined in accordance with HKFRS 9 (since 1 April 2018)/HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (before application of HKFRS 9 on 1 April 2018); and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益

債務及權益工具按合約安排的實質內容以及金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具為證明一間實體經扣除其所有負債後的資產剩餘權益的任何合約。本公司發行的權益工具按已收所得款項(扣除直接發行成本)確認。

按攤銷成本計量的金融負債

其後採用實際利息法按攤銷成本計量的金融負債包括貿易及其他應付款項以及銀行借款。

財務擔保合約

財務擔保合約為規定發行人作出指定付款以補償持有人因特定債務人未能按照債務工具條款在到期時付款而招致的損失的合約。財務擔保合約負債初步按公平值計量，其後則按下列的較高者計量：

- 按照香港財務報告準則第9號(自2018年4月1日起)／香港會計準則第37號「撥備、或然負債及或然資產」(2018年4月1日應用香港財務報告準則第9號前)釐定的減值撥備金額；及
- 初步確認的金額減(如適用)於擔保期內確認的累計攤銷。

3. Significant Accounting Policies (continued)

Financial instruments (continued)

Derecognition of financial liabilities

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

4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

Impairment assessment of trade receivables and contract assets

The management of the Group estimates the lifetime ECL of trade receivables and contract assets individually, after considering financial background, creditability, ageing, and likelihood of collection with reference to repayment history and/or past due status of respective debtors. Estimated loss rates are based on historical observed default rates over the expected life of the receivables and contract assets and are adjusted for forward-looking information.

The impairment allowance for ECL is sensitive to changes in estimates. The financial risk management objectives and impairment assessment on the Group's trade receivables and contract assets is disclosed in note 33.

3. 主要會計政策(續)

金融工具(續)

終止確認金融負債

本集團僅在本集團的責任已經解除、註銷或屆滿的情況下，方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額於損益內確認。

4. 估計不確定因素的主要來源

於應用本集團的會計政策(於附註3闡述)時，本公司董事須就從其他來源不顯而易見的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及認為屬相關的其他因素為基礎。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂僅影響修訂估計期間，則有關修訂會在該期間確認。倘若有關修訂既影響當期，亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

貿易應收款項及合約資產的減值評估

本集團的管理層個別評估貿易應收款項及合約資產的全期預期信貸虧損，當中參照各應收賬款的還款紀錄及／或逾期情況，考慮其財務背景、信譽、賬齡及收回可能性。估計虧損率乃基於符合應收款項及合約資產的預期期限的過往觀察所得違約率，並按前瞻性資料調整。

預期信貸虧損的減值撥備對估計變動敏感。有關本集團貿易應收款項及合約資產的財務風險管理目標及減值評估，於附註33披露。

4. Key Sources of Estimation Uncertainty (continued)

Impairment assessment of trade receivables and contract assets (continued)

As at 31 March 2019, the carrying amount of trade receivables and contract assets are HK\$23,616,000 and HK\$104,564,000, respectively (see notes 17 and 18 for details), net of impairment allowance of HK\$2,803,000 and HK\$792,000, respectively. Additional impairment allowance of HK\$1,110,000 and HK\$663,000 on trade receivables and contract assets respectively was recognised on 1 April 2018 upon application of HKFRS 9 as disclosed in note 2.

As at 31 March 2018, the progress payments receivable, amounts receivable on contract work and retention money receivables were HK\$17,848,000, HK\$83,148,000 and HK\$22,906,000 respectively. No impairment allowance was recognised under HKAS 39.

Estimated outcome of the construction contracts

The Group recognises revenue from provision of construction services and the gross profit of construction contracts by reference to the progresses toward complete satisfaction of these services. Budgeted contract costs and profit margin are prepared by the management of the Group on the basis of quotations from time to time provided by the major subcontractors, suppliers or vendors involved and the experience of the management of the Group. In order to keep the budget accurate and up-to-date, the management of the Group conducts periodic reviews of the budgets of contracts by comparing the budgeted amounts to the actual amounts incurred. Such significant estimate may have impact on the revenue recognised in each period.

4. 估計不確定因素的主要來源 (續)

貿易應收款項及合約資產的減值評估(續)

於2019年3月31日，貿易應收款項及合約資產的賬面值為23,616,000港元及104,564,000港元(詳見附註17及18)，當中已扣除減值撥備2,803,000港元及792,000港元。誠如附註2所披露，貿易應收款項及合約資產的額外減值撥備1,110,000港元及663,000港元乃於2018年4月1日應用香港財務報告準則第9號時確認。

於2018年3月31日，應收進度款、應收合約工程款及應收保留金分別為17,848,000港元、83,148,000港元及22,906,000港元。並無根據香港會計準則第39號確認減值撥備。

建築合約的估計成果

本集團參照已全面滿足該等服務的進度確認提供建築服務的收益及建築合約的毛利。本集團的管理層不時基於由所涉主要分包商、供應商或服務供應商提供的報價以及本集團管理層的經驗編製預算合約成本及利潤率。為保持預算準確且合時，本集團的管理層定期透過比較預算金額與實際已產生金額檢討預算。有關重大估計可能對於各期間確認的收益產生影響。

4. Key Sources of Estimation Uncertainty (continued)

Estimated outcome of the construction contracts (continued)

Recognised amounts of contract revenue from provision of construction services reflect management's best estimate of each contract's outcome and value of works completed, which are determined on the basis of a number of estimates. This includes the assessment of the profitability of on-going construction contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty. The actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of each reporting period, which would affect the revenue and profit or loss recognised in future years as an adjustment to the amounts recorded to date.

5. Revenue and Segment Information

Revenue represents income received or receivable from provision of construction contract work.

The Group's operating activities are attributable to a single operating segment focusing on provision of construction contract work. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform with HKFRSs, that are regularly reviewed by the chief operating decision maker ("CODM") (i.e. being executive directors of the Company). The CODM regularly reviews revenue analysis by relevant types of properties for which construction contract work is provided, and considers them as one single operating segment since all revenue of the Group is generated from one single line of business. Other than revenue analysis, no operating results and no other discrete financial information are available for the assessment of performance.

4. 估計不確定因素的主要來源 (續)

建築合約的估計成果(續)

來自提供建築服務的已確認合約收益金額反映管理層對每一份合約的成果及已完成工作的價值的最佳估計，此乃基於若干估計釐定，包括對進行中建築合約利潤的評估。尤其是較複雜的合約，完成成本及合約利潤涉及重大估計不確定性。總成本或收益的實際結果可能高於或低於各報告期末的估計，此將影響未來年度確認為對迄今已列賬金額的調整的收益及溢利或虧損。

5. 收益及分部資料

收益指提供建築合約工程而已收或應收的收入。

本集團的經營活動歸入集中於提供建築合約工程的單一經營分部。該經營分部乃根據按符合香港財務報告準則的會計政策編製並經主要經營決策者(即本公司的執行董事)定期審閱的內部管理報告識別。主要經營決策者按獲提供建築合約工程的相關物業類型定期審閱收益分析，並將其視為單一經營分部，原因是本集團的所有收益均來自單一業務。除收益分析外，概無經營業績及其他個別財務資料可用於評估表現。

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5. Revenue and Segment Information (continued)

The CODM reviews the loss (profit) for the year of the Group as a whole to make decisions about resource allocation. No analysis of segment assets or segment liabilities or geographical information of non-current assets is presented as they are not regularly provided to the CODM. The operation of the Group constitutes one single operating segment under HKFRS 8 “Operating Segments” and accordingly, no separate segment information other than entity level information is prepared.

Disaggregation of revenue from contracts with customers

An analysis of the Group’s revenue are as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Recognised over time:	隨時間確認：		
Residential properties	住宅物業	73,037	261,272
Commercial properties	商業物業	142,741	10,569
		215,778	271,841

All revenue during each of the reporting period is derived from customers in Hong Kong. All the Group’s provision of construction services are made directly with customers which are mainly property developers (including subsidiaries of property developers) and main contractors from the private sector in Hong Kong.

5. 收益及分部資料(續)

主要經營決策者整體審閱本集團的年內虧損(溢利)，以作出有關資源分配的決定。由於並無定期向主要經營決策者提供分部資產或分部負債或非流動資產的地理資料的分析，因此並無呈列有關分析。根據香港財務報告準則第8號「經營分部」，本集團的業務由單一經營分部組成，因此除實體層面的資料外，並無單獨編製分部資料。

來自客戶合約的收益的細分

本集團的收益分析如下：

本集團各報告期的所有收益均源自香港客戶。本集團直接向香港私營界別的客戶(主要為物業發展商(包括物業發展商的附屬公司))及總承包商提供所有建築服務。

5. Revenue and Segment Information (continued)

Revenue recognition

The Group provides design and project management services for façade and installation of curtain wall systems. Such contracts are entered into before the services begin. Under the terms of the contracts, the Group is contractually required to perform services at the customers' specified sites that the Group creates or enhances an asset that the customers controls as the Group performs. Revenue from provision of construction services is therefore recognised over time using input method, i.e. based on the proportion that costs incurred for work performed by the Group to date relative to the estimated total costs in measuring the percentage of completion for the revenue recognised during each of the reporting period. The Group will consider if there is any adjustment required to the input method for uninstalled materials, to ensure that the input method meets the objective of measuring progress towards complete satisfaction of a performance obligation. The management of Group considers that input method would faithfully depict the Group's performance towards complete satisfaction of these performance obligation under HKFRS 15.

For contracts that contain variable consideration (i.e. variation orders), the Group estimates the amount of consideration to which it will be entitled using the expected value method.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

5. 收益及分部資料(續)

收益確認

本集團提供外牆設計及項目管理服務以及幕牆系統安裝。有關合約乃於服務開始前訂立。根據合約條款，本集團須依約於客戶指定地盤履行服務，隨本集團履約而創造或提升由客戶控制的資產。因此，來自提供建築服務的收益使用輸入法隨時間確認，即根據本集團迄今履約所產生成本相對於估計總成本的比例計量完工百分比，以於各報告期末確認收益。本集團將考慮輸入法是否須就未安裝材料作出調整，以確保輸入法符合計量完全滿足履約責任的進度的目標。本集團的管理層認為輸入法最能根據香港財務報告準則第15號真實地反映本集團完全滿足該等履約責任的表現。

就包含可變代價(即修訂令)的合約而言，本集團使用預期價值法估計本集團有權收取的代價金額。

可變代價的估計金額僅在以下情況下，方會計入交易價格：於計入交易價格時很大可能不會導致其後關乎可變代價的不確定因素獲得解決時出現收益大幅撥回。

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5. Revenue and Segment Information (continued)

Revenue recognition (continued)

At the end of the reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the change in circumstances during the reporting period.

Transaction price allocated to the remaining performance obligation for contract with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2019 and the expected timing of recognising revenue are as follows:

		HK\$'000 千港元
Provision of construction services for:	建築服務提供對象：	
Residential properties	住宅物業	1,331
Commercial properties	商業物業	169,313
		170,644

Based on the information available to the Group at the end of each reporting period, the management of the Group expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts in respect of provision of construction services as at 31 March 2019 will be recognised as revenue during the year ending 31 March 2020 and/or the year ending 31 March 2021.

5. 收益及分部資料(續)

收益確認(續)

於各報告期末，本集團更新估計交易價(包括更新對有關可變代價的估計是否受到限制的評估)，以真實反映於報告期末存在的情況及於報告期內該等情況發生的變化。

分配至餘下客戶合約履約責任的交易價

於2019年3月31日分配至餘下履約責任(未履行或部分未履行)的交易價以及確認收益的預計時間如下：

基於本集團於各報告期末取得的資料，本集團的管理層預期於2019年3月31日就提供建築服務分配至上述未履行(或部分未履行)合約的交易價將於截至2020年3月31日止年度及／或截至2021年3月31日止年度確認為收益。

5. Revenue and Segment Information
(continued)

Information about major customers

Revenue from customers contributing over 10% of total revenue of the Group during the year are as below:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Customer A ¹	客戶A ¹	107,489	N/A ⁴
Customer B ²	客戶B ²	37,870	45,635
Customer C ³	客戶C ³	N/A ⁴	42,464
Customer D ³	客戶D ³	45,761	121,017

¹ Revenue derived from commercial properties contract works.

² Revenue derived from commercial properties and residential properties contract works.

³ Revenue derived from residential properties contract works.

⁴ Revenue derived from this customer was less than 10% of the total revenue for the year.

6. Other Income, Gains and Losses

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Bank interest income	銀行利息收入	147	-
Interest income from payments for life insurance policies	人壽保險保單付款利息收入	-	155
Exchange gain (loss)	匯兌收益(虧損)	165	(154)
Fair value gain on payments for life insurance policies	人壽保險保單付款公平值收益	1,635	-
		1,947	1

5. 收益及分部資料(續)

有關主要客戶的資料

來自年內佔比超過本集團總收益10%的客戶的收益如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Customer A ¹	客戶A ¹	107,489	N/A ⁴
Customer B ²	客戶B ²	37,870	45,635
Customer C ³	客戶C ³	N/A ⁴	42,464
Customer D ³	客戶D ³	45,761	121,017

¹ 來自商業物業合約工程的收益。

² 來自商業物業及住宅物業合約工程的收益。

³ 來自住宅物業合約工程的收益。

⁴ 來自該客戶的收益少於年內總收益的10%。

6. 其他收入、收益及虧損

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7. Impairment Losses

7. 減值虧損

		2019 2019年 HK\$'000 千港元
Impairment losses recognised on:	就以下各項確認的減值虧損：	
Contract assets	合約資產	99
Trade receivables	貿易應收款項	1,693
Other receivables	其他應收款項	2
		1,794

Details of impairment assessment for the year ended 31 March 2019 are set out in note 33.

