

PRIME INTELLIGENCE SOLUTIONS GROUP LIMITED 匯安智能科技集團有限公司

(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 : 8379

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “**Directors**”) of Prime Intelligence Solutions Group 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。有意投資者應瞭解投資於該等公司的潛在風險，並應經過審慎周詳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聯交所主板買賣的證券承受較大的市場波動風險，同時亦無法保證在**GEM**買賣的證券會有高流通量的市場。

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本報告載有根據聯交所**GEM**證券上市規則(「**GEM 上市規則**」)規定而提供有關匯安智能科技集團有限公司(「**本公司**」)的資料，本公司的董事(「**董事**」)願就本報告共同及個別承擔全部責任。董事作出一切合理查詢後，確認就彼等所深知及確信，本報告所載資料在所有重大方面均屬準確完整，並無誤導或欺詐成分；且本報告並無遺漏任何其他事宜，致使其所載任何陳述或本報告產生誤導。

Contents

目錄

		Pages 頁碼
Corporate Information	公司資料	3
Chairman's Statement	主席報告	5
Management Discussion and Analysis	管理層討論及分析	7
Biographies of Directors and Senior Management	董事及高級管理層履歷	15
Environmental, Social and Governance Report	環境、社會及管治報告	22
Corporate Governance Report	企業管治報告	36
Directors' Report	董事會報告	56
Independent Auditor's Report	獨立核數師報告	67
Audited Financial Statements	經審核財務報表	
Consolidated:	綜合：	
Statement of Profit or Loss and Other Comprehensive Income	損益及其他全面收益表	73
Statement of Financial Position	財務狀況表	74
Statement of Changes in Equity	權益變動表	75
Statement of Cash Flows	現金流量表	76
Notes to Financial Statements	財務報表附註	78
Four Year Financial Summary	四年財務概要	144

Corporate Information

公司資料

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A, 6/F, TLP132
Nos. 132-134 Tai Lin Pai Road
Kwai Chung, New Territories
Hong Kong

EXECUTIVE DIRECTORS

Mr. Yuen Kwok Wai, Tony (*Chairman and Chief Executive Officer*)
Ms. Yuen Mei Ling, Pauline
Ms. Sun Ngai Chu, Danielle

NON-EXECUTIVE DIRECTOR

Mr. Yam Chiu Fan, Joseph

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hui Man Ho, Ivan
Mr. Chung Billy
Mr. Mui Pak Kuen

AUTHORISED REPRESENTATIVES

Mr. Yuen Kwok Wai, Tony
Mr. Chou Chiu Ho

COMPANY SECRETARY

Mr. Chou Chiu Ho (HKICPA, ACCA)

COMPLIANCE OFFICER

Ms. Yuen Mei Ling, Pauline

AUDIT COMMITTEE

Mr. Chung Billy (*Chairman*)
Mr. Hui Man Ho, Ivan
Mr. Mui Pak Kuen

註冊辦事處

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Clifton House
75 Fort Street
Grand Cayman
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Cayman Islands

香港總辦事處及主要營業地點

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新界葵涌
大連排道 132-134 號
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執行董事

阮國偉先生 (*主席兼行政總裁*)
阮美玲女士
孫毅珠女士

非執行董事

任超凡先生

獨立非執行董事

許文浩先生
鍾定縉先生
梅栢權先生

授權代表

阮國偉先生
周昭何先生

公司秘書

周昭何先生 (HKICPA, ACCA)

合規主任

阮美玲女士

審核委員會

鍾定縉先生 (*主席*)
許文浩先生
梅栢權先生

Corporate Information

公司資料

NOMINATION COMMITTEE

Mr. Hui Man Ho, Ivan (*Chairman*)
Mr. Chung Billy
Mr. Mui Pak Kuen

REMUNERATION COMMITTEE

Mr. Mui Pak Kuen (*Chairman*)
Mr. Chung Billy
Mr. Hui Man Ho, Ivan
Ms. Yuen Mei Ling, Pauline

LEGAL ADVISER

As to Hong Kong law
Hastings & Co.

COMPLIANCE ADVISER

Ample Capital Limited

AUDITOR

World Link CPA Limited
5/F., Fast East Consortium Building,
121 Des Voeux Road Central,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited
P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman
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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

PRINCIPAL BANKERS

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

WEBSITE

www.primeintelligence.com.hk

STOCK CODE

8379

提名委員會

許文浩先生 (*主席*)
鍾定縉先生
梅栢權先生

薪酬委員會

梅栢權先生 (*主席*)
鍾定縉先生
許文浩先生
阮美玲女士

法律顧問

有關香港法律
希仕廷律師行

合規顧問

豐盛融資有限公司

核數師

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香港股份過戶登記分處

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主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司

網址

www.primeintelligence.com.hk

股份代號

8379

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the “**Board**”) of Prime Intelligence Solutions Group Limited (the “**Company**”), I hereby present the annual report of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 March 2019.

LISTING

On 14 February 2018, the Company was successfully listed on GEM of the Stock Exchange (the “**Listing**”). The Listing has laid a foundation for the Group's continuous development.

BUSINESS REVIEW

The Group is a provider of biometrics identification solutions in Hong Kong, Macau and the PRC. The Group markets itself using the brand “**Solution Expert**”. The Group markets its products through the sales of products which include biometrics identification devices and other devices and accessories, and provision of auxiliary and other services. The Group's biometrics identification devices have one or more of the following functions: face identification; fingerprint identification; finger vein identification; hand geometry identification; and iris identification.

The Group would like to share more details of the Group's performance, financial position and other information for the year ended 31 March 2019 with shareholders in the following section of management discussion and analysis.

PROSPECTS

Apart from our commitment to the development of our principal business, we will actively make progress to generate growth and strive for potential and new business opportunities. The Group plans to further its growth in existing business by strengthening its marketing capabilities and expanding its product portfolio through enhancing software development, with a view to further enlarging its market share in Hong Kong and Macau and becoming one of the active biometrics identification solutions providers in the PRC. As such, the Group plans to utilise the net proceeds from the Listing by way of share offer on (i) expanding the business in Southern China; (ii) improving its information technology system; and (iii) setting up a new and separate software development center in the PRC to further enhance and develop the Group's software.

With utilising our prevailing biometrics identification solutions and software development, we consider to boarden our product range by developing certain consumer products with various popular functions including but not limited to artificial intelligence.

尊敬的股東：

本人謹此代表匯安智能科技集團有限公司(「**本公司**」)董事會(「**董事會**」)提呈本公司及其附屬公司(統稱「**本集團**」)截至2019年3月31日止年度的年度報告。

上市

於2018年2月14日，本公司於聯交所GEM成功上市(「**上市**」)。上市為本集團的持續發展奠下基礎。

業務回顧

本集團為香港、澳門及中國的生物特徵識別解決方案供應商。本集團以品牌「**Solution Expert**」為自己進行營銷。本集團透過銷售生物特徵識別裝置、其他裝置及配件等產品以及提供配套及其他服務營銷產品。本集團的生物特徵識別裝置有一個或多個以下功能：人臉識別；指紋識別；指靜脈識別；掌形識別；及虹膜識別。

本集團將於下文管理層討論及分析一節，與股東分享更多有關本集團截至2019年3月31日止年度的業績、財務狀況及其他資料詳情。

前景

本集團除致力發展其主要業務外，亦積極尋求增長及努力發掘潛在新商機。本集團計劃透過加強營銷能力及加強軟件開發擴大產品組合，進一步為現有業務帶來增長，從而進一步擴大於香港及澳門的市場佔有率及成為活躍的中國生物特徵識別解決方案供應商之一。因此，本集團計劃動用通過股份發售的上市所得款項淨額，以(i)拓展華南地區業務；(ii)改進資訊科技系統；及(iii)於中國成立新的獨立軟件開發中心以進一步提升及發展本集團的軟件。

憑藉利用生物特徵識別解決方案及軟件開發，我們考慮透過開發具有多種流行功能(包括但不限於人工智能)的若干消費產品擴大我們的產品組合。

Chairman's Statement

主席報告

CORPORATE GOVERNANCE

The Group remains committed to maintaining high standards of corporate governance. All board committees have effectively supported the Board in carrying out its responsibilities. By conducting its business under good corporate governance, the Group's and shareholder's long term interests will be maximized.

APPRECIATION

On behalf of the Board, I would like to express my warmest thanks to the management and our staff for their significant contributions. I would like to extend my sincere gratitude to all our shareholders and investors for their endless support. With the solid business base and the effort of all staff, the Group will endeavor to open a new chapter in the future.

Yuen Kwok Wai, Tony

Chairman

Hong Kong, 21 June 2019

企業管治

本集團承諾繼續努力維持高水平的企業管治。所有董事委員會均有效地履行各自的職責，支持董事會營運。在良好的企業管治下進行業務可為本集團及股東帶來最多的長遠利益。

致謝

本人謹代表董事會，衷心感謝管理層及各員工所的重大貢獻，亦謹此向所有鼎力支持本集團的股東及投資者致以由衷感謝。通過堅實的業務基礎及全體員工努力，本集團將竭力寫下未來的新篇章。

主席

阮國偉

香港，2019年6月21日

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

The Group is a provider of biometrics identification solutions in Hong Kong, Macau and the PRC. The Group derives revenue from the following business activities: (i) sales of products which include biometrics identification devices, and other devices and accessories; and (ii) provision of auxiliary and other services. The Group's biometrics identification devices have one or more of the following functions: (i) face identification; (ii) fingerprint identification; (iii) finger vein identification (iv) hand geometry identification; and (v) iris identification. The revenue of the Group for the year ended 31 March 2019 was approximately HK\$50.9 million, representing a decrease of approximately 28.4% from approximately HK\$71.1 million for the year ended 31 March 2018. The decrease in revenue was mainly because the decrease in sales of biometrics identification devices and other accessories, in particular, the handheld devices as compared with the corresponding period in 2018.

Revenue represents the invoiced values of goods sold and services rendered, after allowances for returns and discounts during the reporting periods.