截至2019年3月31日止年度的減值評估詳情載於附註33。

8. Finance Costs

8. 融資成本

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest on bank loans and bank overdrafts	銀行貸款及銀行透支利息	5,203	3,034

9. (Loss) Profit Before Taxation

9. 除稅前(虧損)溢利

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss) profit before taxation has been arrived at after charging:	除稅前(虧損)溢利乃於扣除以下各項後達致：		
Directors' remuneration (note 10)	董事薪酬(附註10)	5,530	5,746
Other staff costs	其他員工成本	28,329	24,046
Retirement benefits schemes contributions for other staff	為其他員工作出的退休福利計劃供款	2,219	1,768
Total staff costs	員工成本總額	36,078	31,560
Auditor's remuneration	核數師酬金	1,050	1,000
Depreciation of property, plant and equipment	物業、廠房及設備折舊	490	205
Operating lease rentals in respect of rented premises	有關租賃物業的經營租賃租金	2,471	1,517
Listing expenses (included in other expenses)	上市開支(計入其他開支)	-	14,536

10. Directors', Chief Executive Officer's and Employees' Emoluments

(a) Directors' and chief executive officer's emoluments

Details of the emoluments paid or payable to the directors and chief executive officer of the Company (including emoluments for services as employees/directors of the group entities prior to becoming the directors of the Company) by the entities comprising the Group during the year are as follows:

10. 董事、最高行政人員及僱員酬金

(a) 董事及最高行政人員酬金

於年內，本集團旗下實體已付或應付本公司董事及最高行政人員的酬金(包括於成為本公司董事前擔任集團實體僱員／董事的酬金)詳情如下：

		Fees	Salaries and allowances	Discretionary bonus	Retirement benefits schemes	Total
					contributions	
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended	截至2019年3月31日止					
31 March 2019	年度					
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Yu (chief executive officer) [#]	余先生(行政總裁) [#]	-	1,944	160	18	2,122
Mr. Chow [#]	周先生 [#]	-	1,458	120	13	1,591
Mr. Wong Kam Man [#]	黃錦文先生 [#]	-	1,155	95	18	1,268
Sub-total	小計	-	4,557	375	49	4,981
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Dr. Lung Cheuk Wah [*]	龍卓華博士 [*]	183	-	-	-	183
Mr. Ng Ka Lok [*]	吳家樂先生 [*]	183	-	-	-	183
Mr. Wong Chi Yung [*]	王志勇先生 [*]	183	-	-	-	183
Sub-total	小計	549	-	-	-	549
Total	總計	549	4,557	375	49	5,530

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10. Directors', Chief Executive Officer's and Employees' Emoluments (continued)

(a) Directors' and chief executive officer's emoluments (continued)

		Fees	Salaries and allowances	Discretionary bonus	Retirement benefits schemes contributions	Total
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended	截至2018年3月31日止					
31 March 2018	年度					
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Yu (chief executive officer) [#]	余先生(行政總裁) [#]	500	1,740	280	18	2,538
Mr. Chow [#]	周先生 [#]	500	1,260	200	18	1,978
Mr. Wong Kam Man [#]	黃錦文先生 [#]	-	960	150	18	1,128
Sub-total	小計	1,000	3,960	630	54	5,644
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Dr. Lung Cheuk Wah [*]	龍卓華博士 [*]	34	-	-	-	34
Mr. Ng Ka Lok [*]	吳家樂先生 [*]	34	-	-	-	34
Mr. Wong Chi Yung [*]	王志勇先生 [*]	34	-	-	-	34
Sub-total	小計	102	-	-	-	102
Total	總計	1,102	3,960	630	54	5,746

[#] Mr. Yu and Mr. Chow, the executive directors of the Company, were appointed on 25 May 2017 and Mr. Wong Kam Man, the executive director of the Company, was appointed on 9 August 2017.

^{*} The independent non-executive directors were appointed on 25 January 2018.

10. 董事、最高行政人員及僱員酬金(續)

(a) 董事及最高行政人員酬金(續)

		Fees	Salaries and allowances	Discretionary bonus	Retirement benefits schemes contributions	Total
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended	截至2018年3月31日止					
31 March 2018	年度					
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Yu (chief executive officer) [#]	余先生(行政總裁) [#]	500	1,740	280	18	2,538
Mr. Chow [#]	周先生 [#]	500	1,260	200	18	1,978
Mr. Wong Kam Man [#]	黃錦文先生 [#]	-	960	150	18	1,128
Sub-total	小計	1,000	3,960	630	54	5,644
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Dr. Lung Cheuk Wah [*]	龍卓華博士 [*]	34	-	-	-	34
Mr. Ng Ka Lok [*]	吳家樂先生 [*]	34	-	-	-	34
Mr. Wong Chi Yung [*]	王志勇先生 [*]	34	-	-	-	34
Sub-total	小計	102	-	-	-	102
Total	總計	1,102	3,960	630	54	5,746

[#] 本公司執行董事余先生及周先生於2017年5月25日獲委任，而本公司執行董事黃錦文先生於2017年8月9日獲委任。

^{*} 獨立非執行董事於2018年1月25日獲委任。

10. Directors', Chief Executive Officer's and Employees' Emoluments (continued)**(a) Directors' and chief executive officer's emoluments (continued)**

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. Mr. Yu was also appointed as the chief executive officer of the Company on 25 May 2017. The emoluments of Mr. Yu were also for his services in the capacity of chief executive officer.

The emoluments of independent non-executive directors shown above were for their services as directors of the Company.

The discretionary bonus is determined with reference to the operating results, individual performance and market condition during the year.

(b) Employees' emoluments

Of the five individuals with the highest emoluments paid by the Group during the year, three of them (2018: three) are directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining two individuals (2018: two) are as below:

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Employees	僱員		
- salaries and allowances	- 薪金及津貼	1,724	1,611
- discretionary bonus	- 酌情花紅	142	229
- retirement benefits schemes contributions	- 退休福利計劃供款	36	36
		1,902	1,876

10. 董事、最高行政人員及僱員酬金(續)**(a) 董事及最高行政人員酬金(續)**

上文所示執行董事的酬金為就彼等管理本公司及本集團事務所提供的服務而支付的酬金。余先生亦於2017年5月25日獲委任為本公司的行政總裁。余先生的酬金亦為就彼擔任行政總裁所提供的服務而支付的酬金。

上文所示獨立非執行董事的酬金為就彼等擔任本公司董事所提供的服務而支付的酬金。

酌情花紅乃參考年內的經營業績、個人表現及市況釐定。

(b) 僱員酬金

於年內本集團五名最高薪人士當中，三名(2018年：三名)為本公司的董事，其酬金已於上文披露。其餘兩名(2018年：兩名)人士的酬金載於下文：

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10. Directors', Chief Executive Officer's and Employees' Emoluments (continued)

(b) Employees' emoluments (continued)

Their emoluments were within the following bands:

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees), as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company have waived any emoluments for both years.

10. 董事、最高行政人員及僱員酬金(續)

(b) 僱員酬金(續)

彼等的酬金處於以下範圍：

		Number of individuals 人數	
		2019 2019年	2018 2018年
Nil to HK\$1,000,000	零至1,000,000港元	1	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	-

本集團概無向本公司的董事或五名最高薪人士(包括董事及僱員)支付任何酬金，作為加入或於加入本集團時的獎勵或離職補償。概無本公司的董事於兩年內放棄任何酬金。

11. Taxation

11. 稅項

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
The tax (credit) charge comprises:	稅項(抵免)支出包括：		
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅	-	3,910
PRC Enterprise Income Tax	中國企業所得稅	14	5
		14	3,915
Deferred taxation credit (note 26)	遞延稅項抵免(附註26)	(316)	-
		(302)	3,915

11. Taxation (continued)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made as the subsidiaries in Hong Kong incurred tax losses for the year ended 31 March 2019.

According to Article 63 of the Enterprise Income Tax Law (中華人民共和國企業所得稅) and Article 512 of the Implementation of the Enterprise Income Tax Law of the People's Republic of China (the "PRC") (中華人民共和國企業所得稅法實施條例), from 1 January 2017 to 31 December 2019, an entity with assessable income less than Renminbi ("RMB") 50,000 is liable to Enterprise Income Tax on such income at 10%. The tax rate of the Group's subsidiary in the PRC is 10% for the current year.

11. 稅項(續)

於2018年3月21日，香港立法會通過2017年稅務(修訂)(第7號)條例草案(「草案」)，其中引入兩級制利得稅率。該草案於2018年3月28日簽署生效為法律，並於翌日刊登憲報公示。根據兩級制利得稅率，合資格集團實體首2百萬港元的利得稅稅率為8.25%，超過2百萬港元的溢利則按16.5%徵稅。不符合兩級制利得稅率資格的集團實體的溢利繼續按16.5%的劃一稅率徵稅。

本公司董事認為，兩級制利得稅率實施後涉及的金額對綜合財務報表而言並不重大。兩個年度的香港利得稅乃就估計應課稅溢利按稅率16.5%計算。

由於香港附屬公司於截至2019年3月31日止年度產生稅務虧損，故並無就香港利得稅計提撥備。

按照中華人民共和國(「中國」)企業所得稅法第63條及中華人民共和國企業所得稅法實施條例第512條，於2017年1月1日至2019年12月31日，應課稅收入少於人民幣50,000元的實體須就有關收入繳納10%的企業所得稅。本集團於中國的附屬公司的本年度稅率為10%。

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11. Taxation (continued)

The tax (credit) charge for the year can be reconciled to the (loss) profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	(6,883)	8,084
Tax (credit) charge at Hong Kong Profits Tax rate of 16.5%	按香港利得稅稅率16.5%計算的稅項(抵免)支出	(1,136)	1,334
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	471	2,644
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(325)	—
Tax effect of tax loss not recognised	未確認稅務虧損的稅務影響	646	—
Effect of different tax rate of a subsidiary operating in other jurisdiction	於其他司法權區營運的附屬公司的不同稅率的影響	12	2
Tax reduction	稅項減免	—	(30)
Others	其他	30	(35)
Tax (credit) charge for the year	年內稅項(抵免)支出	(302)	3,915

At 31 March 2019, the Group had unused tax losses of HK\$3,915,000 (2018: nil) available for offset against future profits. No deferred tax asset has been recognised in respect of these losses due to the unpredictability of future profit streams. The tax losses will be carried forward indefinitely.

12. Dividends

No dividends were paid, declared or proposed by the Company during the year ended 31 March 2019 nor since the end of the reporting period (2018: nil).

11. 稅項(續)

年內的稅項(抵免)支出可與綜合損益及其他全面收入表內的除稅前(虧損)溢利對賬如下：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss) profit before taxation	(6,883)	8,084
Tax (credit) charge at Hong Kong Profits Tax rate of 16.5%	(1,136)	1,334
Tax effect of expenses not deductible for tax purpose	471	2,644
Tax effect of income not taxable for tax purpose	(325)	—
Tax effect of tax loss not recognised	646	—
Effect of different tax rate of a subsidiary operating in other jurisdiction	12	2
Tax reduction	—	(30)
Others	30	(35)
Tax (credit) charge for the year	(302)	3,915

於2019年3月31日，本集團可供抵銷未來溢利的未動用稅務虧損為3,915,000港元(2018年：零)。由於未來溢利流量無法預測，故並無就該等虧損確認任何遞延稅項資產。稅務虧損將無限期結轉。

12. 股息

截至2019年3月31日止年度或自報告期末以來，本公司概無派付、宣派或擬派任何股息(2018年：零)。

13. (Loss) Earnings Per Share

The calculation of the basic (loss) earnings per share attributable to owners of the Company is based on the following data:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss) profit for the year attributable to owners of the Company for the purpose of basic (loss) earnings per share	就計算每股基本(虧損)盈利而言的本公司擁有人應佔年內(虧損)溢利	(6,581)	4,169
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	就計算每股基本(虧損)盈利而言的普通股加權平均數	800,000,000	620,273,973

For the years ended 31 March 2019 and 31 March 2018, no diluted (loss) earnings per share were presented as there were no potential ordinary shares in issue.

Note: The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31 March 2018 had been taken into account the shares issued pursuant to the Reorganisation and the capitalisation issue of ordinary shares as if they had been effective on 1 April 2017.

13. 每股(虧損)盈利

本公司擁有人應佔每股基本(虧損)盈利乃根據以下數據計算：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss) profit for the year attributable to owners of the Company for the purpose of basic (loss) earnings per share	(6,581)	4,169
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	800,000,000	620,273,973

截至2019年3月31日及2018年3月31日止年度，由於概無任何潛在已發行普通股，故並無呈列每股攤薄(虧損)盈利。

附註：就截至2018年3月31日止年度的每股基本盈利而言的普通股加權平均數已考慮根據重組發行股份及資本化發行普通股，猶如該等事項已於2017年4月1日生效。

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14. Property, Plant and Equipment

14. 物業、廠房及設備

		Leasehold improvements	Furniture and office equipment	Total
		租賃裝修	傢俬及辦公設備	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
COST				
At 1 April 2017	於2017年4月1日	327	371	698
Exchange adjustment	匯兌調整	-	14	14
Additions	添置	501	612	1,113
At 31 March 2018	於2018年3月31日	828	997	1,825
Exchange adjustment	匯兌調整	-	(18)	(18)
Additions	添置	-	308	308
At 31 March 2019	於2019年3月31日	828	1,287	2,115
DEPRECIATION				
At 1 April 2017	於2017年4月1日	16	33	49
Exchange adjustment	匯兌調整	-	2	2
Provided for the year	年度撥備	73	132	205
At 31 March 2018	於2018年3月31日	89	167	256
Exchange adjustment	匯兌調整	-	(3)	(3)
Provided for the year	年度撥備	246	244	490
At 31 March 2019	於2019年3月31日	335	408	743
CARRYING VALUES				
At 31 March 2019	於2019年3月31日	493	879	1,372
At 31 March 2018	於2018年3月31日	739	830	1,569

The above items of property, plant and equipment are depreciated over their estimated useful lives using the straight-line method as follows:

上述物業、廠房及設備項目乃按其以下估計可使用年期以直線法計提折舊：

Leasehold improvements	Over shorter of the term of leases or 5 years	租賃裝修	租期或5年 (以較短者為準)
Furniture and office equipment	5 years	傢俬及辦公設備	5年

15. Financial Assets at Fair Value Through Profit or Loss/Payments for Life Insurance Policies

During the year ended 31 March 2018, Polyfair HK entered into two life insurance policies (the “Policies”) for two directors of the Company, namely Mr. Chow and Mr. Yu.

Under the Policies, the beneficiary and policy holder is Polyfair HK and the total insured sum is US\$1,000,000. Polyfair HK paid an upfront payment of US\$623,822 (equivalent to HK\$4,881,000) and US\$471,857 (equivalent to HK\$3,692,000). Polyfair HK can terminate the policies at any time and receive cash back based on the net nominal account value of the Policies at the date of withdrawal, which is the gross premium paid, plus accumulated interest income less any deductions and the applicable surrender charges made in accordance with the Policies. Polyfair HK receives an interest income at variable rates, at which the insurer guaranteed a minimum interest rates of 3.90% per annum for the 1st to the 5th policy year and 2.25% per annum for the rest of the policy years. Surrender charge is payable if the Policies are terminated by Polyfair HK between the 1st and the 15th policy year in accordance with the Policies. The management expected that the Policies will be held upon the expected lives of the two directors insured for a period of 20 years.

The effective interest rate of the payments is 3.90% per annum for the year ended 31 March 2018, which were determined on initial recognition by discounting the estimated future cash receipt through the expected lives of the Policies. The premium expenses and insurance charges of the Policies are recognised in profit or loss over the expected lives of the Policies and the payments for Policies are measured at amortised cost using the effective interest method. The carrying amount of payments placed for the Policies as at 31 March 2018 represented the presented value of the Policies. As at 31 March 2018, the expected lives of the Policies are 20 years, which remained unchanged from the initial recognition and the directors of the Company considered that the financial impact of the option to terminate was insignificant.

15. 按公平值計入損益的金融資產／人壽保險保單付款

於截至2018年3月31日止年度，寶發香港為本公司兩名董事（即周先生及余先生）訂立兩份人壽保險保單（「保單」）。

根據保單，受益人及保單持有人為寶發香港，總投保額為1,000,000美元。寶發香港已支付預付款項623,822美元（相當於4,881,000港元）及471,857美元（相當於3,692,000港元）。寶發香港可隨時終止保單，並根據保單於提取日期的名義賬面淨值收回現金，為已付保費總額加累計利息收入減任何減扣額及根據保單支付的適用退保手續費的累計金額。寶發香港以可變利率獲得利息收入，保險公司擔保第1至第5個保單年度的最低年利率為3.90%，其餘保單年度為2.25%。倘保單在第1至第15個保單年度內終止，則根據保單須繳付退保手續費。管理層預計將於兩名受保董事的預期壽命20年期間持有保單。

截至2018年3月31日止年度，付款的實際利率為每年3.90%，於初始確認時透過保單的預期年限折現估計未來現金收入而釐定。預付費用及保費乃於保單的預期年限於損益內確認，而保單的付款乃使用實際利率法按攤銷成本計量。就2018年3月31日的保單付款的賬面值乃保單的現值。於2018年3月31日，保單的預期年限為20年，自初步確認日期以來維持不變，且本公司董事認為，選擇終止保單所產生的財務影響甚微。

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15. Financial Assets at Fair Value Through Profit or Loss/Payments for Life Insurance Policies (continued)

At 1 April 2018, the payments for life insurance policies of HK\$8,613,000 was reclassified as financial assets at FVTPL and the related fair value loss of HK\$225,000 was adjusted to retained profits at 1 April 2018 upon initial application of HKFRS 9. Any subsequent changes in the fair value is recognised through profit or loss.

As at 31 March 2019, the payments for Policies have been pledged to secure bank loans of HK\$84,761,000 (2018: HK\$101,354,000) and bank overdrafts of HK\$7,835,000 (2018: HK\$7,871,000) as disclosed in notes 25 and 29.

The fair value of the Company's life insurance policies at 31 March 2019 and 1 April 2018 have been arrived at on the basis of a valuation carried out on those dates by Valtech Valuation Advisory Limited, an independent firm of professional valuer not related to the Group whose address is Unit 1, 19/F, Remington Centre, 23 Hung To Road, Kwun Tong, Kowloon, Hong Kong. Details of the valuation are set out in note 33.

15. 按公平值計入損益的金融資產／人壽保險保單付款 (續)

於首次應用香港財務報告準則第9號時，人壽保險保單付款8,613,000港元已於2018年4月1日重新分類為按公平值計入損益的金融資產，而相關公平值虧損225,000港元已於2018年4月1日的保留溢利中調整。公平值的任何其後變動乃於損益中確認。

於2019年3月31日，保單付款已質押作為84,761,000港元(2018年：101,354,000港元)銀行貸款及7,835,000港元(2018年：7,871,000港元)銀行透支的擔保(如附註25及29所披露)。

本公司的人壽保險保單於2019年3月31日及2018年4月1日的公平值乃基於由與本集團概無關連的獨立專業估值師行方程評估有限公司(其地址為香港九龍觀塘鴻圖道23號利登中心19樓1室)於該等日期進行的估值釐定。估計詳情載於附註33。

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Payments for life insurance policies, at fair value	人壽保險保單付款，按公平值	10,023	-
Payments for life insurance policies, at amortised cost	人壽保險保單付款，按攤銷成本	-	8,613
		10,023	8,613
Current portion (note 20)	流動部分(附註20)	-	(234)
Non-current portion	非流動部分	10,023	8,379

16. Amounts Receivable on Contract Work

16. 應收合約工程款

		2018 2018年 HK\$'000 千港元
Contract costs incurred plus recognised profits less recognised losses	已產生合約成本加已確認溢利減去已確認虧損	540,929
Less: Progress billings	減：進度款項	(457,781)
		<u>83,148</u>
Analysed for reporting purposes as: Amounts receivable on contract work	為報告目的所作的分析： 應收合約工程款	<u>83,148</u>

Upon application of HKFRS 15, the amounts receivable on contract work of HK\$83,148,000 were reclassified as contract assets as disclosed in note 2.

誠如附註2所披露，於應用香港財務報告準則第15號時，應收合約工程款83,148,000港元已重新分類為合約資產。

17. Contract Assets

17. 合約資產

		31.3.2019 2019年3月31日 HK\$'000 千港元	1.4.2018* 2018年4月1日* HK\$'000 千港元
Construction contracts	建築合約	105,326	106,054
Less: Impairment allowance for ECL	減：預期信貸虧損的減值撥備	(762)	(663)
		<u>104,564</u>	<u>105,391</u>

* The amounts in this column are after the adjustments from the application of HKFRS 9 and HKFRS 15.

* 此欄金額乃應用香港財務報告準則第9號及香港財務報告準則第15號後調整得出。

The contract assets relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional other than passage of time.

合約資產與本集團就已完成而未出具賬單的工程收取代價的權利有關，因為該等權利取決於本集團的未來表現。當權利成為無條件（時間推移除外）時，合約資產轉移至貿易應收款項。

As at 31 March 2019, included in carrying amount of the contract assets is HK\$14,666,000 which has been pledged to the banks to secure factoring loans of HK\$14,666,000 out of the total secured bank loans of HK\$84,761,000 on a full recourse basis as disclosed in note 29.

於2019年3月31日，於合約資產的賬面值中14,666,000港元的合約資產已質押予多間銀行，作為84,761,000港元有抵押銀行貸款總額中的14,666,000港元保理貸款（按全面追索基準）的擔保（如附註29所披露）。

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17. Contract Assets (continued)

Included in carrying amount of contract assets is retention money receivables of HK\$22,818,000 as at 31 March 2019.

Retention money receivables are unsecured and interest-free and represented the monies withheld by customers of contract works fully recoverable within 1 to 2 years from the date of completion of construction contracts, in accordance with the terms specified in the relevant contracts. Upon satisfactory completion of contract work as set out in the contract, the architect for the building project will issue a practical completion certificate. Generally, upon the issuance of the practical completion certificate, half of the retention money of such contract work will be released to the Group, while the remaining half will be released to the Group upon the issuance of the certificate that identified defects in respect of the entire building project have been made good.

The retention money receivables would be settled, based on the expiry of the defect liability period, at the end of the reporting period as follows:

Within one year	一年內
After one year	一年後

Details of impairment assessment for the year ended 31 March 2019 are set out in note 33.

18. Trade Receivables/Progress Payments Receivable

Trade receivables/progress payments receivable represent the amounts receivable, after deduction of retention money, for construction services which usually fall due within 14 to 30 days after the work is certified, except for several credit worthy customers to whom an extended credit period would be granted. Retention money is usually withheld from the amounts receivable for work certified. 50% of the retention money is normally due upon completion of construction services and the remaining 50% portion is due upon finalisation of construction accounts.

17. 合約資產(續)

於2019年3月31日，合約資產的賬面值包括應收保留金22,818,000港元。

應收保留金為無抵押及免息，且代表合約工程客戶所預留的款項，其可根據有關合約所列出的條款於建築合約完成日期起計一至兩年內全數收回。於合約所列出的合約工程圓滿完成後，建築項目的建築師將發出實際竣工證書。一般而言，發出實際竣工證書後，此類合約工程的一半保留金將發放予本集團，而剩餘一半將於整個建築項目所發現的瑕疵已獲修復的證書發出後發放予本集團。

於報告期末按瑕疵修正責任期屆滿劃分的應收保留金將於以下期間結清：

2019
2019年
HK\$'000
千港元

Within one year	一年內	15,229
After one year	一年後	7,589
		22,818

有關截至2019年3月31日止年度減值評估的詳情載於附註33。

18. 貿易應收款項／應收進度款

貿易應收款項／應收進度款指扣除保留金後的應收建築服務款項，通常於有關工程獲驗證後14至30日內到期，惟若干信譽良好的客戶獲授較長信貸期除外。保留金通常會於已驗證的工程應收款項中被預扣，其中50%的保留金一般在建築服務完成時發還，而其餘50%則於建築項目獲最後結賬時發還。

18. Trade Receivables/Progress Payments Receivable (continued)

As at 31 March 2019, the trade receivables of HK\$22,694,000 (2018: progress payments receivable of HK\$11,208,000) have been pledged to secure loans of HK\$84,761,000 (2018: HK\$101,354,000) and bank overdrafts of HK\$7,835,000 (2018: HK\$7,871,000) as disclosed in notes 25 and 29. In addition, included in that amount are trade receivables of HK\$10,410,000 (2018: progress payments receivable of HK\$11,208,000) which are also pledged to secure surety bonds of an aggregate balance of HK\$10,245,000 (2018: HK\$8,160,000) as disclosed in note 34.

The aged analysis of trade receivables/progress payments receivable based on invoice date is as follows:

Within 30 days	30日內
31 to 90 days	31至90日
Over 90 days	90日以上

As at 31 March 2019, the carrying amount of trade receivables from contracts with customers is HK\$23,616,000, net of impairment loss of HK\$2,803,000.

As at 1 April 2018, the carrying amount of trade receivables from contracts with customers is HK\$16,738,000, net of impairment loss of HK\$1,110,000.

As at 31 March 2019, the management of the Group closely monitors the credit quality of trade receivables. All of the trade receivables, that is neither past due nor impaired, is considered to be of good credit quality based on historical repayment from the customers.

Before the application of HKFRS 9 on 1 April 2018, included in the Group's progress payments receivables balance are debtors with an aggregate carrying amount of HK\$2,561,000 which are past due at the end of the year for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

As at 31 March 2019, included in the past due balance of HK\$2,274,000 has been past due 90 days or more and is not considered as in default based on historical settlement pattern for those debtors and continued business with the Group.

18. 貿易應收款項／應收進度款 (續)

於2019年3月31日，22,694,000港元的貿易應收款項(2018年：11,208,000港元的應收進度款)已質押，作為84,761,000港元(2018年：101,354,000港元)貸款及7,835,000港元(2018年：7,871,000港元)銀行透支的擔保(如附註25與29所披露)。此外，計入該金額中的10,410,000港元貿易應收款項(2018年：11,208,000港元的應收進度款)亦已質押，作為總結餘10,245,000港元(2018年：8,160,000港元)的書面擔保的擔保(如附註34所披露)。

貿易應收款項／應收進度款根據發票日期作出的賬齡分析如下：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within 30 days	19,578	9,884
31 to 90 days	1,764	4,309
Over 90 days	2,274	3,655
	23,616	17,848

於2019年3月31日，客戶合約貿易應收款項的賬面值為23,616,000港元，當中已扣除減值虧損2,803,000港元。

於2018年4月1日，客戶合約貿易應收款項的賬面值為16,738,000港元，當中已扣除減值虧損1,110,000港元。

於2019年3月31日，本集團管理層密切監察貿易應收款項的信貨質素。基於客戶的過往還款紀錄，既無逾期亦無減值的全部貿易應收款項被視為信貨質素良好。

於2018年4月1日應用香港財務報告準則第9號前，本集團的應收進度款結餘包括賬面總值為2,561,000港元的應收賬款，該等款項於年終已逾期，而本集團並無就此確認呆賬撥備，原因為其信貨質素未有重大變動及該等款項仍被視為可收回。本集團並無就該等結餘持有任何抵押品。

於2019年3月31日，基於有關債務人的過往還款模式及與本集團的持續業務關係，已逾期結餘2,274,000港元中逾期90日或以上的款項不被視為已違約。

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18. Trade Receivables/Progress Payments Receivable (continued)

Ageing of trade receivables/progress payments receivable which are past due but not impaired:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Over 90 days	90日以上	2,274	2,561

Details of impairment assessment for the year ended 31 March 2019 are set out in note 33.