概覽

本集團為香港、澳門及中國的生物特徵識別解決方案供應商。本集團透過以下業務活動產生收益：(i) 產品銷售，包括生物特徵識別裝置以及其他裝置及配件；及(ii) 提供配套及其他服務。本集團的生物特徵識別裝置有一個或多個以下功能：(i) 人臉識別；(ii) 指紋識別；(iii) 指靜脈識別；(iv) 掌形識別；及(v) 虹膜識別。截至2019年3月31日止年度，本集團的收益約為50.9百萬港元，較截至2018年3月31日止年度約71.1百萬港元減少約28.4%。收益減少主要由於生物特徵識別裝置及其他配件（尤其是手提裝置）的銷售較2018年同期減少。

收益指所售商品及提供服務的發票值，於報告期間經扣除退貨及折扣。

For the year ended 31 March

截至3月31日止年度

		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
Sales of products	產品銷售		
Biometrics identification devices	生物特徵識別裝置	25,311	27,857
Other devices and accessories	其他裝置及配件	9,500	20,055
		34,811	47,912
Provision of auxiliary and other services	提供配套及其他服務		
Service income	服務收入	13,889	17,721
Software licensing income	軟件許可收入	2,098	5,297
Others	其他	80	133
		16,067	23,151
Total	總計	50,878	71,063

Management Discussion and Analysis

管理層討論及分析

Cost of Sales and Gross Profit

The majority of the Group's cost of sales was costs of inventories sold. The Group's costs of inventories sold decreased by approximately 21.2% to approximately HK\$17.8 million for the year ended 31 March 2019 (2018: approximately HK\$22.6 million). The gross profit margin dropped from approximately 59.2% for the year ended 31 March 2018 to approximately 50.8% for the year ended 31 March 2019. The gross profit also dropped from approximately HK\$42.0 million for the year ended 31 March 2018 to approximately HK\$25.8 million for the year ended 31 March 2019. The decrease of gross profit margin and gross profit was mainly due to the decrease of gross profit of handheld devices.

Expenses

Staff costs for the year ended 31 March 2019 was approximately HK\$22.9 million (2018: approximately HK\$20.5 million), representing an increase of approximately HK\$2.4 million as compared with the corresponding period last year, which was mainly due to the increase in the number of employees and increase in average bonus and allowances during the period.

Administrative and other operating expenses for the year ended 31 March 2019 were approximately HK\$22.0 million (2018: approximately HK\$29.6 million), representing a decrease of approximately HK\$7.6 million as compared with the last corresponding period, which was mainly due to the net effect of increase in staff costs and decrease in listing expenses.

Taxes

The income tax expense comprised Hong Kong Profits Tax, Macao Complementary Tax and PRC Enterprise Income Tax for the year. The income tax expense for the year ended 31 March 2019 was approximately HK\$0.3 million (2018: HK\$3.2 million).

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 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million 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%.

Accordingly, starting from the current year, one of the subsidiaries of the Company is subject to Hong Kong Profits Tax at the rate of 8.25% for the first HK\$2 million of estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. Other subsidiaries of the Company are subjected to Hong Kong Profits Tax at the rate of 16.5% for the year ended 31 March 2019.

銷售成本及毛利

本集團大部分銷售成本為已售存貨成本。截至2019年3月31日止年度，本集團的已售存貨成本減少約21.2%至約17.8百萬港元(2018年：約22.6百萬港元)。毛利率由截至2018年3月31日止年度約59.2%減少至截至2019年3月31日止年度約50.8%。毛利亦由截至2018年3月31日止年度約42.0百萬港元減至截至2019年3月31日止年度約25.8百萬港元。毛利率及毛利減少主要由於手提裝置的毛利降低。

開支

截至2019年3月31日止年度，員工成本約為22.9百萬港元(2018年：約20.5百萬港元)，較去年同期增加約2.4百萬港元，主要由於期內僱員人數、平均花紅及津貼均有所增加。

截至2019年3月31日止年度，行政及其他經營開支約為22.0百萬港元(2018年：約29.6百萬港元)，較去年同期減少約7.6百萬港元，主要由於員工成本增加及上市開支減少的淨影響所致。

稅項

所得稅開支包括年內香港利得稅、澳門所得補充稅及中國企業所得稅。截至2019年3月31日止年度，所得稅開支約為0.3百萬港元(2018年：3.2百萬港元)。

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(「**條例草案**」)，其引入兩級制利得稅率制度。條例草案於2018年3月28日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體的首2百萬港元溢利將按8.25%的稅率徵稅，而超過2百萬港元的溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度資格的集團實體的溢利將繼續按16.5%的劃一稅率繳納稅項。

因此，由本年度起，本公司其中一間附屬公司須就估計應課稅溢利的首2百萬港元按8.25%稅率繳納香港利得稅，並就超過2百萬港元的估計應課稅溢利按16.5%的稅率繳納香港利得稅。截至2019年3月31日止年度，本公司其他附屬公司須按16.5%的稅率繳納香港利得稅。

Management Discussion and Analysis

管理層討論及分析

For the Group's subsidiary established and operated in the PRC is subject to PRC Enterprise Income Tax at the rate of 25.0% (2018: 25.0%). No PRC Enterprise Income Tax has been provided for the year ended 31 March 2019 (2018: Nil) as the Group's PRC subsidiary either did not generate any assessable profits or has sufficient tax losses brought forward to offset against its assessable profits generated during the reporting periods.

For the Group's subsidiary established and operated in Macau is subject to Macao Complementary Tax, under which taxable income of up to MOP600,000 is exempted from taxation with taxable income beyond this amount to be taxed at the rate of 12.0% for the year ended 31 March 2019 and 2018.

Loss for the Year

The Group incurred a net loss of approximately HK\$1.5 million for the year ended 31 March 2019, as compared with a net profit of approximately HK\$4.2 million for the year ended 31 March 2018. The decrease of net profit was mainly due to the decrease of over 25% in revenue generated from the sales of biometrics identification devices and other accessories, in particular, the handheld devices as compared with the corresponding period in 2018.

Liquidity, Financial Resources and Capital Structure

Historically, the Group has funded the liquidity and capital requirements primarily through operating cash flows, bank borrowings and funds from the listing of the Company's shares on GEM of the Stock Exchange. The Directors believe that with the capital from the listing of Shares on GEM, the Group is in a healthy financial position to expand its core business and to achieve its business objectives. As at 31 March 2019, the Group had no bank borrowings (31 March 2018: Nil). The Group requires cash primarily for working capital needs. As at 31 March 2019, the Group had approximately HK\$70.3 million in cash and bank balances (31 March 2018: approximately HK\$76.8 million).

Gearing Ratio

As at 31 March 2019 and 2018, the Group has no outstanding borrowings, accordingly there is no gearing ratio.

Note: Gearing ratio is calculated as the total debt divided by total equity.

本集團在中國成立及經營的附屬公司須按稅率25.0% (2018年：25.0%)繳納中國企業所得稅。截至2019年3月31日止年度概無計提中國企業所得稅(2018年：無)，原因乃本集團的中國附屬公司於報告期間並無產生任何應課稅溢利，亦無結轉足夠稅項虧損以抵銷所產生應課稅溢利。

本集團在澳門成立及經營的附屬公司須繳納澳門所得補充稅，截至2019年及2018年3月31日止年度，應課稅收入最高600,000澳門幣豁免納稅，超出該金額的應課稅收入按12.0%的稅率納稅。

年內虧損

截至2019年3月31日止年度，本集團產生淨虧損約1.5百萬港元，而截至2018年3月31日止年度則產生純利約4.2百萬港元。純利減少主要由於生物特徵識別裝置及其他配件(尤其是手提裝置)的銷售所得收益較2018年同期減少逾25%。

流動資金、財務資源及資本結構

過往，本集團主要以經營現金流量、銀行借款及本公司股份於聯交所GEM上市所得資金應付其流動資金及資本需求。董事相信，由於股份於GEM上市而獲得資金，故本集團的財務狀況穩健，足以擴充其核心業務及達致其業務目標。於2019年3月31日，本集團並無銀行借款(2018年3月31日：無)。本集團的現金主要用於應付營運資金需要。於2019年3月31日，本集團的現金及銀行結餘約為70.3百萬港元(2018年3月31日：約76.8百萬港元)。

資產負債比率

於2019年及2018年3月31日，本集團並無尚未償還借款，因此並無資產負債比率。

附註：資產負債比率乃按總負債除以總權益計算。

Management Discussion and Analysis

管理層討論及分析

OPERATION REVIEW

Outlook

The ordinary shares of HK\$0.01 each (the “Shares”) of the Company have been successfully listed on GEM on 14 February 2018. The Board considers that such public listing status will allow the Company to gain access to the capital market for corporate finance exercise, assist the Company in the future business development, enhance the Group’s corporate profile and recognition and strengthen the Group’s competitiveness.

Looking forward, the Group plans to generate further growth in existing business by strengthening its marketing capabilities and expanding its product portfolio through enhancing software development, with a view to further enlarging its market share in Hong Kong and Macau and becoming one of the active biometrics identification solutions providers in the PRC. As such, the Group plans to utilise the net proceeds from the Listing by way of share offer pursuant to the Prospectus on (i) launching of affordable locally manufactured fingerprint identification devices as part of the expansion plan of the business in Southern China; (ii) enhancing the quality of after-sale services and strengthening of the operation support as part of the expansion plan of the business in Southern China; (iii) improving its information technology system; and (iv) setting up a new and separate software development center in the PRC to further enhance and develop the Group’s software.

With utilising our prevailing biometrics identification solutions and software development, we consider to boarden our product range by developing certain consumer products with various popular functions including but not limited to artificial intelligence.

Employees and Remuneration Policies

As at 31 March 2019, the Group had a total of 70 employees. The Group’s staff costs for the year ended 31 March 2019 amounted to approximately HK\$22.9 million (2018: approximately HK\$20.5 million). The Group’s remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognises the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries and allowances. Other benefits and incentives include training and share option.

In Hong Kong, the Group’s employees have participated in the mandatory provident fund prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). In the PRC, the Group’s employees have participated in the basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity insurance prescribed by the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), and housing fund prescribed by the Regulations on the Administration of Housing Fund (《住房公積金管理條例》). All PRC based employees have the right to participate in the social insurance and housing provident fund schemes.

營運回顧 展望

本公司每股面值0.01港元的普通股(「股份」)已於2018年2月14日在GEM成功上市。董事會認為，有關上市地位可讓本公司利用資本市場進行企業融資，協助本公司未來業務發展，提升本集團的企業形象及認受性以及加強本集團的競爭力。

展望將來，本集團計劃透過加強其營銷能力及加強軟件開發擴大其產品組合，進一步發展其現有業務，旨在進一步擴大於香港及澳門的市場佔有率及成為活躍的中國生物特徵識別解決方案供應商之一。因此，本集團計劃根據招股章程以股份發售方式動用上市所得款項淨額，以(i)推出本地製造可負擔指紋識別裝置作為拓展華南地區業務計劃的一部分；(ii)提高售後服務的質量及加強營運支援作為拓展華南地區業務計劃的一部分；(iii)改進其資訊科技系統；及(iv)於中國設立一個新的獨立軟件開發中心以進一步提升及開發本集團的軟件。

憑藉利用生物特徵識別解決方案及軟件開發，我們考慮透過開發具有多種流行功能(包括但不限於人工智能)的若干消費產品擴大我們的產品組合。

僱員及薪酬政策

於2019年3月31日，本集團共有70名僱員。截至2019年3月31日止年度，本集團的員工成本約為22.9百萬港元(2018年：約20.5百萬港元)。本集團的薪酬政策與現行市場慣例一致，並按個別僱員的表現、資格及經驗釐定。本集團深明與其僱員保持良好關係的重要性。應付僱員薪酬包括薪金及津貼。其他福利及獎勵包括培訓及購股權。

在香港，本集團僱員已參與香港法例第485章《強制性公積金計劃條例》規定的強制性公積金計劃。在中國，本集團僱員已參與《中華人民共和國社會保險法》規定的基本退休保險、基本醫療保險、失業保險、工傷保險、生育保險及《住房公積金管理條例》規定的住房公積金。所有駐中國僱員均有權參與社會保險及住房公積金計劃。

Management Discussion and Analysis

管理層討論及分析

Capital expenditure

The Group purchased property, plant and equipment amounting to approximately HK\$1.7 million for the year ended 31 March 2019 (2018: approximately HK\$0.7 million).

Capital commitments

The Group did not have any significant capital commitments as at 31 March 2019 (2018: Nil).

Foreign Currency Risk

The Company does not have significant exposure on foreign currency risk.

The functional currency of the Group's entities are principally denominated in HK\$, Renminbi ("RMB") and Macau Pataca ("MOP"). The Group has certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than the functional currencies of respective Group entities such as United States dollars ("US\$"), RMB and EURO. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities.

The Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the year ended 31 March 2019.

Significant Investments held, Material Acquisitions and Disposals of Subsidiaries

During the year ended 31 March 2019, the Group did not have any significant investment, material acquisition or disposal of subsidiaries and affiliated companies.

Charges over Assets of the Group

As at 31 March 2019 and 2018, there was no charges over assets of the Group.

Dividend

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2019.

Share Option Schemes

The share option scheme of the Company (the "Scheme") was adopted pursuant to a resolution passed by the Company's shareholders on 18 January 2018 for the primary purpose is to attract, retain and motivate talented participants, to strive for future developments and expansion of the Group. Eligible participants of the Scheme include any employees, any executives Directors, non-executive Directors (including independent non-executive Directors), advisors, consultants of the Company or any of its subsidiaries.

資本開支

截至2019年3月31日止年度，本集團購買的物業、廠房及設備約為1.7百萬港元(2018年：約0.7百萬港元)。

資本承擔

於2019年3月31日，本集團並無任何重大資本承擔(2018年：無)。

外幣風險

本公司並無面臨重大外幣風險。

本集團實體的功能貨幣主要以港元、人民幣(「人民幣」)及澳門幣(「澳門幣」)列值。由於本集團的部分業務交易、資產及負債乃以美元(「美元」)、人民幣及歐元等本集團實體各自的功能貨幣以外的貨幣列值，故本集團須面對若干外幣風險。本集團目前並無就外幣交易、資產及負債制訂任何外幣對沖政策。

截至2019年3月31日止年度，本集團並無涉及任何衍生工具協議，亦無使用任何金融工具對沖其匯兌風險。

所持重大投資、重大收購及出售附屬公司

截至2019年3月31日止年度，本集團並無任何重大投資、重大收購或出售附屬公司及聯營公司。

本集團的資產抵押

於2019年及2018年3月31日，本集團概無資產抵押。

股息

董事不建議就截至2019年3月31日止年度派付末期股息。

購股權計劃

本公司購股權計劃(「該計劃」)乃根據本公司股東於2018年1月18日通過的決議案採納，主要目的為吸引、保留及激勵有才能的參與者為本集團的未來發展及擴展努力。該計劃的合資格參與者包括本公司或其任何附屬公司的任何僱員、執行董事、非執行董事(包括獨立非執行董事)、顧問及諮詢人。

Management Discussion and Analysis

管理層討論及分析

The Scheme will remain valid and effective for a period of 10 years commencing on the date on which the Scheme is adopted, after which period no further share options will be granted but the provisions of the Scheme shall in all other respects remain in full force and effect and share options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue. The principal terms of which were summarised in the paragraph headed “**Share Option Scheme**” in Appendix IV to the Prospectus. No share options have been granted, exercised, expired, cancelled or lapsed under the Scheme since its adoption.

該計劃將於該計劃獲採納之日起計10年期間維持有效，其後不得再授出購股權，但該計劃的條文在所有其他方面將仍全面有效，而於該計劃有效期內已授出的購股權根據其發行條款仍可繼續行使。該計劃的主要條款概要載於招股章程附錄四「**購股權計劃**」一段。自該計劃採納以來，概無購股權根據該計劃授出、行使、屆滿、註銷或失效。

Use of proceeds and actual progress of the Group’s business objectives

The net proceeds from the Listing (after deducting the underwriting fees and other related expenses paid by the Company in connection with the share offer) which amounted to approximately HK\$44.5 million will be used for the intended purposes as set out in the section headed “**Business Objectives and Strategies**” of the Prospectus. Set out below is the actual usage of net proceeds up to the date of this report:

所得款項用途及本集團業務目標的實際進度

上市所得款項淨額(扣除包銷費及本公司就股份發售支付的其他相關開支後)約為44.5百萬港元，將用作招股章程「**業務目標及策略**」一節所載擬定用途。以下所載為直至本報告日期為止所得款項淨額的實際用途：

		Net proceeds 所得款項淨額 HK\$ million 百萬港元	Utilised 已動用 HK\$ million 百萬港元	Unutilised 尚未動用 HK\$ million 百萬港元
Expanding the business in Southern China	拓展華南地區業務			
— launch of affordable locally manufactured fingerprint identification devices	— 推出本地製造可負擔指紋識別裝置	15.8	—	15.8
— enhancement of the quality of after-sales services and strengthening of the operation support	— 提高售後服務的質量及加強營運支援	5.1	(1.5)	3.6
Improving the information technology system	改進資訊科技系統	5.0	(1.7)	3.3
Setting up a new and separate software development center in the PRC to further enhance and develop the Group’s software	於中國設立一個新的獨立軟件開發中心以進一步提升及開發本集團的軟件	15.2	—	15.2
Working capital	營運資金	3.4	(3.4)	—
		44.5	(6.6)	37.9

Management Discussion and Analysis

管理層討論及分析

As disclosed in the Prospectus, the Group's business objectives are to further its growth in existing business by strengthening marketing capabilities and expanding product portfolio through enhancing software development, in order to further enlarge its market share in Hong Kong and Macau and to become one of the active biometrics identification solutions providers in the PRC. The Directors intend to achieve the objectives by (i) launching affordable locally manufactured fingerprint identification devices as part of the expansion plan of the business in Southern China; (ii) enhancing the quality of after-sales services and strengthening the operation support as part of the expansion plan of the business in Southern China; (iii) improving the information technology system; and (iv) setting up a new and separate software development center in the PRC to further enhance and develop the Group's software.

The Group had planned to use approximately HK\$15.8 million of net proceeds to launch affordable locally manufactured fingerprint identification devices as part of the expansion plan of the business in Southern China. The Group has not yet launch affordable locally manufactured fingerprint identification devices. The Group is reviewing the needs and timeframe for launch of affordable locally manufactured fingerprint identification devices so as to capture the above-mentioned low-end market in the PRC.

The Group had planned to use approximately HK\$5.1 million of net proceeds to enhance the quality of after-sales services and to strengthen the operation support as part of the expansion plan of the business in Southern China. As at 31 March 2019, a total of approximately HK\$1.5 million was spent on enhancing the quality of after-sales services and to strengthen the operation support as part of the expansion plan of the business in Southern China. The Group has rented one customer service centers in Futian district of Shenzhen instead of Changning district of Shanghai, the Directors consider that the Group customers are mainly located in Hong Kong, Shenzhen and Macao, locating the customer service center in Shenzhen can help timely after-sales services. The service center will also benefit from the business opportunities with the recent development of the Guangdong-Hong Kong- Macao Greater Bay Area, enabling the Group to provide sales-related services arises from the development. The Group also employed additional employees for this service center.

The Group had planned to use approximately HK\$5.0 million of net proceeds to improve the information technology system. As at 31 March 2019, a total of approximately HK\$1.7 million was spent on improving the information technology system. The Group has upgraded the existing ERP system, including the customer relationship management function and purchased computer and servers to support the existing ERP system.