19. Retention Money Receivables

		2018 2018年 HK\$'000 千港元
Amounts receivable within one year	一年內應收款項	7,295
Amounts receivable after one year	一年後應收款項	15,611
		22,906

As at 31 March 2018, the Group's retention money receivables of HK\$17,519,000 was not yet past due and the remaining balance of HK\$5,387,000 was past due, of which HK\$1,599,000 is past due for over one year. The Group did not hold any collateral over these balances. Management of the Group believed that no impairment allowance was necessary as there had been no significant change in credit quality of these customers and the balances are considered fully recoverable.

Upon application of HKFRS 15, the retention money receivables of HK\$22,906,000 were reclassified to contract assets as disclosed in note 2.

As at 31 March 2018, included in the carrying amount of retention money receivables is HK\$12,826,000 which have been pledged to the banks to secure factoring loans of HK\$12,826,000 out of the secured bank loans of HK\$101,354,000 on a full recourse basis as disclosed in note 29.

18. 貿易應收款項／應收進度款 (續)

已逾期但未減值的貿易應收款項／應收進度款的賬齡：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Over 90 days	2,274	2,561

截至2019年3月31日止年度的減值評估詳情載於附註33。

19. 應收保留金

	2018 2018年 HK\$'000 千港元
Amounts receivable within one year	7,295
Amounts receivable after one year	15,611
	22,906

於2018年3月31日，本集團的應收保留金17,519,000港元尚未逾期，而剩下結餘5,387,000港元則已逾期，其中1,599,000港元已逾期一年以上。本集團並無就該等結餘持有任何抵押品。本集團管理層相信，由於該等客戶的信貸質素並無重大變動且認為結餘可悉數收回，因此無需計提減值撥備。

誠如附註2所披露，於應用香港財務報告準則第15號時，應收保留金22,906,000港元已重新分類為合約資產。

於2018年3月31日，於應收保留金的賬面值中12,826,000港元的應收保留金已質押予多間銀行，作為101,354,000港元有抵押銀行貸款總額中的12,826,000港元保理貸款(按全面追索基準)的擔保(如附註29所披露)。

20. Prepayments, Deposits and Other Receivables

20. 預付款項、按金及其他應收款項

		2019 2019年 HK\$'000 千港元	1.4.2018* 2018年4月1日* HK\$'000 千港元
Prepayments	預付款項	2,331	4,262
Payments for life insurance policies – current portion (note 15)	人壽保險保單付款 – 即期部分(附註15)	–	234
Deposits	按金	102	518
Other receivables	其他應收款項	207	151
		2,640	5,165
Current portion	即期部分		
Deposits	按金	472	413
Non-current portion	非即期部分	472	413
		3,112	5,578

* Details of impairment assessment for the year ended 31 March 2019 are disclosed in note 33.

* 有關截至2019年3月31日止年度減值評估的詳情於附註33披露。

21. Pledged Bank Deposits/Bank Balances and Cash

21. 已質押銀行存款／銀行結餘及現金

Pledged bank deposits of HK\$32,141,000 (2018: HK\$7,001,000) carry interests which range from 0.05% to 1.3% (2018: 0.001% to 1.1%) per annum as at 31 March 2019. As at 31 March 2018, an amount of HK\$25,000,000 was pledged for a bank borrowing with scheduled last repayment date after one year from the end of the reporting period and therefore classified as a non-current asset. The remaining amounts are classified as current assets.

於2019年3月31日，已質押銀行存款32,141,000港元(2018年：7,001,000港元)按年利率0.05%至1.3%(2018年：0.001%至1.1%)計息。於2018年3月31日，25,000,000港元已作銀行借款的抵押，預期最後還款日期為報告期結束後一年，因此被分類為非流動資產。餘下款項獲分類為流動資產。

As at 31 March 2019, the pledged bank deposits of HK\$32,141,000 (2018: HK\$32,001,000) have been pledged to secure bank loans of HK\$84,761,000 (2018: HK\$101,354,000) and bank overdrafts of HK\$7,835,000 (2018: HK\$7,871,000) as disclosed in notes 25 and 29. In addition, included in the carrying amount as at 31 March 2019 is HK\$25,108,000 (2018: HK\$25,000,000) which is also pledged to secure surety bonds of an aggregate balance of HK\$10,245,000 (2018: HK\$8,160,000) given by a bank as disclosed in notes 29 and 34.

於2019年3月31日，32,141,000港元(2018年：32,001,000港元)的已質押銀行存款已質押，作為84,761,000港元(2018年：101,354,000港元)銀行貸款及7,835,000港元(2018年：7,871,000港元)銀行透支的擔保(如附註25及29所披露)。此外，於2019年3月31日的賬面值中的25,108,000港元(2018年：25,000,000港元)亦已質押，作為由一間銀行提供總結餘10,245,000港元(2018年：8,160,000港元)的書面擔保的擔保(如附註29及34所披露)。

Bank balances carry interest at prevailing market rate of 0.01% (2018: 0.01%) per annum as at 31 March 2019.

於2019年3月31日，銀行結餘按現行市場年利率0.01%(2018年：0.01%)計息。

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22. Transfer of Financial Assets

The followings were the Group's financial assets as at 31 March 2019 that were transferred to banks by factoring relevant trade receivables of HK\$22,694,000 (2018: progress payments receivable of HK\$11,208,000 and retention money receivables of HK\$12,826,000) on full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise full carrying amount of the financial assets and has recognised the cash received on the transfer and included as secured bank loans as set out in note 25. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

22. 轉讓金融資產

以下為本集團於2019年3月31日透過按全面追索基準保理相關貿易應收款項22,694,000港元(2018年:應收進度款11,208,000港元及應收保留金12,826,000港元)而轉讓予銀行的金融資產。由於本集團並無將該等應收款項的相關重大風險及回報轉讓,其繼續確認金融資產的全部賬面值,並已將因轉讓而收到的現金確認並包括於有抵押銀行貸款內(如附註25所載)。該等金融資產在本集團的綜合財務狀況表內按攤銷成本列賬。

Customers' invoices transferred to banks with full recourse

轉讓至銀行的客戶發票
(附有全部追索權)

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Carrying amount of transferred assets	已轉讓資產的賬面值	22,694	24,034
Carrying amount of associated liabilities	關聯負債的賬面值	(22,694)	(24,034)
Net position	淨狀況	-	-

23. Contract Liabilities

23. 合約負債

	31.3.2019 2019年3月31日 HK\$'000 千港元	1.4.2018* 2018年4月1日* HK\$'000 千港元
Receipts in advance from a customer 預收一名客戶款項	—	627

* The amount in this column is after the adjustments from the application of HKFRS 15.

The amounts represented receipts in advance from a customer from prior year in relation to the construction service rendered. The amount of receipts in advance from a customer as at 1 April 2018 after the adjustments from the application of HKFRS 15 as disclosed in notes 2.1 and 24.

The following table shows how much of the revenue recognised in the current year relates to carried forward contract liabilities.

* 此欄金額乃應用香港財務報告準則第15號後調整得出。

該等金額指上一年度就提供建築服務預收一名客戶的款項。於2018年4月1日，應用香港財務報告準則第15號後調整得出預收一名客戶的款項於附註2.1及24披露。

下表顯示與已結轉合約負債有關的本年度已確認收益金額。

	Provision of construction services 提供建築服務 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year 計入年初合約負債結餘的已確認收益	627

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24. Trade and Other Payables

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Trade payables	貿易應付款項	21,576	34,947
Retention payables – amount payable within one year	應付保留金 – 須於一年內支付的金額	4,537	3,600
Retention payables – amount payable after one year	應付保留金 – 須於一年後支付的金額	1,127	2,740
Accrued charges	應計費用	5,149	5,684
Other payable	其他應付款項	36	327
Receipts in advance from a customer (note)	預收一名客戶款項 (附註)	–	627
		32,425	47,925

Note: Receipts in advance from a customer of HK\$627,000 at 31 March 2018 was reclassified as contract liabilities upon initial application of HKFRS 15 on 1 April 2018 as disclosed in notes 2.1 and 23.

The credit period of trade payables is 30 to 60 days.

The following is an aged analysis of trade payables based on the invoice date at the end of the reporting period:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within 30 days	30日內	16,341	27,592
31 to 60 days	31至60日	4,695	7,031
61 to 90 days	61至90日	60	240
Over 90 days	90日以上	480	84
		21,576	34,947

24. 貿易及其他應付款項

附註：誠如附註2.1及23所披露，於2018年3月31日的預收一名客戶款項627,000港元於2018年4月1日首次應用香港財務報告準則第15號後重新分類為合約負債。

貿易應付款項的信貸期為30至60日。

以下為於報告期末，貿易應付款項基於發票日期的賬齡分析：

25. Bank Borrowings

25. 銀行借款

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Bank loans	銀行貸款	89,528	109,321
Bank overdrafts	銀行透支	7,835	7,871
		97,363	117,192
The carrying amounts of the above borrowings are repayable*:	以上借款賬面值須於以下期間償還*：		
- On demand or within one year	- 按要求或一年內	94,463	110,203
- Within a period of more than one year but not exceeding two years	- 一年以上但兩年內	1,200	4,089
- Within a period of more than two years but not exceeding five years	- 兩年以上但五年內	1,700	2,900
		97,363	117,192

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

* 到期金額乃根據貸款協議所載的計劃還款日期計算。

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Comprising:	包括：		
Amount due within one year shown under current liabilities	一年內到期並列於流動負債的款項	94,463	110,203
Amount that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause	毋須於由報告期末起計一年內償還但包含按要求償還條款的款項	2,900	6,989
		97,363	117,192

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25. Bank Borrowings (continued)

Variable-rate bank loans comprises:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Secured bank loans (note (a))	有抵押銀行貸款(附註(a))		
HK\$ bank loans at bank's lending prime rate ("Prime Rate") less 2.00% to 2.75% (2018: Prime Rate less 2.00% to 2.50%) per annum	按銀行最優惠貸款利率(「最優惠利率」)減2.00%至2.75%(2018年:最優惠利率減2.00%至2.50%)的年利率計息的港元銀行貸款	20,962	21,322
HK\$ bank loans at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.50% to 3.25% (2018: HIBOR plus 2.00% to 3.25%) per annum	按香港銀行同業拆息加2.50%至3.25%(2018年:香港銀行同業拆息加2.00%至3.25%)的年利率計息的港元銀行貸款	63,799	80,032
		84,761	101,354
Unsecured bank loan (note (b))	無抵押銀行貸款(附註(b))		
HK\$ bank loan at HIBOR plus 3.25% (2018: HIBOR plus 3.00%) per annum	按香港銀行同業拆息加3.25%(2018年:香港銀行同業拆息加3.00%)的年利率計息的港元銀行貸款	4,767	7,967
		89,528	109,321
Secured bank overdrafts (note (a))	有抵押銀行透支(附註(a))		
HK\$ bank overdrafts at Prime Rate less 1.15% to 1.80% (2018: Prime Rate less 1.15% to 1.80%) per annum	按最優惠利率減1.15%至1.80%(2018年:最優惠利率減1.15%至1.80%)的年利率計息的港元銀行透支	7,835	7,871
		97,363	117,192

As at 31 March 2019 and 31 March 2018, the HIBOR and Prime Rate are quoted by the lending banks.

於2019年3月31日及2018年3月31日，香港銀行同業拆息及最優惠利率由貸款銀行報價。

25. Bank Borrowings (continued)

Notes:

- (a) As at 31 March 2019, the secured bank loans and bank overdrafts are secured by the pledged bank deposits of HK\$32,141,000, trade receivables of HK\$22,694,000, contract assets of HK\$14,666,000 and financial assets at FVTPL of HK\$10,023,000 as disclosed in note 29, properties held by a director of the Company and companies controlled by a director of the Company or his close family, and corporate guarantees of the Company.

As at 31 March 2018, the secured bank loans and bank overdrafts are secured by the pledged bank deposits of HK\$32,001,000, progress payments receivable of HK\$11,208,000, retention money receivables of HK\$12,826,000 and payments for the life insurance policies of HK\$8,613,000 as disclosed in note 29, and corporate guarantees of the Company.

The secured bank loans carry effective interest rates ranging from 3.38% to 4.78% (2018: 2.25% to 4.04%) per annum.

The bank overdrafts carry effective interest rate ranging from 3.58% to 4.23% (2018: 3.45% to 4.10%) per annum.

- (b) The unsecured bank loan is guaranteed by the Government of The Hong Kong Special Administrative Region under Small and Medium Enterprises ("SME") Loan Guarantee Scheme or/and The Hong Kong Mortgage Corporation Limited under SME Financing Guarantee Scheme. The unsecured bank loan carries effective interest rate at 4.78% (2018: 3.79%) per annum.