誠如招股章程所披露，本集團的業務目標為透過加強營銷能力及加強軟件開發擴大產品組合，進一步發展其現有業務，旨在進一步擴大於香港及澳門的市場佔有率及成為活躍的中國生物特徵識別解決方案供應商之一。董事擬透過以下方式達成目標：(i) 推出本地製造可負擔指紋識別裝置作為拓展華南地區業務計劃的一部分；(ii) 提高售後服務的質量及加強營運支援作為拓展華南地區業務計劃的一部分；(iii) 改進資訊科技系統；及(iv) 於中國設立一個新的獨立軟件開發中心以進一步提升及開發本集團的軟件。

本集團計劃動用約15.8百萬港元的所得款項淨額推出本地製造可負擔指紋識別裝置作為拓展華南地區業務計劃的一部分。本集團尚未推出本地製造可負擔指紋識別裝置。本集團現正檢討是否需要推出本地製造可負擔指紋識別裝置，亦在檢討其時間表，以把握上述中國低端市場機遇。

本集團計劃動用約5.1百萬港元的所得款項淨額提高售後服務的質量及加強營運支援作為拓展華南地區業務計劃的一部分。於2019年3月31日，合共約1.5百萬港元用於提高售後服務的質量及加強營運支援作為拓展華南地區業務計劃的一部分。本集團在深圳福田區而非上海長寧區租用一個客戶服務中心，董事認為，本集團客戶主要位於香港、深圳及澳門，客戶服務中心位於深圳有助及時提供售後服務。該服務中心亦將受惠於粵港澳大灣區近期發展帶來的商機，讓本集團能夠提供因該區發展而產生的銷售相關服務。本集團亦為此服務中心僱用額外僱員。

本集團計劃動用約5.0百萬港元的所得款項淨額改進資訊科技系統。於2019年3月31日，合共約有1.7百萬港元用於改進資訊科技系統。本集團已提升現有的ERP系統(包括客戶關係管理功能)，並已購買電腦及伺服器，以支援現有ERP系統。

Management Discussion and Analysis

管理層討論及分析

The Group had planned to use approximately HK\$15.2 million of net proceeds to set up a new and separate software development center in the PRC to further enhance and develop the Group's software. The Group is reviewing the needs and timeframe for setting up a new and separate software development center in the PRC to further enhance and develop the Group's software.

The Group had planned to use approximately HK\$3.4 million of net proceeds to working capital. As at 31 March 2019, a total of approximately HK\$3.4 million was spent on working capital.

本集團計劃動用約15.2百萬港元的所得款項淨額於中國設立一個新的獨立軟件開發中心以進一步提升及開發本集團的軟件。本集團現正檢討是否需要於中國設立一個新的獨立軟件開發中心，亦在檢討其時間表，以進一步提升及開發本集團的軟件。

本集團計劃動用約3.4百萬港元的所得款項淨額作為營運資金。於2019年3月31日，合共約有3.4百萬港元用作營運資金。

Biographies of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Yuen Kwok Wai, Tony (“Mr. Tony Yuen”), aged 48, is one of the founders of the Group, the chairman of the Board, an executive Director, the chief executive officer of the Group and one of the controlling shareholders of the Company. He joined the Group as a director on 28 June 1999 and was re-designated as an executive Director on 6 November 2015. He is responsible for major decision-making, overall strategic planning and day-to-day business management. Mr. Tony Yuen is a director of Power Truth Holdings Limited (“**Power Truth**”), Solution Expert Technology Limited (“**SE Technology**”), Solution Expert Engineering Limited (“**SE Engineering**”), Solution Expert Technology (R&D) Limited, and Solution Expert Technology (Macau) Limited (“**SE Macau**”). He is also the chairman, general manager and legal representative of Solution Expert Technology (Shenzhen) Limited* (“**SE Shenzhen**”). In addition, he is a director and a 85% shareholder of Delighting View Global Limited (“**Delighting View**”).

Mr. Tony Yuen has over 21 years of experience in software programming. He obtained a bachelor of engineering degree from the University of Hong Kong in January 1995. Before he joined the Group, he was the head of information systems department of PENTAX group in Hong Kong from 1996 to 1998, and was responsible for developing networking and computer solution systems in different computerisation projects. Mr. Tony Yuen has not held any directorship in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Mr. Tony Yuen is a brother of Ms. Pauline Yuen (one of the executive Directors and controlling shareholders of the Company), the spouse of Ms. Jazzy Wong (a member of the senior management) and a brother-in-law of Mr. Joseph Yam (the non-executive Director).

Ms. Yuen Mei Ling, Pauline (“Ms. Pauline Yuen”), aged 50, is an executive Director and one of the controlling shareholders of the Company. She was re-designated as an executive Director on 6 November 2015 and is mainly responsible for overseeing corporate policies and human resources of the Group. She is a director of Power Truth, SE Shenzhen and SE Macau. In addition, she is also a director and a 15% shareholder of Delighting View.

執行董事

阮國偉先生(「阮國偉先生」)，48歲，為本集團創辦人之一、董事會主席、執行董事兼本集團行政總裁及本公司控股股東之一。彼於1999年6月28日加入本集團成為董事，並於2015年11月6日獲調任為執行董事。彼負責主要決策、整體策略性規劃及日常業務管理。阮國偉先生擔任誠威控股有限公司(「誠威」)、專訊科技有限公司(「專訊科技」)、專訊工程有限公司(「專訊工程」)、專訊科技研究發展有限公司及專訊科技(澳門)有限公司(「專訊澳門」)的董事。彼亦為專訊科技(深圳)有限公司(「專訊深圳」)的主席、總經理及法定代表人。此外，彼為Delighting View Global Limited(「Delighting View」)的董事及85%股東。

阮國偉先生在軟件程式方面擁有逾21年經驗。彼於1995年1月取得香港大學的工程學士學位。於加入本集團前，彼由1996年至1998年出任香港賓得士集團的資訊系統部主管，負責於不同電腦化項目開發網絡及電腦解決方案系統。阮國偉先生於過去三年並無於證券目前或已經在香港或海外任何證券市場上市的任何其他公眾公司擔任任何董事職務。

阮國偉先生為阮美玲女士(執行董事及本公司控股股東之一)的胞弟、王嘉敏女士(高級管理層成員)的配偶及任超凡先生(非執行董事)的姻兄弟。

阮美玲女士(「阮美玲女士」)，50歲，為執行董事及本公司控股股東之一。彼於2015年11月6日獲調任為執行董事，主要負責監察本集團的公司政策及人力資源。彼擔任誠威、專訊深圳及專訊澳門的董事。此外，彼為Delighting View的董事及15%股東。

* Demonstrates the English translation name of a Chinese company or entity and provided for identification purposes only

Biographies of Directors and Senior Management 董事及高級管理層履歷

Ms. Pauline Yuen has over 27 years of experience in accounting, during which she has also obtained over 10 years of experience in finance and management. She obtained a bachelor of science degree in business administration and accounting from the California State University in the United States in August 1992. She worked in Wing On Department Stores (Hong Kong) Limited from November 1992 to April 1994, with her last position being assistant accountant. She then worked in China Online (Bermuda) Limited, from April 1994 to September 1999, with her last position being senior accountant. She was the accounting manager of Tricom CyberWorld Holdings Limited from September 1999 to December 2000. From September 2001 to January 2006, she worked in Hing Wah Lung Oil & Rice Limited with her last position being the accounting and administration manager. She was employed by Pacific Century Matrix (HK) Limited from February 2006 to May 2007 with her last position being manager, finance and administration and was mainly responsible for management of treasury function and finance and accounting operations.

Ms. Pauline Yuen joined the Group in May 2007 as manager in finance and administration department and was subsequently transferred to senior manager in human resources and administration in May 2015. She was responsible for overseeing human resources activities.

Ms. Pauline Yuen is the sister of Mr. Tony Yuen (one of the executive Directors and controlling shareholders of the Company) and a sister-in-law of Mr. Joseph Yam (the non-executive Director) and Ms. Jazzy Wong (a member of the senior management).

Ms. Sun Ngai Chu, Danielle (“Ms. Danielle Sun”), aged 56, was appointed as an executive Director on 6 November 2015. Ms. Danielle Sun is mainly responsible for overseeing the sales and marketing functions of the Group. She is also a director of Power Truth.

Ms. Danielle Sun has over 10 years of treasury experience in catering industry. From August 2000 to June 2007 (the date of deregistration), she was a director of Boss Development Limited, a company engaged in catering business, and was responsible for cash and transaction management. From May 2004 to December 2015 (the date of deregistration), Ms. Danielle Sun was the director of Hung Kee Enterprise Limited and was responsible for managing its property portfolio and assisting the board in making property investment decisions. She has also been the treasurer of Wonderland Palace Restaurant on part time basis since August 2011 and has been responsible for cash and transaction management. From April 2004 to January 2011, Ms. Danielle Sun was employed as the treasurer of Zi Xing Xuan (紫星軒), a Chinese restaurant, and was responsible for cash and transaction management.

Since joining the Group, Ms. Danielle Sun has been in charge of the overall sales and marketing of the Group by leading the sales department to formulate and execute the Group's sales and marketing strategies. She is also personally responsible for the sales to the catering sector.

阮美玲女士在會計方面擁有逾27年經驗，期間彼亦獲得逾10年的財務及管理經驗。彼於1992年8月取得美國加利福尼亞州立大學(California State University)的工商管理及會計學士學位。於1992年11月至1994年4月，彼於永安百貨有限公司任職，最後職位為助理會計師，彼其後於1994年4月至1999年9月在中國網絡(百慕達)有限公司任職，最後職位為高級會計師。彼於1999年9月至2000年12月為得信佳環宇數碼(集團)有限公司的會計經理。於2001年9月至2006年1月，彼在興華隆油米行有限公司任職，最後職位為會計及行政經理。彼由2006年2月至2007年5月受聘於Pacific Century Matrix (HK) Limited，離職前擔任財務及行政經理，主要負責管理庫務職能及財務及會計事務。

阮美玲女士於2007年5月加入本集團擔任財務及行政部經理，其後於2015年5月調任為人力資源及行政高級經理。彼負責監督人力資源活動。

阮美玲女士為阮國偉先生(執行董事及本公司控股股東之一)的胞姊以及任超凡先生(非執行董事)及王嘉敏女士(高級管理層成員)的姻姊妹。

孫毅珠女士(「孫毅珠女士」)，56歲，於2015年11月6日獲委任為執行董事。孫毅珠女士主要負責監察本集團的銷售及營銷職能。彼亦擔任誠威的董事。

孫毅珠女士在飲食業財資方面擁有逾10年經驗。自2000年8月至2007年6月(註銷日期)，彼為昌亨發展有限公司(一間從事餐飲業的公司)的董事，負責現金和交易管理。自2004年5月至2015年12月(註銷日期)，孫毅珠女士一直為熊基企業有限公司的董事，負責管理其物業組合及協助董事會作出物業投資決定。彼自2011年8月起亦一直以兼職形式擔任Wonderland Palace Restaurant的司庫，負責現金及交易管理。由2004年4月至2011年1月，孫毅珠女士擔任一間中菜館紫星軒的司庫，負責現金及交易管理。

自加入本集團以來，孫毅珠女士一直負責本集團的整體銷售及營銷，領導銷售部制訂及執行本集團的銷售及營銷策略。彼亦親身負責餐飲部的銷售。

Biographies of Directors and Senior Management

董事及高級管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. Yam Chiu Fan, Joseph (“Mr. Joseph Yam”), aged 64, was appointed as an executive Director on 6 November 2015 and was re-designated as a non-executive Director on 1 April 2017. He is mainly responsible for providing market and industry knowledge in assisting strategic planning of the Group.

Mr. Joseph Yam dedicated his career to the Hong Kong Police Force for over 32 years. He began as a probationary inspector in 1977, and was subsequently promoted to senior inspector in 1987 and to chief inspector in 1990. In 2004, he was further promoted to superintendent, the rank he held until his retirement in December 2009. Mr. Joseph Yam was employed by Hong Yip Service Company Ltd., a subsidiary of Sun Hung Kai Properties Ltd., as head of security and was responsible for the overall management, business development, profitability and operations of its security department, since June 2010. Mr. Joseph Yam has been appointed as an independent non-executive director of Kingland Group Holdings Limited (formerly known as Sing on Holdings Limited) (a company listed on the Main Board of the Stock Exchange, stock code: 1751), a company providing concrete demolition services in Hong Kong and Macau, since 22 November 2016.

Mr. Joseph Yam is the brother-in-law of Mr. Tony Yuen (one of the executive Directors and controlling shareholders of the Company), Ms. Jazzy Wong (a member of the senior management) and Ms. Pauline Yuen (one of the executive Directors and controlling shareholders of the Company).

非執行董事

任超凡先生(「任超凡先生」)，64歲，於2015年11月6日獲委任為執行董事及於2017年4月1日獲調任為非執行董事。彼主要負責提供市場及行業知識以協助本集團的策略規劃。

任超凡先生效力香港警務處超過32年。彼於1977年入職為見習督察，隨後於1987年晉升為高級督察並於1990年任總督察。於2004年，彼再晉升為警司，直至2009年12月退休為止。自2010年6月起，任超凡先生受聘於新鴻基地產發展有限公司的附屬公司康業服務有限公司，擔任保安主管，負責保安部的整體管理、業務發展、盈利能力及營運。任超凡先生自2016年11月22日起獲委任為景聯集團控股有限公司(前稱成安控股有限公司，一間於聯交所主板上市的公司，股份代號：1751，公司從事提供混凝土拆卸服務)的獨立非執行董事。

任超凡先生為阮國偉先生(執行董事及本公司控股股東之一)、王嘉敏女士(高級管理層成員)及阮美玲女士(執行董事及本公司控股股東之一)的姻兄弟。

Biographies of Directors and Senior Management

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Mui Pak Kuen (“Mr. Mui”), aged 57, was appointed as an independent non-executive Director on 18 January 2018. He is responsible for overseeing the management independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Group.

Mr. Mui has over 30 years of experience in information technology and telecommunication industry. He first joined COL Limited as an analyst programmer from July 1986 to January 1990. From February 1990 to June 1992, he worked as a consultant in Logica Limited. Mr. Mui was a senior consultant in Hutchison Paging Limited from October 1992 to March 1994 and was mainly responsible for liaising with business partners in application specification. He then worked in Hutchison Telecommunications (Hong Kong) Limited from April 1994 to October 1997 as the information technology manager for the fixed network operation and was mainly responsible for leading the fixed network IT project team for product evaluation, development and implementation. Mr. Mui was then employed by PricewaterhouseCoopers from August 1998 to December 1999 as a supervising consultant. He later worked as the assistant vice-president in business development in PCCW Limited from January 2000 to July 2011. From July 2011 to January 2017, he was the head of Greater China business development in Tiata International Company Limited.

Mr. Mui obtained a diploma in business computer studies from the Faculty of Business in Lingnan College Hong Kong in November 1986. He subsequently obtained a master of economics degree in business administration from Zhongshan University in the PRC in January 1998 and further obtained a bachelor of computing degree from the University of South Australia in September 2004.

Mr. Chung Billy (“Mr. Chung”), aged 44, was appointed as an independent non-executive Director on 18 January 2018. He is responsible for overseeing the management independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Group.

Mr. Chung obtained a bachelor of arts degree in chartered accountancy studies from The University of Waterloo, Canada in June 1999. He further obtained a master of business administration degree from the University of Toronto, Canada in June 2004. Mr. Chung also obtained a diploma in investigative and forensic accounting from the University of Toronto Mississauga in 2013 and completed a business analytics certificate programme, which is an online distance learning course, from the Northwestern University, the United States, in August 2016.

獨立非執行董事

梅栢權先生(「梅先生」)，57歲，於2018年1月18日獲委任為獨立非執行董事。彼負責獨立監督管理以及對本集團策略、表現、資源及操守標準事宜提供獨立判斷。

梅先生在資訊科技及電訊行業擁有逾30年經驗。彼於1986年7月至1990年1月首先加入COL Limited，擔任程式分析員。於1990年2月至1992年6月，彼於Logica Limited任職，擔任顧問。梅先生於1992年10月至1994年3月為和記傳訊有限公司的高級顧問，主要負責與業務夥伴就應用規格聯絡。彼其後於1994年4月至1997年10月在和記電訊(香港)有限公司任職，擔任固網營運的資訊科技經理，主要負責就產品評估、開發及實施領導固網資訊科技項目團隊。梅先生其後於1998年8月至1999年12月受聘於羅兵咸永道會計師事務所，擔任監督顧問。彼其後於2000年1月至2011年7月在電訊盈科有限公司任職，擔任業務發展的助理副總裁。於2011年7月至2017年1月，彼為信譽寶有限公司大中華業務發展主管。

梅先生於1986年11月取得香港嶺南學院商業學系的商業電腦研究文憑。彼其後於1998年1月取得中國中山大學的工商管理經濟學碩士學位，並於2004年9月進一步取得澳洲國立南澳大學(University of South Australia)的電腦學士學位。

鍾定鏞先生(「鍾先生」)，44歲，於2018年1月18日獲委任為獨立非執行董事。彼負責獨立監督管理以及對本集團策略、表現、資源及操守標準事宜提供獨立判斷。

鍾先生於1999年6月取得加拿大滑鐵盧大學特許會計學士學位。彼其後於2004年6月取得加拿大多倫多大學工商管理碩士學位。鍾先生亦於2013年取得多倫多大學密西沙加分校調查及鑑識會計文憑，並於2016年8月完成美國西北大學商業分析證書課程(線上遙距課程)。

Biographies of Directors and Senior Management

董事及高級管理層履歷

Mr. Chung has over 9 years of management experience. Mr. Chung worked as an assistant manager in H.C. Watt & Company Limited in Hong Kong from August 2005 to July 2006 and was mainly responsible for assisting in the initial public offering auditing. In June 2007, Mr. Chung was appointed as an independent non-executive director of Culturecom Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0343), and was subsequently redesignated as an executive director in November 2007. He resigned from Culturecom Holdings Limited in September 2016. From August 2013 to January 2017, Mr. Chung was the senior advisor of WTM Company Limited, a software development company in Hong Kong, and was responsible for advising on business strategies and development. Since November 2016, Mr. Chung has been the general manager of GoAnimate Hong Kong Limited and is responsible for its business development activities in the Asia-Pacific region.

Mr. Chung was admitted as an accredited chartered accountant under The Institute of Chartered Accountants of Ontario, Canada in November 2001 and re-designated as a chartered professional accountant in November 2012. He was also admitted as a fellow member of the Hong Kong Institute of Certified Public Accountants in June 2010. Mr. Chung is further granted as the certified fraud examiner by the Association of Certified Fraud Examiners, the United States, in May 2016. He was also certified by the American Institute of Certified Public Accountants, the United States, to be certified in financial forensics (CFF) in August 2016.

Mr. Hui Man Ho, Ivan (“Mr. Hui”), aged 40, was appointed as an independent non-executive Director on 18 January 2018. He is responsible for overseeing the management independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Group.

Mr. Hui obtained a bachelor of business degree in banking and finance from Monash University, Australia in April 2003 and further obtained two master's degrees in applied finance and practicing accounting from Monash University, Australia in November 2004 and November 2007 respectively. He was admitted as a member of CPA Australia in July 2009.