25. 銀行借款(續)

附註：

- (a) 於2019年3月31日，有抵押銀行貸款及銀行透支以本集團的已質押銀行存款32,141,000港元、貿易應收款項22,694,000港元、合約資產14,666,000港元及按公平值計入損益的金融資產10,023,000港元(如附註29所披露)、由本公司一名董事及由本公司一名董事或其親屬控制的公司所持物業以及本公司的公司擔保作抵押。

於2018年3月31日，有抵押銀行貸款及銀行透支以本集團的已質押銀行存款32,001,000港元、應收進度款11,208,000港元、應收保留金12,826,000港元及人壽保險保單付款8,613,000港元(如附註29所披露)以及本公司的公司擔保作抵押。

有抵押銀行貸款的實際年利率介乎3.38%至4.78%(2018年：2.25%至4.04%)。

銀行透支的實際年利率介乎3.58%至4.23%(2018年：3.45%至4.10%)。

- (b) 無抵押銀行貸款由香港特別行政區政府根據中小企業(「中小企業」)信貸保證計劃或／及香港按揭證券有限公司根據中小企業融資擔保計劃擔保。無抵押銀行貸款的實際年利率為4.78%(2018年：3.79%)。

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26. Deferred Tax Assets

The followings are the major deferred tax assets recognised and movements thereon during the current and prior years:

26. 遞延稅項資產

本年度及過往年度已確認的主要遞延稅項負債及其變動如下：

		Impairment allowance for ECL 預期信貸虧損的減值撥備 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017 and 31 March 2018	於2017年4月1日及2018年3月31日	-	-	-
Effect upon application of HKFRS 9 (note 2)	應用香港財務報告準則第9號的影響(附註2)	293	-	293
At 1 April 2018	於2018年4月1日	293	-	293
Credit in profit or loss (note 11)	計入損益(附註11)	296	20	316
At 31 March 2019	於2019年3月31日	589	20	609

27. Share Capital

Details of the changes in the Company's share capital during the period from 25 May 2017 (date of incorporation) to 31 March 2019 are as follows:

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
At 25 May 2017 (date of incorporation) (HK\$0.01 each) (note a)	於2017年5月25日(註冊 成立日期)(每股面值 0.01港元)(附註a)	38,000,000	380
Increase in authorised share capital (note e)	法定股本增加 (附註e)	4,962,000,000	49,620
At 31 March 2018 and 31 March 2019 (HK\$0.01 each)	於2018年3月31日及 2019年3月31日 (每股面值0.01港元)	5,000,000,000	50,000
Issued and fully paid:	已發行及繳足：		
At 25 May 2017 (date of incorporation) (HK\$0.01 each) (note a)	於2017年5月25日(註冊 成立日期)(每股面值 0.01港元)(附註a)	100	-
Issue of shares pursuant to the Reorganisation (note a)	根據重組而發行股份 (附註a)	100	-
Issue of shares pursuant to the capitalisation issue (note b)	根據資本化發行而 發行股份(附註b)	599,999,800	6,000
Issue of shares pursuant to the placing (note c)	根據配售而發行股份 (附註c)	140,000,000	1,400
Issue of shares pursuant to the public offer (note d)	根據公開發售而發行股份 (附註d)	60,000,000	600
At 31 March 2018 and 31 March 2019 (HK\$0.01 each)	於2018年3月31日及 2019年3月31日 (每股面值0.01港元)	800,000,000	8,000

27. 股本

本公司股本於2017年5月25日(註冊成立日期)至2019年3月31日期間的變動詳情如下：

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27. Share Capital (continued)

Notes:

- (a) On 25 May 2017, the Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. On the same date, one nil-paid share in the Company was issued to the initial subscriber, which was transferred to CNY, and an additional 99 nil-paid shares were allotted and issued to CNY on the same date.

On 19 January 2018, Mr. Chow and Mr. Yu transferred the entire issued share capital of Polyfair HK to Polyfair BVI (as the nominee of the Company). The consideration was satisfied by the Company allotting and issuing 100 new shares to Mr. Chow and Mr. Yu (or their respective nominee) credited as fully paid and crediting as fully paid at par the 100 nil paid shares in issue. The Company had nominated its direct wholly-owned subsidiary, Polyfair BVI, to hold the entire issued share capital of Polyfair HK. Mr. Chow and Mr. Yu had nominated CNY to hold the 100 new shares.

- (b) On 25 January 2018, the Company approved the issuance of 599,999,800 shares standing to the credit of the share premium of the Company conditional upon the share premium account of the Company being credited as a result of the allotment and issue of the offering shares of the Company under the capitalisation issue on or around the listing date on 23 February 2018.
- (c) On 23 February 2018, the Company allotted and issued 140,000,000 new shares of par value of HK\$0.01 each at offer price of HK\$0.28 each, credited as fully paid, pursuant to the placing of its shares.
- (d) On 23 February 2018, the Company allotted and issued 60,000,000 new shares of par value of HK\$0.01 each at offer price of HK\$0.28 each, credited as fully paid, pursuant to the public offer of its shares.
- (e) The authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 shares to HK\$50,000,000 divided into 5,000,000,000 shares by the creation of an additional 4,962,000,000 shares to rank pari passu with the existing shares in all respects.

All ordinary shares of the Company issued during that period rank pari passu in all respects.

27. 股本(續)

附註：

- (a) 於2017年5月25日，本公司根據公司法於開曼群島註冊成立為獲豁免有限公司，法定股本為380,000港元，分為38,000,000股每股面值0.01港元的股份。同日，本公司向初步認購人發行一股未繳股款股份，且初始認購人已將其轉讓予永盟，而本公司已於同日向永盟配發及發行額外99股未繳股款股份。

於2018年1月19日，周先生及余先生將寶發香港的全部已發行股本轉讓予寶發BVI(作為本公司代名人)。有關代價以本公司向周先生及余先生(或彼等各自的代名人)配發及發行100股新股份(入賬列為繳足及將100股已發行未繳股款股份按面值入賬列為繳足)結付。本公司已提名其全資附屬公司寶發BVI持有寶發香港的全部已發行股本。周先生及余先生已提名永盟持有100股新股份。

- (b) 於2018年1月25日，本公司批准以本公司股份溢價賬的進賬額發行599,999,800股股份，惟條件是本公司的股份溢價賬的進賬源自於上市日期2018年2月23日或前後根據資本化發行配發及發行本公司發售股份。
- (c) 於2018年2月23日，本公司根據股份配售按發售價每股0.28港元配發及發行140,000,000股每股面值0.01港元的新股份，入賬列為繳足。
- (d) 於2018年2月23日，本公司根據股份公開發售按發售價每股0.28港元配發及發行60,000,000股每股面值0.01港元的新股份，入賬列為繳足。
- (e) 透過增加4,962,000,000股在各方面與現有股份享有同等權利的股份，本公司法定股本由380,000港元(分為38,000,000股股份)增加至50,000,000港元(分為5,000,000,000股股份)。

本公司於該期間內發行的所有普通股在各方面均享有同等權利。

28. Operating Lease Commitments

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

The Group as lessee:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within one year	一年內	2,455	2,067
In the second to third year inclusive	兩至三年(包括首尾兩年)	1,565	1,895
		4,020	3,962

Operating lease payments represent rentals payable by the Group for its office premises. Leases are negotiated for terms ranging from one to two years (2018: one to three years) and the rentals are pre-determined and fixed.

29. Pledge Of Assets

As at 31 March 2019, certain assets of the Group were pledged to secure the bank loans of HK\$84,761,000 (2018: HK\$101,354,000) and bank overdrafts of HK\$7,835,000 (2018: HK\$7,871,000) as disclosed in note 25. The carrying values of these assets at the end of the reporting period are as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Pledged bank deposits (note (a))	已質押銀行存款(附註(a))	32,141	32,001
Trade receivables (note (a))	貿易應收款項(附註(a))	22,694	-
Progress payments receivable (note (a))	應收進度款(附註(a))	-	11,208
Contract assets (note (b))	合約資產(附註(b))	14,666	-
Retention money receivables (note (b))	應收保留金(附註(b))	-	12,826
Financial assets at FVTPL (note 15)	按公平值計入損益的金融資產(附註15)	10,023	-
Payments for life insurance policies (note 15)	人壽保險保單付款(附註15)	-	8,613
		79,524	64,648

28. 經營租賃承擔

於報告期末，本集團擁有於以下年期到期的不可撤銷經營租賃項下的未來最低租賃款項承擔：

本集團作為承租人：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Within one year	一年內	2,455	2,067
In the second to third year inclusive	兩至三年(包括首尾兩年)	1,565	1,895
		4,020	3,962

經營租賃款項指本集團就其辦公物業應付的租金。經磋商後，租賃為期一至兩年(2018年：一至三年)且租金乃事先釐定並固定不變。

29. 資產質押

於2019年3月31日，本集團若干資產已質押，作為84,761,000港元(2018年：101,354,000港元)銀行貸款及7,835,000港元(2018年：7,871,000港元)銀行透支的擔保(如附註25所披露)。該等資產於報告期末的賬面值如下：

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29. Pledge Of Assets (continued)

Notes:

- (a) As at 31 March 2019, the pledged bank deposits of HK\$32,141,000 (2018: HK\$32,001,000) (note 21) and trade receivables of HK\$22,694,000 (2018: progress payments receivable of HK\$11,208,000) (note 18) pledged to secure the bank loans and bank overdrafts of HK\$84,761,000 (2018: HK\$101,354,000) and HK\$7,835,000 (2018: HK\$7,871,000) respectively. In addition, included in the carrying amount of pledged bank deposits as at 31 March 2019 is HK\$25,108,000 (HK\$25,000,000) and in the carrying amount of trade receivables as at 31 March 2019 is HK\$10,400,000 (2018: progress payments receivable of HK\$11,208,000) which were also pledged to secure surety bonds of an aggregate balance of HK\$10,245,000 (2018: HK\$8,160,000) as disclosed in note 34.
- (b) As at 31 March 2019, included in the contract assets of HK\$14,666,000 (note 17) (2018: retention money receivables of HK\$12,826,000 (note 19)) pledged to the banks to secure factoring loans of HK\$14,666,000 (2018: HK\$12,826,000) out of total secured bank loans of HK\$84,761,000 (2018: HK\$101,354,000) on a full recourse basis as disclosed in note 17 are HK\$3,951,000 (2018: HK\$12,826,000) also pledged to secure surety bonds of an aggregate balance of HK\$10,245,000 (2018: HK\$8,160,000) as disclosed in note 34.

30. Retirement Benefits Schemes

The Group participates in the MPF Scheme for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of independent trustees. The Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by employees but subject to a maximum amount of HK\$1,500 per month for each employee to the MPF Scheme.

The employees employed by the PRC subsidiary are members of the state-managed retirement benefits scheme operated by the PRC government. The PRC subsidiary is required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligations of the PRC subsidiary with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss of HK\$2,268,000 (2018: HK\$1,822,000) represents contributions paid or payable to the above schemes by the Group for the year ended 31 March 2019.

29. 資產質押(續)

附註：

- (a) 於2019年3月31日，32,141,000港元(2018年：32,001,000港元)的已質押銀行存款(附註21)及22,694,000港元的貿易應收款項(2018年：11,208,000港元的應收進度款)(附註18)已質押，作為84,761,000港元(2018年：101,354,000港元)銀行貸款及7,835,000港元(2018年：7,871,000港元)銀行透支的擔保。此外，於2019年3月31日，於已質押銀行存款的賬面值中25,108,000港元(25,000,000港元)的已質押銀行存款及於貿易應收款項的賬面值中10,400,000港元的貿易應收款項(2018年：11,208,000港元的應收進度款)亦已質押，作為總結餘10,245,000港元(2018年：8,160,000港元)的書面擔保的擔保(如附註34所披露)。
- (b) 於2019年3月31日，於已按全面追索基準質押予多間銀行作為84,761,000港元(2018年：101,354,000港元)有抵押銀行貸款總額(如附註17所披露)中的14,666,000港元(2018年：12,826,000港元)保理貸款的擔保的14,666,000港元合約資產(附註17)(2018年：12,826,000港元應收保留金(附註19))中的3,951,000港元(2018年：12,826,000港元)亦已質押作為總結餘10,245,000港元(2018年：8,160,000港元)的書面擔保的擔保(如附註34所披露)。

30. 退休福利計劃

本集團為所有合資格的香港僱員參與強積金計劃。強積金計劃的資產與本集團的資產分開持有，並由獨立受託人以基金託管。本集團與僱員須各自按相關工資成本的5%向強積金計劃作出供款，惟每月就每名僱員向強積金計劃作出的最高供款為1,500港元。

中國附屬公司所聘請的僱員為中國政府經營的國家管理退休福利計劃的成員。中國附屬公司須按其工資的某一百分比向退休福利計劃作出供款，為福利撥付資金。中國附屬公司有關於退休福利計劃的唯一責任為根據有關計劃作出規定的供款。

自損益扣除的總成本2,268,000港元(2018年：1,822,000港元)為本集團截至2019年3月31日止年度為上述計劃已付或應付的供款。

31. Share Option Scheme

In order to provide incentives or rewards to participants of the share option scheme including the directors of the Company and eligible employees of the Group, the shareholders of the Company passed an ordinary resolution at the annual general meeting of the Company held on 25 January 2018 to approve the adoption of a share option scheme (the "Share Option Scheme"). No share options were granted under the Share Option Scheme since its adoption on 25 January 2018.

The major terms of the Share Option Scheme are summarised as follows:

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide an incentive or a reward to participants for their contribution to the Group.

(b) Eligibility

Eligible participants include employees (whether full time or part time employees, including non-executive directors) and such other eligible participants.

(c) Maximum number of shares

- (i) Maximum number of shares must not, in aggregate, exceed 30% of the total number of shares in issue from time to time.
- (ii) Total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Group shall not exceed 80,000,000 shares, being 10% of the total number of shares in issue as at the listing date, 23 February 2018, unless the Group obtains the approval of the shareholders of the Company in general meeting for renewing the scheme mandate limit under the Share Option Scheme.

(d) Period of the Share Option Scheme

Subject to any prior termination by the Company in a general meeting or by the board of directors, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption of the Share Option Scheme.