鍾先生擁有逾9年管理經驗。鍾先生於2005年8月至2006年7月在香港屈臣氏會計師事務所有限公司任職助理經理，主要負責協助首次公開發售審核。於2007年6月，鍾先生獲委任為文化傳信集團有限公司(聯交所主板上市公司，股份代號：0343)的獨立非執行董事，其後於2007年11月獲調任為執行董事。彼於2016年9月辭任文化傳信集團有限公司職務。於2013年8月至2017年1月，鍾先生為彥林志有限公司(香港一間軟件開發公司)的高級顧問，負責就業務策略及發展提供意見。自2016年11月起，鍾先生為GoAnimate Hong Kong Limited的總經理，負責該公司於亞太區的業務發展活動。

彼自2001年11月獲承認為加拿大安大略省特許會計師公會的認可特許會計師，並於2012年11月調任為特許專業會計師。彼亦於2010年6月獲承認為香港特許會計師公會的資深會員。鍾先生於2016年5月獲美國註冊舞弊查核師協會授為註冊舞弊查核師。彼亦於2016年8月獲美國註冊會計師協會授予認證財務取證師資格。

許文浩先生(「許先生」)，40歲，於2018年1月18日獲委任為獨立非執行董事。彼負責獨立監督管理以及對本集團策略、表現、資源及操守標準事宜提供獨立判斷。

許先生於2003年4月取得澳洲蒙納殊大學之商業學士學位(主修銀行和金融)，並分別於2004年11月及2007年11月進一步取得澳洲蒙納殊大學應用金融和實務會計兩個碩士學位。彼於2009年7月獲承認為澳洲會計師公會會員。

Biographies of Directors and Senior Management

董事及高級管理層履歷

Mr. Hui has over 13 years of experience in corporate finance, financial management and accounting. He worked in audit field for over 5 years. He joined Grant Thornton, an international audit firm, from November 2006 to May 2010 and was responsible for professional engagements including but not limited to annual audits, interim reviews, initial public offerings and very substantial acquisition transactions. From July 2010 to December 2013, he joined a corporate consultancy company as a consultant to provide professional services including but not limited to preparing statutory documents and ensuring the documents comply with the HKFRSs. Mr. Hui was employed by Zhongda International Holdings Limited as an assistant financial controller from July 2010 to July 2017 and was mainly responsible for preparing group consolidation financial statements, announcements and circulars and also participating in financial matters of various projects. The listing of shares of Zhongda International Holdings Limited on the Main Board of the Stock Exchange was cancelled on 8 March 2019. Mr. Hui has been an independent non-executive director of Upbest Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 0335), a company principally engaged in provision of financial services, since July 2012. From August 2017 to January 2019, Mr. Hui was employed as the company secretary of Cocoon Holdings Limited (formerly known as Huge China Holdings Limited) (a company listed on the Main Board of the Stock Exchange, stock code: 428). From March 2018 to June 2018, Mr. Hui was a non-executive director of Cocoon Holdings Limited. Mr. Hui has been the company secretary, authorised representative and process agent of On Real International Holdings Limited (a company listed on GEM, stock code: 8245), a company providing two-way radio product designer are manufacturer, since February 2019.

SENIOR MANAGEMENT

Ms. Wong Ka Man, Jazzy (“Ms. Jazzy Wong”), aged 40, is the senior manager of SE Engineering and is responsible for assisting Ms. Danielle Sun in conducting the Group’s sales and marketing. She is also a director of SE Shenzhen. Ms. Jazzy Wong obtained a bachelor of arts degree in computing from The Hong Kong Polytechnic University in November 2004. Prior to joining the Group, she worked at South China Media Limited as web developer in the online department from July 2000 to September 2000. She joined SE Engineering in October 2000.

Ms. Jazzy Wong is the spouse of Mr. Tony Yuen (one of the executive Directors and controlling shareholders of the Company), and a sister-in-law of Ms. Pauline Yuen (one of the executive Directors and controlling shareholders of the Company) and Mr. Joseph Yam (the non-executive Director).

許先生在企業融資、財務管理和會計方面擁有逾13年經驗。彼於審計領域工作逾5年。彼自2006年11月至2010年5月加入致同(一間國際審計公司)，並負責專業工作，包括但不限於年度審計、中期審查、首次公開發售和非常重大收購交易。自2010年7月至2013年12月，彼加入一間企業顧問公司擔任顧問，提供的專業服務包括但不限於準備法定文件及確保文件符合香港財務報告準則。許先生自2010年7月至2017年7月受聘於中大國際控股有限公司擔任助理財務總監，並主要負責編製集團綜合財務報表、公佈及通函，並參與各個項目的財務事宜。中大國際控股有限公司股份於聯交所主板上市已於2019年3月8日註銷。許先生自2012年7月起一直擔任美建集團有限公司(一間在聯交所主板上市的公司，股份代號：0335)的獨立非執行董事，該公司主要從事提供金融服務。於2017年8月至2019年1月，許先生擔任中國天弓控股有限公司(前稱匯嘉中國控股有限公司，一間於聯交所主板上市的公司，股份代號：428)的公司秘書。於2018年3月至2018年6月，許先生為中國天弓控股有限公司的非執行董事。許先生自2019年2月起擔任安悅國際控股有限公司(一間於GEM上市的公司，股份代號：8245，公司為雙向無線對講機產品設計及製造商)的公司秘書、授權代表及法律程序文件代理人。

高級管理層

王嘉敏女士(「王嘉敏女士」)，40歲，為專訊工程高級經理，負責協助孫毅珠女士進行本集團銷售及營銷工作。彼亦為專訊深圳之董事。王嘉敏女士於2004年11月取得香港理工大學的電子計算學士學位。於加入本集團之前，彼曾由2000年7月至2000年9月在南華傳媒有限公司擔任網絡部網頁開發員。彼於2000年10月加入專訊工程。

王嘉敏女士為阮國偉先生(執行董事及本公司控股股東之一)的配偶以及阮美玲女士(執行董事及本公司控股股東之一)及任超凡先生(非執行董事)的姻姊妹。

Biographies of Directors and Senior Management

董事及高級管理層履歷

Mr. Chou Chiu Ho (“Mr. Chou”), aged 37, is the company secretary and financial controller of the Group, and is responsible for overseeing the Group’s financial reporting, financial planning, financial control and company secretarial matters. He first joined as the company secretary of SE Technology in September 2015 and was subsequently promoted as the company secretary and financial controller in November 2016. He was appointed as the company secretary of the Company in November 2015. Mr. Chou has interests, within the meaning of Part XV of the Securities and Futures Ordinance, in 35,100,000 shares of the Company, representing approximately 4.39% of the issued share capital of the Company.

Mr. Chou has over 10 years of experience in accounting and auditing. Prior to joining the Group, Mr. Chou worked in an accounting firm from September 2003 to January 2006, with his last position being semi-senior auditor. He then joined PricewaterhouseCoopers from January 2006 to December 2010. From January 2011 to March 2012, Mr. Chou worked as the head of corporate services of Beijing Sports and Entertainment Industry Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1803) (formerly known as ASR Logistics Holdings Limited). Since April 2013, Mr. Chou has been working as the financial controller and company secretary of Millennium Pacific Group Holdings Limited (a company listed on GEM, stock code: 8147) (“**MP Group**”). Mr. Chou resigned as the financial controller and the company secretary of MP Group in September 2014 and March 2017 respectively. Mr. Chou also served as the chief financial officer of HF Financial Group Limited and subsequently transferred to HF Management (China) Limited from January 2015 to July 2016. Since September 2017, Mr. Chou has been the director of Archon Prime Strategic Investment (Group) Limited.

Mr. Chou obtained a bachelor of arts degree in accountancy from the Hong Kong Polytechnic University in November 2003. Mr. Chou was admitted as a member of the Hong Kong Institute of Certified Public Accountant in November 2011. He was also admitted as a member of the Association of Chartered Certified Accountants in November 2010 and subsequently a fellow member in November 2015.

周昭何先生(「周先生」)，37歲，為本集團公司秘書及財務總監，負責監督本集團的財務申報、財務規劃、財務控制及公司秘書事宜。彼先於2015年9月加入專訊科技擔任公司秘書，其後於2016年11月獲晉升為公司秘書及財務總監。彼於2015年11月獲委任為本公司的公司秘書。周先生於本公司35,100,000股股份中擁有證券及期貨條例第XV部所界定的權益，相當於本公司已發行股本約4.39%。

周先生在會計及審核方面擁有逾10年經驗。在加入本集團之前，周先生於2003年9月至2006年1月在一間會計師事務所工作，其最後職位為中級核數師。彼其後於2006年1月至2010年12月加入羅兵咸永道會計師事務所。由2011年1月至2012年3月，周先生擔任聯交所主板上市公司北京體育文化產業集團有限公司(股份代號：1803，前稱瀚洋物流控股有限公司)的企業服務主管。自2013年4月起，周先生一直擔任GEM上市公司匯思太平洋集團控股有限公司(股份代號：8147) (「**匯思太平洋集團**」)的財務總監及公司秘書。周先生已分別於2014年9月及2017年3月辭任匯思太平洋集團的財務總監及公司秘書。周先生亦於2015年1月至2016年7月擔任匯福金融集團有限公司(其後轉職匯福管理(中國)有限公司)的財務總監。自2017年9月起，周先生一直為職人策略投資(集團)有限公司的董事。

周先生於2003年11月在香港理工大學取得會計學文學士學位。周先生於2011年11月獲承認為香港會計師公會會員。彼亦於2010年11月獲承認為英國特許公認會計師公會會員，其後於2015年11月獲承認為資深會員。

Environmental, Social and Governance Report

環境、社會及管治報告

1 BACKGROUND

The Company was incorporated and registered as an exempt company in the Cayman Islands with limited liability under the Companies Law, (as revised) of the Cayman Islands on 16 October 2015.

The Company is an investment holding company. The Group is principally engaged in sales of biometrics identification devices and security products and provision of application software and repair and maintenance services during the year ended 31 March 2019 which is same as those of last year. The Company is listed on GEM of the Stock Exchange on 14 February 2018 (stock code: 8379).

This Review covers the Group's overall performance in two subject areas, namely, Environmental and Social of the business operations in Hong Kong office for the period from 1 April 2018 to 31 March 2019 (the "Period under Review"), unless otherwise stated.

2 FOREWORD

The Group primarily adopts the principles and basis of the ESG Guide as set out in Appendix 20 of the GEM Listing Rules, with an aim to establish a sound environmental, social and governance structure. This Review has complied with the "**Comply or explain**" provisions of the ESG Guide.

This report comprises the review of environmental, social and governance areas, which sets out the Company and its major subsidiaries' policies and practices in respect of three environmental aspects and eight social aspects in accordance with ESG Guide for the Period under Review. This report is designed to allow the Company's stakeholders, such as shareholders, investors, customers, suppliers, employees, creditors, regulators and the general public to have comprehensive understanding of the long-term sustainability information of the Group. The Group seeks to balance the views and interests of these stakeholders through constructive conversation with a view to setting the course for long term prosperity. The Board is responsible for evaluating and determining the environmental, social and governance risks of the Group, and ensuring that relevant risk management and internal control systems are in place and operate effectively.

1 背景

本公司於2015年10月16日在開曼群島註冊成立，為根據開曼群島《公司法》(如經修訂)設立並登記的獲豁免有限責任公司。

本公司為投資控股公司。本集團主要從事生物特徵識別設備及保安產品的銷售並提供應用軟件以及修理及維護服務，截至2019年3月31日止年度，主要業務與上一年度相同。本公司於2018年2月14日在聯交所GEM上市(股份代號：8379)。

除非另有說明，是次審查涵蓋範圍為2018年4月1日至2019年3月31日期間(「回顧期內」)本集團在兩個主要領域的整體表現，即香港辦事處業務營運的環境與社會領域。

2 前言

本集團主要採用《GEM上市規則》附錄20《環境、社會及管治(ESG)報告指引》中所列的原則及基礎，旨在建立健全的環境、社會及管治結構。是次審查符合《ESG報告指引》的「**不遵守就解釋**」規定。

本報告包括對環境、社會及管治領域的審查，闡述本公司及主要附屬公司於回顧期內依照《ESG報告指引》在三個環境層面及八個社會層面的政策及慣例。本報告旨在令本公司的利益相關者，如股東、投資者、客戶、供應商、僱員、債權人、監管者及公眾對本集團的長期可持續性資訊有全面的瞭解。本集團致力於透過建設性對話以平衡上述利益相關者的觀點及利益，以期建立長期繁榮的路徑。董事會負責評估及確定本集團的環境、社會及管治風險，並確保相關風險管理及內部控制系統就緒並有效運作。

Environmental, Social and Governance Report

環境、社會及管治報告

The table underneath showed aspects on the ESG Guide to be assessed and those ESG issues were determined to be material to the Group.

下表列示《ESG報告指引》中需要評估的層面，以及釐定為對本集團而言屬重大的ESG議題。

ESG Aspects as set forth in ESG Guide 《ESG報告指引》中所載ESG層面

Material ESG issues to the Group 對本集團而言屬重大的ESG議題

(A) Environmental	
(A) 環境	
A1 Emissions	Electricity consumption
A1 排放物	用電量
A2 Use of Resources	Use of energy and paper
A2 資源使用	能源及紙張的使用
A3 Environment and Natural Resources	
A3 環境及天然資源	
(B) Social	
(B) 社會	
B1 Employment and Labour Practices	Labour practices
B1 僱傭及勞工常規	勞工常規
B2 Health and Safety	Workplace health and safety
B2 健康與安全	工作場所的健康與安全
B3 Development and Training	Employee development and training
B3 發展及培訓	員工發展及培訓
B4 Labour Standards	Anti-child and forced labour
B4 勞工準則	反童工及強制勞工
B5 Supply Chain Management	Supply chain management
B5 供應鏈管理	供應鏈管理
B6 Product Responsibility	Product responsibility
B6 產品責任	產品責任
B7 Anti-corruption	Anti-corruption, fraud prevention and anti-money laundering
B7 反貪污	反貪污、反欺詐及反洗錢
B8 Community Involvement	Community programs, employee volunteering and donation
B8 社區投資	社區活動、員工志願活動及捐贈

Environmental, Social and Governance Report

環境、社會及管治報告

A. ENVIRONMENTAL

Environmental protection is one of the core values of the Group. The Group has proactively looked for and implemented new technology at various stages of its business in order to minimise its impact on the environment. The Group's products are designed to be safe and environmental friendly for customer use, meaning recyclable and safe to dispose materials are specified in its designs, and clean production processes are adopted in its business process. Moreover, unnecessary packaging that can cause harm to environment is not introduced into its products.

The Group considers environmental protection an essential component of sustainable and responsible business. The Group strives to negative impacts on the environment and to seek environmental friendly methods of operation. Given the nature of the Group's business, electricity was the most significant resources consumed in Hong Kong, Macau and Shenzhen, the PRC during the Period under Review.

The Current Environmental Policies

The Group's main task is to measure and report the efforts in reducing carbon footprints, promote waste reduction at source, enhance its waste disposal management and set targets on environmental performance. To minimise the environmental impacts concerning the activities, products and services, the Group will:

- Comply with applicable legal requirements and other requirements which relate to the Group's environmental aspects, and to which the Group subscribes;
- Identify environmental impacts associated with the operations and set the targets to reduce stress on the environment in consideration of social expectations;
- Prevent pollution, reduce waste and minimise the consumption of resources from all daily operations and actively promote recycle, reuse and replace;
- Educate, train and motivate employees to develop a social viewpoint that enables them to conduct business activities in an environmentally responsible manner.

A. 環境

環境保護為本集團的核心價值之一。本集團在業務各個階段積極尋找並實施新技術，以儘量減少其對環境的影響。本集團之產品旨在對客戶使用而言為安全的、環保的，即在其設計中採用可回收以及能安全處置的材料，並在其生產流程中採用清潔生產工藝。此外，未對產品使用會對環境造成危害的不必要之包裝。

本集團認為，環境保護為可持續與負責任的業務的重要構成部分。本集團致力於減低對環境產生的負面影響，並尋求環境友好的營運方式。鑒於本集團的業務性質，於回顧期內在香港澳門地區及中國深圳市，電力為消耗量最大的資源。

當前的環境政策

本集團的主要任務為測量並匯報減少碳足跡的成果，從源頭上促進廢棄物減少，加強廢棄物處理管理，並設定環境績效目標。為儘量減少活動、產品與服務對環境的影響，本集團將：

- 遵守與本集團的環境層面有關及本集團所牽涉的適用法律規定及其他規定；
- 識別營運中引致的環境影響，並參考社會期望設定目標，以減低環境壓力；
- 防止污染，減少浪費，最大限度地減少日常營運中的資源消耗，積極促進回收、再利用及替換；
- 教育、培訓及激勵員工建立社會觀點，能夠以一種對環境負責的方式開展商業活動。

Environmental, Social and Governance Report

環境、社會及管治報告

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

- a. the Law of the PRC on Import and Export Commodity Inspection 《中華人民共和國進出口商品檢驗法》,
- b. Guangdong Province are governed by Guangdong Safety Technology and Prevention Regulation 《廣東省安全技術防範管理條例》,
- c. Product Quality Law of the PRC 《中華人民共和國產品質量法》,
- d. Environmental Protection Law of the PRC 《中華人民共和國環境保護法》,
- e. the Law of the PRC on Prevention and Control of Environmental Noise Pollution 《中華人民共和國環境噪聲污染防治法》,
- f. the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes 《中華人民共和國固體廢物污染環境防治法》,
- g. the Regulations on the Administration of Construction Project Environmental Protection 《建設項目環境保護管理條例》, and
- h. the Anti-terrorian Law of the People's Republic of China 《中華人民共和國反恐怖主義法》 and Guangdong Safety Technology and Prevention Regulation 《廣東省安全技術防範管理條例》.

本集團致力確保其業務營運遵守以下具有重大影響的法律及法規：

- a. 《中華人民共和國進口商品檢驗法》,
- b. 廣東省受《廣東省安全技術防範管理條例》管轄,
- c. 《中華人民共和國產品質量法》,
- d. 《中華人民共和國環境保護法》,
- e. 《中華人民共和國環境噪聲污染防治法》,
- f. 《中華人民共和國固體廢物污染環境防治法》,
- g. 《建設項目環境保護管理條例》, 及
- h. 《中華人民共和國反恐怖主義法》及《廣東省安全技術防範管理條例》。

Environmental, Social and Governance Report

環境、社會及管治報告

A1.1 Emissions Data from Gaseous Fuel Consumption

During the Period under Review, the key environmental impacts from the Group's operations were energy and paper consumption. To achieve environmental protection, the Group encourages employees increase the use of e-statement or scanning instead of traditional photocopying to reduce the use of paper and greenhouse gas emissions; to switch-off all computers and office equipment (such as lighting and air-conditioner) at the end of each working day.

- a) Since the Group did not have town fuel and town gas consumption during the Period under Review, therefore no emissions data applied.
- b) the Company had certain motor vehicles during the Period under Review, the emissions data applied to the Group's motor vehicles are set out below:

A1.1 氣體燃料消耗的排放資料

於回顧期內，本集團營運中的主要環境影響為能源及紙張使用。為實現環境保護，本集團鼓勵員工增加使用電子報表或掃描代替傳統複印，以減少紙張使用及溫室氣體排放；每個工作日結束時，關閉所有電腦與辦公設備（如照明及空調）。

- a) 由於本集團於回顧期內並無消耗城市燃料及城市氣體，故並無應用排放物數據。
- b) 於回顧期內，本公司擁有若干汽車。應用於本集團汽車的排放數據載列如下：

Key Performance Index ("KPI") 關鍵績效指標 (「關鍵績效指標」)

	2019	2018	Unit	% increase/ (decrease) 增加/(減少) 之百分比%
	2019年	2018年	單位	
NOx 氮氧化物	72	321	Grams 克	(78%)
SOx 硫氧化物	137	623	Grams 克	(78%)
PM 可入肺顆粒物	5	24	Grams 克	(78%)
Total 總數	214	968	Grams 克	(78%)

Environmental, Social and Governance Report

環境、社會及管治報告

A1.2 Greenhouse Gas Emission

A1.2 溫室氣體排放

	KPI 關鍵績效指標			
	2019 2019年	2018 2018年	Unit 單位	% increase/ (decrease) 增加/(減少) 之百分比%
Scope 1 範圍 1				
Direct Emission 直接排放	25,093	114,196	Kg 公斤	(78%)
Scope 2 範圍 2				
Indirect Emission 間接排放	47,003	47,998	Kg 公斤	(2%)
Scope 3 範圍 3				
Other indirect Emission 其他間接排放	9,147	3,737	Kg 公斤	145%
Total 總數	81,243	165,931	Kg 公斤	(51%)

During the Period under Review, there were 81,243 kg (2018: 165,931 kg) of carbon dioxide equivalent greenhouse gases (mainly carbon dioxide, methane and nitrous oxide) emitted from the Group's operation.