31. 購股權計劃

為向購股權計劃的參與者(包括本公司的董事及本集團的合資格僱員)給予鼓勵或獎勵，本公司股東在本公司於2018年1月25日舉行的股東週年大會上通過一項普通決議案，批准採納一項購股權計劃(「購股權計劃」)。自於2018年1月25日採納購股權計劃以來，概無根據購股權計劃授出任何購股權。

購股權計劃的主要條款概述如下：

(a) 購股權計劃的目的

購股權計劃的目的是向為本集團作出貢獻的參與者給予鼓勵或獎勵。

(b) 合資格性

合資格參與者包括僱員(無論全職或兼職僱員，包括非執行董事)及任何其他合資格參與者。

(c) 股份的最高數目

- (i) 股份的最高數目合共不得超過不時已發行股份總數的30%。
- (ii) 根據本集團的購股權計劃及任何其他購股權計劃可能授出的購股權所涉及的股份總數不得超過80,000,000股(即於上市日期(2018年2月23日)已發行股份總數的10%)，除非本集團獲本公司股東於股東大會上批准更新購股權計劃的計劃授權限額。

(d) 購股權計劃的期限

除非本公司股東大會或董事會予以提前終止，否則購股權計劃應於採納購股權計劃當日起計10年期內有效及生效。

31. Share Option Scheme (continued)

(e) Maximum entitlement of each participant

No share option shall be granted to any participant if any further grant of options would result in the shares issued and to be issued upon exercise of the share options granted and to be granted to such person (including both exercised and outstanding options) in any 12-month period up to and including such further grant exceeding 1% of the total number of shares in issue, unless:

- (1) such further grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 23 of the Listing Rules, by resolution of the shareholders in general meeting at which the participant and his associates shall abstain from voting;
- (2) a circular regarding the further grant has been despatched to the shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 23 of the Listing Rules (including the identity of the participant, the number and terms of the share options to be granted and options previously granted to such participant); and
- (3) the number and terms (including the subscription price) of such share option are fixed before the general meeting of the Company at which the same are approved.

(f) Payment on acceptance of the share option

HK\$1 is payable by the grantee to the Company on acceptance of the share option offer. The share option offer will be offered for acceptance for a period of 21 days from the date on which the offer is granted.

31. 購股權計劃(續)

(e) 各參與者的最高限額

倘向任何參與者進一步授出購股權將導致於直至授出日期(包括該日)止任何12個月期間因已授予及將授予該參與者的購股權(包括已行使及尚未行使的購股權)獲行使而發行及將予發行的股份超逾已發行股份總數的1%，則不會向該參與者授出購股權，除非：

- (1) 有關進一步授出已按上市規則第二十三章有關條文所規定的方式經股東於股東大會上以決議案正式批准，而該參與者及其聯繫人須於會上放棄表決權；
- (2) 經已按上市規則第二十三章有關條文所規定的形式向股東寄發一份有關進一步授出的通函，當中載有上市規則第二十三章有關條文所規定的資料(包括參與者的身份、將授予該參與者的購股權及先前已授予該參與者的購股權的數目及條款)；及
- (3) 該等購股權的數目及條款(包括認購價)於批准該項授出的本公司股東大會前釐定。

(f) 接納購股權的付款

承授人於接納購股權要約時須向本公司支付1港元。購股權要約可於授出要約日期起計21天內予以接納。

31. Share Option Scheme (continued)

(g) Subscription price for shares

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price determined by the board of directors at least the higher of:

- (i) the closing price of the shares;
- (ii) the average closing price of the shares for the five consecutive business days immediately preceding the offer date; and
- (iii) the nominal value of a share on the offer date.

(h) The remaining life of the share option

9 years and 10 months (expiring on 24 January 2028).

32. Capital Risk Management

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

The capital structure of the Group consists of net debt, which includes the bank borrowings disclosed in respective notes, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The management of the Group reviews the capital structure regularly. As part of this review, the management considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through new share issues as well as the issue of new debts or the redemption of existing debts.

31. 購股權計劃(續)

(g) 股份認購價

根據購股權計劃所授出的任何特定購股權所涉及的股份認購價為董事會釐定的價格，最低價格須為下列三者中的最高者：

- (i) 股份的收市價；
- (ii) 緊接要約日期前五個連續營業日的股份平均收市價；及
- (iii) 於要約日期的股份面值。

(h) 購股權的餘下年期

9年10個月(於2028年1月24日到期)。

32. 資本風險管理

本集團管理其資本，旨在透過在債務與權益間作出最佳平衡，確保集團實體可持續經營，亦為股東締造最大回報。本集團的整體策略與上一年度比較維持不變。

本集團的資本架構包括債務淨額(包括分別於各附註內披露的銀行借款扣除現金及現金等價物)及本公司擁有人應佔權益(包括已發行股本及儲備)。

本集團管理層定期檢討資本架構。作為檢討的一部分，管理層將考慮資本成本及與各類資本有關的風險，並透過發行新股份、發行新債務或贖回現有債務，以平衡其整體資本架構。

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33. Financial Instruments

Categories of financial instruments

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益的 金融資產	10,023	-
Financial assets at amortised cost	按攤銷成本計量的金融資產	71,329	N/A 不適用
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	N/A 不適用	146,629
		81,352	146,629
Financial liabilities	金融負債		
Amortised cost	攤銷成本	124,639	158,806

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 3.

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, trade receivables, deposits, other receivables, pledged bank deposits, bank balances and cash, trade and other payables and bank borrowings (2018: payments for life insurance policies, progress payments receivable, retention money receivables, deposits, other receivables, pledged bank deposits, bank balances and cash, trade and other payables and bank borrowings). Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (foreign currency risk and interest rate risk), credit risk and liquidity risk, and 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.

33. 金融工具

金融工具的類別

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Financial assets at FVTPL	按公平值計入損益的 金融資產	10,023	-
Financial assets at amortised cost	按攤銷成本計量的金融資產	71,329	N/A 不適用
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	N/A 不適用	146,629
		81,352	146,629
Financial liabilities	金融負債		
Amortised cost	攤銷成本	124,639	158,806

有關就各類金融資產及金融負債所採用的主要會計政策及方法(包括確認標準、計量基準以及收入及開支的確認基準)的詳情於附註3披露。

金融風險管理目標及政策

本集團的主要金融工具包括按公平值計入損益的金融資產、貿易應收款項、按金、其他應收款項、已質押銀行存款、銀行結餘及現金、貿易及其他應付款項以及銀行借款(2018年:人壽保險保單付款、應收進度款、應收保留金、按金、其他應收款項、已質押銀行存款、銀行結餘及現金、貿易及其他應付款項以及銀行借款)。該等金融工具的詳情於各附註內披露。與該等金融工具有關的風險包括市場風險(外幣風險及利率風險)、信貸風險及流動資金風險,如何降低該等風險的政策載於下文。管理層管理及監控該等風險,以確保及時有效地實施適當的措施。

33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Market risk

Foreign currency risk

Foreign currency risk refers to the risk that movement in foreign currency exchange rate will affect the Group's financial results and its cash flows. The Group has financial assets at FVTPL of HK\$10,023,000 (2018: payments for life insurance policies of HK\$8,613,000) which are denominated in US\$, but the management considers exposure on the balances dominated in US\$ in the group entity with HK\$ as functional currency is not considered significant as HK\$ is pegged to US\$ under the pegged exchange system in Hong Kong. The Group also has certain transactions denominated in Renminbi, but management considers such exposure is not significant to the consolidated financial statements and hence no sensitivity analysis is presented. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to interest bearing bank balances, pledged bank deposits and bank borrowings at variable interest rates. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on Prime Rate and HIBOR arising from its bank borrowings. The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

33. 金融工具(續)

金融風險管理目標及政策(續)

市場風險

外幣風險

外幣風險指將會影響本集團財務業績及現金流量的外幣匯率變動的風險。本集團金額為10,023,000港元的按公平值計入損益的金融資產(2018年：8,613,000港元的人壽保險保單付款)以美元計值，但管理層認為，由於在香港聯繫匯率制度下港元與美元掛鉤，故以港元作為功能貨幣的集團實體以美元計值的結餘所面臨的風險被視為不重大。本集團亦有若干以人民幣計值的交易，但管理層認為，有關風險對綜合財務報表的影響不屬重大，因此並無呈列敏感度分析。本集團現時並無制訂外幣對沖政策。然而，管理層監控外匯風險，並將於有需要時考慮對沖重大外幣風險。

利率風險

本集團面對有關以浮動利率計息的計息銀行結餘、已質押銀行存款及銀行借款的現金流量利率風險。本集團的現金流量利率風險主要集中於其銀行借款的最優惠利率及香港銀行同業拆息的利率波動。本集團目前並無針對利率風險的現金流量對沖政策。然而，管理層監控利率風險，並將於有需要時考慮對沖重大利率風險。

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33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank borrowings, pledged bank deposits and bank balances at variable interest rates at the end of the reporting period and assumed that these balances outstanding at the end of each reporting period were outstanding for the whole year.

Except for bank balances and deposits using 50 basis points (2018: 50 basis points), if interest rates had been 100 basis points (2018: 100 basis points) higher and all other variables were held constant, the potential effect on post-tax loss (2018: post-tax profit) for the year is as follows:

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Increase in post-tax loss (2018: decrease in post-tax profit) for the year	年內除稅後虧損增加 (2018年：除稅後溢利減少)	605	524

33. 金融工具(續)

金融風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

以下敏感度分析乃基於報告期末浮動利率計息銀行借款、已質押銀行存款及銀行結餘的利率風險釐定，並假設於各報告期末尚未支付的該等結餘於整個年度尚未支付。

除銀行結餘及存款使用50個基點(2018年：50個基點)外，倘利率增加100個基點(2018年：100個基點)而所有其他可變因素維持不變，對年內除稅後虧損(2018年：除稅後溢利)的潛在影響如下：

33. Financial Instruments (continued)**Financial risk management objectives and policies (continued)****Credit risk and impairment assessment**

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 March 2019 in relation to each class of recognised financial assets is the carrying amount of these assets as stated in the consolidated statement of financial position.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ contract assets 貿易應收款項/ 合約資產	Other financial assets 其他金融資產
Strong 內部信貸評級	The counter-party is either listed company or subsidiary under listed parent holding company with strong financial background based on published financial information publicly available in the market, creditability and with debt balance past due within 0-1 year, and is aged within its historical settlement pattern. The debtor has very low probability of default.	Lifetime ECL – not credit-impaired	12m ECL
強勁	交易對手本身是一間上市公司或是從屬於一間上市控股母公司的附屬公司，根據市場公开发表的財務資料及信譽，財務背景雄厚，債務結餘逾期零至一年內，賬齡符合過往結算模式。債務人違約可能性非常低。	全期預期信貸虧損 —並無出現減值	12個月預期 信貸虧損
Good	The counter-party is a private company with debt balance past due within 0-1 year, and is aged within its historical settlement pattern. The debtor has low probability of default.	Lifetime ECL – not credit-impaired	12m ECL
良好	交易對手是一間私人公司，債務結餘逾期零至一年內，賬齡符合過往結算模式。債務人違約可能性低。	全期預期信貸虧損 —並無出現減值	12個月預期 信貸虧損

33. 金融工具(續)**金融風險管理目標及政策(續)****信貸風險及減值評估**

本集團因交易對手於2019年3月31日未能履行其關於各類已確認金融資產的責任時所承擔的最高信貸風險，為該等資產於綜合財務狀況表內所列的賬面值。

本集團的內部信貸風險評級評估包括以下類別：

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33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Internal credit rating	Description	Trade receivables/ contract assets 貿易應收款項/ 合約資產	Other financial assets
內部信貸評級	闡述		其他金融資產
Satisfactory	The counter-party is a either listed company or subsidiary under listed parent holding company with strong financial background based on published financial information publicly available in the market, creditability and with debt balance past due within 1-2 years. The debtor frequently repays after due dates and the balance often aged beyond its historical settlement pattern. The probability of default is moderate.	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
滿意	交易對手本身是一間上市公司或是從屬於一間上市控股母公司的附屬公司，根據市場公開發表的財務資料及信譽，財務背景雄厚，債務結餘逾期一至兩年內。債務人經常於到期日後還款，結餘賬齡經常超逾過往結算模式。違約可能性溫和。	全期預期信貸虧損 —並無出現減值	全期預期信貸虧損 —並無出現減值
Watch list	The counter-party is a private company with debt balance past due within 1-2 years. The debtor frequently repays after due dates and the balance often aged beyond its historical settlement pattern. The probability of default is concern.	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
關注名單	交易對手是一間私人公司，債務結餘逾期一至兩年內。債務人經常於到期日後還款，結餘賬齡經常超逾過往結算模式。違約可能性令人關注。	全期預期信貸虧損 —並無出現減值	全期預期信貸虧損 —並無出現減值

33. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

33. Financial Instruments (continued)**Financial risk management objectives and policies (continued)****Credit risk and impairment assessment (continued)**

Internal credit rating	Description	Trade receivables/ contract assets 貿易應收款項/ 合約資產	Other financial assets 其他金融資產
內部信貸評級	闡述		
Loss	The counter-party has debt balance past due for more than 2 years and there is evidence indicating the debtor is credit-impaired. The probability of default is high.	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
虧損	交易對手的債務結餘逾期兩年以上，並有證據顯示債務人已出現信貸減值。違約可能性高。	全期預期信貸虧損—已出現信貸減值	全期預期信貸虧損—已出現信貸減值
Write-off	There is evidence indicating that the counter-party is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off	Amount is written off
撇銷	有證據顯示交易對手處於嚴重財困，本集團並無實際收回款項的可能。	金額已撇銷	金額已撇銷

33. 金融工具(續)**金融風險管理目標及政策(續)****信貸風險及減值評估(續)**

33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Trade receivables and contract assets

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. The Group reviews the recoverable amount of trade receivables and contract assets at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In addition, the Group applies the simplified approach on trade receivables and contract assets to provide for ECL model upon application of HKFRS 9, which permits the use of the lifetime impairment allowance for trade receivables and contract assets (2018: incurred loss model). In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

As at 31 March 2019, the Group has concentration of credit risk on trade receivables amounting to HK\$5,205,000 (2018: progress payments receivable of HK\$7,413,000), representing approximately 22% of the trade receivables (2018: 42% of progress payments receivable), due from a single customer (2018: a single customer). As at 31 March 2019, trade receivables from the five customers with the most significant balances amounted to HK\$19,959,000 (2018: progress payments receivable of HK\$17,832,000) representing approximately 85% (2018: 99%) of the total trade receivables (2018: 99% of progress payments receivable).

33. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

貿易應收款項及合約資產

為盡量降低信貸風險，本集團管理層委任一支負責釐定信貸額度、信貸審批及其他監察程序的團隊，以確保能跟進追收逾期債款。本集團於報告期末審閱貿易應收款項及合約資產的可收回金額，以確保為不可收回金額計提足夠減值虧損。此外，本集團就貿易應收款項及合約資產採用簡化法計提應用香港財務報告準則第9號後預期信貸虧損模型的撥備，該準則允許對貿易應收款項及合約資產使用全期減值撥備(2018年：已產生虧損模型)。就此而言，本公司董事認為本集團的信貸風險已明顯降低。

於2019年3月31日，本集團就貿易應收款項5,205,000港元(2018年：應收進度款7,413,000港元)(約佔應收單一客戶(2018年：單一客戶)貿易應收款項22%(2018年：應收進度款42%))面臨信貸集中風險。於2019年3月31日，應收五位最高額結餘客戶貿易應收款項為19,959,000港元(2018年：應收進度款17,832,000港元)(約佔貿易應收款項(2018年：應收進度款)總額85%(2018年：99%))。

33. Financial Instruments (continued)**Financial risk management objectives and policies (continued)****Credit risk and impairment assessment (continued)****Trade receivables and contract assets (continued)**

As at 31 March 2019, lifetime ECL is recognised for trade receivables individually with a total aggregate gross carrying amount of HK\$26,419,000 of which HK\$23,772,000 is assessed with loss rate ranging from 0.06% to 4.97% (not credit-impaired) and HK\$2,647,000 is assessed with loss rate of 100% (credit-impaired).

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

		Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (並無出現信貸減值)	Lifetime ECL (credit-impaired) 全期預期信貸虧損 (已出現信貸減值)	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2018 – HKAS 39	於2018年3月31日 – 香港會計準則 第39號	–	–	–
Effect upon application of HKFRS 9 (note 2)	應用香港財務報告 準則第9號的影響 (附註2)	24	1,086	1,110
At 1 April 2018 – HKFRS 9	於2018年4月1日 – 香港財務報告準則 第9號	24	1,086	1,110
Impairment loss recognised	已確認減值 虧損	132	1,561	1,693
At 31 March 2019 – HKFRS 9	於2019年3月31日 – 香港財務報告 準則第9號	156	2,647	2,803

33. 金融工具(續)**金融風險管理目標及政策(續)****信貸風險及減值評估(續)****貿易應收款項及合約資產(續)**

於2019年3月31日，本集團就全部賬面總值合共26,419,000港元的貿易應收款項個別確認全期預期信貸虧損，其中並無出現信貸減值的款項23,772,000港元的虧損率評估為介乎0.06%至4.97%，已出現信貸減值的款項2,647,000港元的虧損率則評估為100%。

下表載列根據簡化法就貿易應收款項已確認的全期預期信貸虧損變動：

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33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Trade receivables and contract assets (continued)

As at 31 March 2019, lifetime ECL is recognised for contract assets individually with a total aggregate gross carrying amount of HK\$105,326,000 of which loss rates are ranging from 0.06% to 21.62%.

The following table shows the movement in lifetime ECL that has been recognised for contract assets individually assessed under the simplified approach:

		Lifetime ECL (not credit-impaired) 全期預期信貸虧損 (並無出現信貸減值) HK\$'000 千港元
At 31 March 2018 – HKAS 39	於2018年3月31日 – 香港會計 準則第39號	–
Effect upon application of HKFRS 9 (note 2)	應用香港財務報告準則 第9號的影響(附註2)	663
At 1 April 2018 – HKFRS 9	於2018年4月1日 – 香港財務 報告準則第9號	663
Impairment loss recognised	已確認減值虧損	99
At 31 March 2019 – HKFRS 9	於2019年3月31日 – 香港財務 報告準則第9號	762

The major customers of the Group are certain reputable organisations. The management considers that the credit risk is limited in this regard.

33. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

貿易應收款項及合約資產(續)

於2019年3月31日，本集團就賬面總值合共105,326,000港元的合約資產個別確認全期預期信貸虧損，虧損率介乎0.06%至21.62%。

下表載列根據簡化法就個別評估的合約資產已確認的全期預期信貸虧損變動：

本集團的主要客戶為若干知名組織。管理層認為就此而言信貸風險有限。

33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Pledged bank deposits/bank balances

For the pledged bank deposit and bank balances, no impairment allowance was made since the directors of the Company consider the probability of default is negligible as such amounts are receivable from or placed in banks with high credit ratings assigned by international credit-rating agencies.

Deposits

For deposits, no impairment allowance was made since the directors of the Company consider the probability of default is minimal after assessing the counter-parties' financial background and creditability.

Other receivables

In respect of other receivables, the 12m ECL is assessed individually as at 1 April 2018 and 31 March 2019 and the impairment allowance was provided by the Group based on historical credit loss experience with these counterparties.

As at 31 March 2019, 12m ECL is recognised for other receivables with an aggregate gross carrying amount of HK\$210,000 of which HK\$3,000 is not credit-impaired.

33. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

已質押銀行存款／銀行結餘

就已質押銀行存款及銀行結餘而言，由於有關款項乃應收自或存放於獲國際信貸評級機構授予高信貸評級的銀行，故本公司董事認為違約的可能性微不足道，因此並無計提減值撥備。

按金

就按金而言，本公司董事經評估交易對手的財務背景及信貸能力後認為違約的可能性極低，因此並無計提減值撥備。

其他應收款項

其他應收款項於2018年4月1日及2019年3月31日個別接受12個月預期信貸虧損評估，而本集團已根據該等交易對手的過往信貸虧損記錄計提減值撥備。

於2019年3月31日，已就賬面總額合共為210,000港元的其他應收款項(其中3,000港元並無出現信貸減值)確認12個月預期信貸虧損。

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33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Other receivables (continued)

The following table shows the movement in 12m ECL that has been recognised for other receivables under the simplified approach:

		12m ECL (not credit- impaired) 12個月預期 信貸虧損 (並無出現 信貸減值) HK\$'000 千港元
At 31 March 2018 – HKAS 39	於2018年3月31日 – 香港會計準則 第39號	–
Effect upon application of HKFRS 9 (note 2)	應用香港財務報告準則第9號的影響 (附註2)	1
At 1 April 2018 – HKFRS 9	於2018年4月1日 – 香港財務 報告準則第9號	1
Impairment loss recognised	已確認減值虧損	2
At 31 March 2019 – HKFRS 9	於2019年3月31日 – 香港財務 報告準則第9號	3

Liquidity risk

In 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. The Group relies on bank borrowings as significant sources of liquidity. 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.

33. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收款項(續)

下表載列根據簡化法就其他應收款項已確認的12個月預期信貸虧損變動：

流動資金風險

於管理流動資金風險時，本集團會監察現金及現金等價物的水平，並將其維持在管理層認為充足的水平，以撥付本集團營運所需資金及減少現金流量波動的影響。本集團依賴銀行借款作為主要流動資金來源。管理層監控銀行借款的使用並確保貸款契諾的合規情況。

下表詳列本集團非衍生金融負債的剩餘合約年期。下表乃根據金融負債的未折現現金流量編製，並根據本集團可能須付款的最早日期分類。

33. Financial Instruments (continued)**Financial risk management objectives and policies (continued)****Liquidity risk (continued)**

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 at the end of the reporting period.

Liquidity and interest risk table

		Weighted average interest rate 加權平均 利率 %	On demand or less than 1 month 按要求或 1個月內 HK\$'000 千港元	1-3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1-5 years 1至5年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
At 31 March 2019	於2019年3月31日							
Trade and other payables	貿易及其他應付款項	N/A 不適用	16,807	4,793	4,549	1,127	27,276	27,276
Bank borrowings	銀行借款	4.12	97,363	-	-	-	97,363	97,363
			114,170	4,793	4,549	1,127	124,639	124,639
At 31 March 2018	於2018年3月31日							
Trade and other payables	貿易及其他應付款項	N/A 不適用	31,402	6,702	770	2,740	41,614	41,614
Bank borrowings	銀行借款	3.44	117,192	-	-	-	117,192	117,192
			148,594	6,702	770	2,740	158,806	158,806

33. 金融工具(續)**金融風險管理目標及政策(續)****流動資金風險(續)**

下表包括利息及本金現金流量。倘利息流為浮動利率，則未折現款額以報告期末的利率計算。

流動資金及利率風險表

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33. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analysis. As at 31 March 2019, the aggregate carrying amounts of these bank borrowings amounted to HK\$97,363,000 (2018: HK\$117,192,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

		Weighted average interest rate 加權平均 利率	On demand or less than 1 month 按要求或 1個月內	1-3 months 1至3個月	3 months to 1 year 3個月至1年	1-5 years 1至5年	Total undiscounted cash flows 未折現現金 流量總額	Carrying amounts 賬面值
		%	千港元	千港元	千港元	千港元	千港元	千港元
Bank borrowings	銀行借款							
At 31 March 2019	於2019年3月31日	4.12	46,925	13,086	38,298	3,039	101,348	97,363
At 31 March 2018	於2018年3月31日	3.44	59,817	12,378	41,733	7,249	121,177	117,192

33. 金融工具(續)

金融風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險表(續)

附帶按要求償還條款的銀行借款計入在上述到期狀況分析「按要求或1個月內」時間段內。於2019年3月31日，該等銀行借款的賬面值總額為97,363,000港元(2018年：117,192,000港元)。考慮到本集團的財務狀況，本公司董事認為貸款人不會行使其酌情權要求立即還款。本公司董事認為，有關銀行借款將根據貸款協議所載的計劃還款日期償還，其詳情載於下表：

33. Financial Instruments (continued)

Fair value measurement of financial instruments

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	Fair value as at 於下列日期的公平值		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs
	31 March 2019 2019年 3月31日	31 March 2018 2018年 3月31日			
Financial assets at FVTPL – Payments for life insurance policies	HK\$10,023,000	N/A	Level 3	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow into of the Group.	– Mortality rates ranging from 0.62% to 100% – Discount rates ranging from 1.94% to 2.08%
按公平值計入損益的金融資產 – 人壽保險保單付款	10,023,000港元	不適用	第三級	使用折現現金流量法得出預期 將流入本集團的未來經濟利 益的現值。	– 死亡率介乎0.62%至100% – 折現率介乎1.94%至2.08%

Note: A slight increase in the discount rate would result in significant decrease of the fair value of the payments for life insurance policies, and vice versa.

As detailed in note 2, the Group's payments for life insurance policies were reclassified as financial assets at FVTPL at 1 April 2018 upon initial application of HKFRS 9. These financial assets are measured at fair value at each reporting date. The fair values are measured using the valuation techniques with significant unobservable inputs and hence are classified as Level 3 of the fair value hierarchy.

There were no transfers between different levels of fair value hierarchy in the current year.

Except as detailed in the above table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. The fair values of financial assets and financial liabilities at amortised cost are determined in accordance with generally accepted pricing models based on the discounted cash flow analysis.

33. 金融工具(續)

金融工具的公平值計量

於報告期末，本集團部分金融資產乃按公平值計量。下表提供有關釐定該等金融資產的公平值的方法的資料。

附註：折現率輕微上升將導致人壽保險保單付款的公平值大幅減少，反之亦然。

誠如附註2所詳述，於首次應用香港財務報告準則第9號後，本集團的人壽保險保單付款於2018年4月1日重新分類為按公平值計入損益的金融資產。該等金融資產於各報告日期按公平值計量。公平值乃使用具重大不可觀察輸入數據的估值方法計量，故分類為公平值層級第三級。

於本年度，不同公平值層級之間並無任何轉撥。

除上表所詳述者外，本公司董事認為於綜合財務報表內按攤銷成本入賬的金融資產及金融負債的賬面值與公平值相若。按攤銷成本計量的金融資產及金融負債的公平值基於貼現現金流量分析按照公認定價模型釐定。

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33. Financial Instruments (continued)

Reconciliation of Level 3 measurement of financial assets

		Payments for life insurance policies 人壽保險 保單付款 HK\$'000 千港元
At 31 March 2018	於2018年3月31日	8,613
Fair value loss recognised from Level 3 remeasurement at 1 April 2018 upon initial application of HKFRS 9	首次應用香港財務報告準則 第9號後於2018年4月1日 因第三級重新計量而確認的 公平值虧損	(225)
At 1 April 2018 (restated)	於2018年4月1日(經重列)	8,388
Fair value gain recognised in profit or loss	於損益內確認的公平值收益	1,635
At 31 March 2019	於2019年3月31日	10,023

The unrealised gain of HK\$1,635,000 relating to financial assets that are measured at fair value for the year ended 31 March 2019 is included in other income, gains and losses.

Fair value measurements and valuation processes

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuer to perform the valuation. The Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation findings to the board of directors of the Company annually to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of the asset are disclosed above.

33. 金融工具(續)

金融資產第三級計量的對賬

	Payments for life insurance policies 人壽保險 保單付款 HK\$'000 千港元
At 31 March 2018	8,613
Fair value loss recognised from Level 3 remeasurement at 1 April 2018 upon initial application of HKFRS 9	(225)
At 1 April 2018 (restated)	8,388
Fair value gain recognised in profit or loss	1,635
At 31 March 2019	10,023

截至2019年3月31日止年度有關按公平值計量的金融資產的未變現收益1,635,000港元計入其他收入、收益及虧損。

公平值計量及估值程序

於估計資產的公平值時，本集團使用可獲得的市場可觀察數據。當無法取得第一級輸入數據時，本集團委聘第三方合資格估值師進行估值。本集團與合資格外部估值師密切合作，以建立適當估值方法及模式輸入數據。管理層每年向本公司董事會報告估值結果，以說明資產及負債公平值波動的原因。

用於釐定資產公平值的估值方法及輸入數據的資料於上文披露。

34. Performance Guarantees

As at 31 March 2019, surety bonds of an aggregate balance of HK\$10,245,000 (2018: HK\$8,160,000) were given by a bank in favour of the Group's customers as security for the performance and observance of the Group's obligations under the construction contracts entered into between the Group and the customers. If the Group fails to provide satisfactory performance to the customers to whom the performance guarantees have been given, such customers may demand the bank to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such bank accordingly. The performance guarantees will be released upon completion of the contract works. The performance guarantees were granted under letters of guarantees of the Group and were secured by pledged bank deposits of HK\$25,108,000 (2018: HK\$25,000,000) (notes 21 and 29), trade receivables of HK\$10,410,000 (2018: progress payments receivable of HK\$11,208,000) and contract assets of HK\$3,951,000 (2018: retention money receivables of HK\$12,826,000) (notes 18 and 29).

As at 31 March 2019, these surety bonds were also secured by pledges of certain properties held by a director of the Company and companies controlled by a director of the Company or his close family members as disclosed in note 35. As at 31 March 2018, no such properties were pledged to secure the surety bonds.

The management of Group does not consider it is probable that a claim will be made against the Group in respect of the above performance guarantee.

35. Related Party Transactions

The Group had entered into the following related party transactions:

(a) Name of related party 關聯方名稱/姓名	Nature of transaction 交易性質	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Polyfaith Holdings Limited*	Commission fee paid in respect of pledge of properties 就物業抵押支付佣金	-	91
寶輝集團有限公司*			
Polynet Development Limited*	Commission fee paid in respect of pledge of properties 就物業抵押支付佣金	-	64
寶萃發展有限公司*			
Polykind Far East Limited*	Commission fee paid in respect of pledge of properties 就物業抵押支付佣金	-	186
寶利佳遠東有限公司*			
Mr. Yu 余先生	Commission fee paid in respect of pledge of properties 就物業抵押支付佣金	-	91

* The above related companies are controlled by a director of the Company, Mr. Chow, or his close family members.

34. 履約擔保

於2019年3月31日，一間銀行以本集團的客戶為收益人提供書面擔保合共10,245,000港元(2018年：8,160,000港元)，作為本集團履行並遵守本集團與該等客戶訂立的建築合約的責任的擔保。倘本集團未能向獲得履約擔保的客戶提供令人滿意的表現，有關客戶可要求銀行向其支付款項或有關要求所指定的款項。本集團將有責任就此向有關銀行作出補償。履約擔保將於合約工程完工時解除。履約擔保乃根據本集團的擔保函授出，並以25,108,000港元(2018年：25,000,000港元)的已質押銀行存款(附註21及29)、10,410,000港元的貿易應收款項(2018年：11,208,000港元的應收進度款)及3,951,000港元的合約資產(2018年：12,826,000港元的應收保留金)(附註18及29)作擔保。

於2019年3月31日，該等書面擔保亦以本公司一名董事及由本公司一名董事或其親屬控制的公司所持若干物業的質押作擔保(如附註35所披露)。於2018年3月31日，該等物業並無質押作為書面擔保的擔保。

本集團的管理層認為，本集團不會就上述履約擔保面對索償。

35. 關聯方交易

本集團進行了以下關聯方交易：

* 上述關聯公司由本公司董事周先生或其親屬控制。

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For the year ended 31 March 2019
截至2019年3月31日止年度

35. Related Party Transactions (continued)

- (b) As at 31 March 2019, properties held by a director of the Company and companies controlled by a director of the Company or his close family members were pledged to secure bank loans of HK\$56,892,000 out of total secured bank loans of HK\$84,761,000 as set out in note 25. These properties were also pledged to secure surety bonds of HK\$10,245,000 given by bank as at 31 March 2019 as disclosed in note 34.

As at 31 March 2018, no such properties were pledged for above bank loans and surety bonds.

The remuneration of key management personnel who are the directors of the Company during the year was disclosed in note 10.

36. Particulars Of Subsidiaries

Particulars of the subsidiaries of the Company as at 31 March 2019 and 31 March 2018, are as follows:

General information of subsidiaries

Name of subsidiary 附屬公司名稱	Place and the date of incorporation/ establishment 註冊成立/ 成立地點及日期	Place of operation 經營地點	Issued and fully paid capital/ registered capital 已發行及 繳足股本/ 註冊資本	Equity interest attributable to the Company as at 31 March		Principal activity 主要業務
				於3月31日本公司應佔股本權益 2019 2019年	2018 2018年	
<i>Directly held:</i> 直接持有:						
Polyfair BVI	BVI 8 June 2017	Hong Kong	US\$1	100%	100%	Investment holding
寶發BVI	英屬處女群島 2017年6月8日	香港	1美元	100%	100%	投資控股
<i>Indirectly held:</i> 間接持有:						
Polyfair HK	Hong Kong 9 February 2006	Hong Kong	HK\$3,000,000	100%	100%	Project management services for façade and installation of curtain wall systems and investment holding
寶發香港	香港 2006年2月9日	香港	3,000,000港元	100%	100%	外牆項目管理服務及幕牆系統安裝以及投資控股
Shenzhen Polyfair Curtainwall Technology Company Limited (note)	PRC 9 January 2017	PRC	HK\$1,000,000	100%	100%	Design of façade systems
深圳寶發幕牆科技有限公司 (附註)	中國 2017年1月9日	中國	1,000,000港元	100%	100%	外牆系統設計

35. 關聯方交易(續)

- (b) 於2019年3月31日，本公司一名董事及由本公司一名董事或其親屬控制的公司所持若干物業已質押，作為84,761,000港元有抵押銀行貸款總額中56,892,000港元銀行貸款的擔保(載於附註25)。此等物業亦已質押，作為於2019年3月31日由銀行提供的10,245,000港元書面擔保的擔保(如附註34所載)。

於2018年3月31日，並無該等物業用作銀行借款與書面保證書。

擔任本公司董事的主要管理人員於年內的薪酬於附註10披露。

36. 附屬公司詳情

本公司於2019年3月31日及2018年3月31日的附屬公司的詳情如下：

附屬公司一般資料

36. Particulars Of Subsidiaries (continued)

Note: Shenzhen Polyfair Curtainwall Technology Company Limited is registered under the law of the PRC as foreign investment enterprise. The official name of the entity is in Chinese. The English name is for identification purpose only.

None of the subsidiaries had issued any debt securities at the end of the year.

37. Reconciliation of Liabilities Arising From Financing Activities

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows from financing activities.

36. 附屬公司詳情(續)

附註：深圳寶發幕牆科技有限公司乃根據中國法律註冊為外商投資企業。該實體的官方名稱為中文名稱。英文名稱僅供識別。

於年末，附屬公司概無發行任何債務證券。

37. 融資活動所產生負債的對賬

下表詳細載列本集團融資活動所產生負債的變動。融資活動所產生的負債為現金流量曾於或未來將於本集團的綜合現金流量表內分類為融資活動現金流量的負債。

		Accrued issue costs	Bank borrowings	Amount due to a director
		應計 發行成本	銀行借款	應付 董事款項
		HK\$'000 千港元	HK\$'000 千港元 (note 25) (附註25)	HK\$'000 千港元
At 1 April 2017	於2017年4月1日	61	41,899	7,055
Financing cash flows	融資現金流量	(8,762)	72,259	(7,055)
Issue costs accrued	應計發行成本	9,186	-	-
Finance costs accrued	應計融資成本	-	3,034	-
At 31 March 2018	於2018年3月31日	485	117,192	-
Financing cash flows	融資現金流量	(485)	(25,032)	-
Finance costs accrued	應計融資成本	-	5,203	-
At 31 March 2019	於2019年3月31日	-	97,363	-

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019
截至2019年3月31日止年度

38. Statement of Financial Position and Reserves of The Company

Information about the statement of financial position of the Company at the end of the reporting period includes:

38. 本公司的財務狀況表及儲備

本公司於報告期末的財務狀況表資料包括：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Non-current asset	非流動資產		
Investment in a subsidiary (note a)	於一間附屬公司的投資 (附註a)	68,536	68,536
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	272	236
Amount due from a subsidiary (note b)	應收一間附屬公司款項 (附註b)	2,522	3,853
Bank balances	銀行結餘	69	20
		2,863	4,109
Current liability	流動負債		
Amount due to a subsidiary	應付一間附屬公司款項	1,470	-
Net current assets	流動資產淨值	1,393	4,109
Net assets	資產淨值	69,929	72,645
Capital and reserves	資本及儲備		
Share capital	股本	8,000	8,000
Reserves	儲備	61,929	64,645
Total equity	權益總額	69,929	72,645

38. Statement of Financial Position and Reserves of The Company (continued)

Movement of the reserves of the Company is as follows:

		Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Capital reserve 股本儲備 HK\$'000 千港元 (note c) (附註c)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 25 May 2017	於2017年5月25日	-	-	-	-	-
Effect of Reorganisation	重組的影響	-	3,000	35,536	-	38,536
Issue of new shares	發行新股份	54,000	-	-	-	54,000
Capitalisation issue	資本化發行	(6,000)	-	-	-	(6,000)
Share issuance costs	股份發行成本	(10,085)	-	-	-	(10,085)
Loss for the period	期內虧損	-	-	-	(11,806)	(11,806)
At 31 March 2018	於2018年3月31日	37,915	3,000	35,536	(11,806)	64,645
Loss for the year	年內虧損	-	-	-	(2,716)	(2,716)
At 31 March 2019	於2019年3月31日	37,915	3,000	35,536	(14,522)	61,929

Notes:

- During the year ended 31 March 2018, an amount due from a subsidiary of HK\$30,000,000 was waived by the Company and was considered as deemed investment in the subsidiary.
- The amount due from a subsidiary is unsecured, interest-free, and repayable on demand.
- Capital reserve represented the difference between the carrying amount of the equity of Polyfair HK prior to the Reorganisation and the issued share capital of Polyfair HK pursuant to the Reorganisation.

38. 本公司的財務狀況表及儲備(續)

本公司儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Capital reserve 股本儲備 HK\$'000 千港元 (note c) (附註c)	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 25 May 2017	於2017年5月25日	-	-	-	-	-
Effect of Reorganisation	重組的影響	-	3,000	35,536	-	38,536
Issue of new shares	發行新股份	54,000	-	-	-	54,000
Capitalisation issue	資本化發行	(6,000)	-	-	-	(6,000)
Share issuance costs	股份發行成本	(10,085)	-	-	-	(10,085)
Loss for the period	期內虧損	-	-	-	(11,806)	(11,806)
At 31 March 2018	於2018年3月31日	37,915	3,000	35,536	(11,806)	64,645
Loss for the year	年內虧損	-	-	-	(2,716)	(2,716)
At 31 March 2019	於2019年3月31日	37,915	3,000	35,536	(14,522)	61,929

附註：

- 於截至2018年3月31日止年度，應收一間附屬公司款項30,000,000港元獲本公司豁免，視作於該附屬公司的投資。
- 應收一間附屬公司款項為無抵押、免息及須按要求償還。
- 股本儲備指寶發香港於重組前的股本賬面值與寶發香港根據重組已發行股本之間的差額。

Financial Summary

財務概要

RESULTS

For the four years ended 31 March 2016, 2017, 2018 and 2019

業績

截至2016年、2017年、2018年及2019年3月31日止四個年度

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收益	215,778	271,841	109,607	172,029
(Loss) profit before taxation	除稅前(虧損)溢利	(6,883)	8,084	9,467	19,691
Taxation	稅項	302	(3,915)	(2,285)	(3,266)
(Loss) profit for the year	年內(虧損)溢利	(6,581)	4,169	7,182	16,425
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	(58)	100	-	-
(Loss) profit and total comprehensive (expense) income for the year	年內(虧損)溢利及全面(開支)收入總額	(6,639)	4,269	7,182	16,425

ASSETS AND LIABILITIES

At 31 March

資產及負債

於3月31日

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Total assets	資產總值	191,241	235,742	90,404	64,625
Total liabilities	負債總額	(129,788)	(165,944)	(70,790)	(52,193)
Net assets	資產淨值	61,453	69,798	19,614	12,432

Note:

The summary above does not form part of the audited consolidated financial statements.

No consolidated financial statements of the Group for the years ended 31 March 2015 have been published.

The financial information for the years ended 31 March 2017 and 2016 were extracted from the prospectus of the Company dated 31 January 2018.

Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years and is presented on the basis as set out in note 1B to the consolidated financial statements.

附註：

上述概要並不構成經審核綜合財務報表的一部分。

本集團並無刊發截至2015年3月31日止年度的綜合財務報表。

截至2017年及2016年3月31日止年度的財務資料乃摘錄自本公司日期為2018年1月31日的招股章程。

有關概要乃假設本集團現行架構於該等財政年度一直存在而編製，並按綜合財務報表附註1B所載基準呈列。

POLYFAIR

Polyfair Holdings Limited

寶發控股有限公司