於回顧期內，本集團營運產生的二氧化碳當量溫室氣體(主要為二氧化碳、甲烷及氧化亞氮)為81,243公斤(2018年：165,931公斤)。

The total gross floor area coverage for the Group during the Period under Review was 1,161 m² (2018: 900 m²). The annual emission intensity was 72.6 Kg CO₂ e/m² (2018: 184.4 Kg CO₂ e/m²).

於回顧期內，總建築面積為1,161平方米(2018年：900平方米)。年排放密度為每平方米72.6公斤二氧化碳當量(2018年：每平方米184.4公斤二氧化碳當量)。

The decrease of above was mainly due to efficient environmental control during the Period under Review as a result of the increase of the Group's awareness on environmental protection.

上述減少主要因為，於回顧期內因本集團環境保護意識提高致使實施有效的環境控制措施。

Compliance with relevant laws and regulations:

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste of the Group during the Period under Review. In addition, no significant fines or non-monetary sanctions for non-compliance with relevant laws and regulations had been reported in the Period under Review.

遵守有關法律及規例：

於回顧期內，本集團未有發現任何違反有關空氣及溫室氣體排放、用水及土地排放、產生有害及無害廢棄物等相關法律及法規的重大事件。此外，於回顧期內未有報告有關不遵守法律及規例的重大罰款或非貨幣制裁。

Environmental, Social and Governance Report

環境、社會及管治報告

A1.3 Non-hazardous Waste

The Group generates no hazardous waste in its operation. However, there were non-hazardous waste arose from the use of electricity under the Group's operation but the management of the Group believed that these non-hazardous waste would be insignificant.

A2 Use of resource

The Group is committed to minimising the impact of business activities on the environment, and supporting environmental protection programmes. In particular, a number of initiatives designed to conserve resources were introduced to promote employee awareness of the need to achieve efficient utilisation of resources.

Energy conservation will not be effective without the support of employees. The Group has been encouraging employees to establish energy-saving habits at its office, such as switching off lights and electronic appliances before leaving the office, as well as maintains indoor temperature at 25.5°C. To further conserve electricity, the Group has leased energy-efficient high-speed printers for its daily operation.

During the Period under Review, the energy consumption by type in total of the Group are showed as below:

A1.3 無害廢棄物

本集團在營運過程中不產生有害廢棄物，但在本集團營運中由於使用電力而產生無害廢棄物，然而本集團管理層相信此等無害廢棄物無關緊要。

A2 資源使用

本集團致力於最大限度減少商業活動對環境的影響，並支持環境保護計畫。特別是，引入一系列旨在節約資源的舉措，以提高員工對實現資源有效利用必要性的意識。

沒有員工的支持，節能就無法有效。本集團一直鼓勵員工在辦公場所建立節能習慣，如在離開辦公室前關閉燈與電子設備，並保持室內溫度在25.5度。為進一步節約電力，本集團已為日常營運租用節能型高速列印機。

於回顧期內，本集團按類別劃分的總能源消耗情況如下：

	KPI 關鍵績效指標			
	2019 2019年	2018 2018年	Unit 單位	% increase/ (decrease) 增加/(減少)之 百分比%
Electricity consumed 用電量	87,043	88,885	kWh 千瓦時	(2%)
Oil consumed 油耗量	108,260	492,687	kWh 千瓦時	(78%)
Total energy consumed 總能源消耗量	195,303	581,572	kWh 千瓦時	(66%)
Total floor are of facilities 設施總樓面面積	1,161	900	m ² 平方米	29%
Electricity consumed per square meter 每平方米用電量	168	646	kWh/m ² 千瓦時/平方米	(74%)

Environmental, Social and Governance Report

環境、社會及管治報告

A3 Environmental and Natural Resources

The Group's activities did not have direct significant impact to the environment and natural resources beyond the resource consumption and emissions issues discussed above. The Group will continue to explore ways of integrating environmental considerations into its business decisions and the services it provides, including promoting and supporting ways to combat climate change.

There was no non-compliance case noted in relation to environmental laws and regulations for the Period under Review.

B. SOCIAL

Being a responsible business and employer, the Group are committed to consistently looking for ways to meet the corporate social responsibilities. The Group focuses on its staff, environment and community as well as its business partners.

B1 Employment and Labour Practices

The Group places a significant emphasis on developing human capital, provides competitive remuneration and welfare packages. Promotion opportunities and salary adjustments are benchmarked against individual performance. Employees are entitled to benefits such as annual leave, sick leave, maternity leave, marriage leave, funeral leave and medical coverage in accordance with local regulations.

The Group emphasises on equal opportunities for all personnel in respect of hiring, pay rates, training and development, promotion and other terms of employment. The Group is committed to providing a work environment free from any form of discrimination on the basis of ethnicity, gender, religion, age, disability or sexual orientation.

The Group has a wide diversity of cultures including employees with different genders, ages, skills, educational backgrounds, industry experiences and other qualifications in order to achieve the most suitable composition and balance.

The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund for the Group's Hong Kong employees, fringe benefits include flexible leave arrangement, medical coverage scheme and annual dinner.

The Group complies with relevant ordinances and statutory requirements, such as the Employment Ordinance, Employees' Compensation Ordinance and the Mandatory Provident Fund Schemes Ordinance of Hong Kong. During the Period under Review, the Group has had no non-compliance case regarding violation of any laws and regulations on employment.

A3 環境與自然資源

除上述資源消耗與排放問題外，本集團的活動對環境及自然資源無直接的重大影響。本集團將繼續探尋途徑，將環境因素納入業務決策及提供的服務，包括促進及幫助應對氣候變化的途徑。

於回顧期內，未發現違反環境法律及規例的個案。

B. 社會

作為負責任的企業與僱主，本集團致力於始終如一地尋求滿足企業社會責任的途徑。本集團專注於其員工、環境、社區以及其商業夥伴。

B1 僱傭及勞工常規

本集團十分重視發展人力資本，提供有競爭力的薪酬與福利待遇。個人表現是晉升機會及薪金調整的基準。根據當地規定，職工享有年假、病假、產假、婚假、喪假、醫療保險等福利待遇。

本集團注重令所有人員在聘用、薪酬、培訓及發展、晉升以及其他僱傭層面的機會均等。本集團致力於提供不受種族、性別、宗教、年齡、殘疾或性取向歧視的工作環境。

本集團有廣泛的文化多樣性，包括不同性別、年齡、技能、教育背景、行業經驗及其他資格的僱員，以達到最適當的構成與平衡。

本集團的薪酬方案是根據個人表現、工作經驗以及市場中的現行薪酬水平而構成的。另外，本集團的香港員工除基本工資及強制性公積金外，附加福利包括靈活的休假安排，醫療保險方案及年度晚宴。

本集團遵守相關條例與法例要求，如僱傭條例，僱員補償條例以及香港強制性公積金計劃條例。於回顧期內，本集團並無違反任何有關僱傭法律及規例的個案。

Environmental, Social and Governance Report

環境、社會及管治報告

The employee handbook of the Group's PRC subsidiary had been developed in accordance with the Labour Law of the PRC and has been distributed to all employees since they joined. The remuneration policies are determined on the basis of performance, qualification and experience of individual employee. The remuneration generally includes salaries and allowances.

During the Period under Review, the Group's PRC subsidiary had subscribed to those basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity insurance as prescribed by the Social Insurance Law of the PRC, as well as housing fund schemes as prescribed by the Regulations on the Administration of Housing Fund.

Employees' wages, overtime payments and related benefits are made not less than the local government's minimum requirements. The normal working hours for general employees are normally 8 hours a day and 40 hours a week. Integrated computation of working hours is implemented with reference to the requirements of the Labour Law of the PRC.

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

- a. Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong),
- b. Occupiers Liability Ordinance (Chapter 314 of the Laws of Hong Kong),
- c. Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong),
- d. Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong),
- e. Construction Workers Registration Ordinance (Chapter 583 of the Laws of Hong Kong),
- f. Regulatory Regime to which SE Macau is subject in relation to Labour Matters in Macau,
- g. the Labor Law of the PRC《中華人民共和國勞動法》,
- h. the Labor Contract Law of the PRC, the Provisional Regulations on Collection and Payment of Social Insurance Premium《社會保險費徵繳暫行條例》, and
- i. The Regulations on Management of Housing Provident Fund《住房公積金管理條例》.

本集團中國附屬公司的員工手冊為根據中國勞動法制定，於員工加入公司時向其派發。薪酬政策根據個別員工的績效、資格與經驗來確定。薪酬一般包括薪金及津貼。

於回顧期內，本集團位於中國的附屬公司，為員工購買《中華人民共和國社會保險法》規定的基本養老保險、基本醫療保險、失業保險、工傷保險、生育保險以及《住房公積金管理條例》規定的住房公積金。

僱員的工資、加班費與相關福利不低於當地政府的最低要求。一般員工的正常工作時間通常為每天8小時，每週40小時。工時綜合計算參照《中華人民共和國勞動法》的規定實施。

本集團致力確保其業務營運遵守以下具有重大影響的法律及法規：

- a. 香港法例第282章《僱員補償條例》，
- b. 香港法例第314章《佔用人法律責任條例》，
- c. 香港法例第608章《最低工資條例》，
- d. 香港法例第485章《強制性公積金計劃條例》，
- e. 香港法例第583章《建造業工人註冊條例》，
- f. 專訊澳門就澳門勞工事務受規限的監管制度，
- g. 《中華人民共和國勞動法》，
- h. 《中華人民共和國勞動合同法》及《社會保險費徵繳暫行條例》，及
- i. 《住房公積金管理條例》。

Environmental, Social and Governance Report

環境、社會及管治報告

Staff Composition

As at 31 March 2019, the Group employed a total of 70 (2018: 65) staff, including operational office, sales and marketing, and back office division. All staff members are allocated in Hong Kong and the PRC.

人員構成

於2019年3月31日，本集團共僱用70名員工（2018年：65名），包括業務辦公室、銷售、市場行銷部及後臺辦公室。所有工作人員均分派在香港以及中國。

a) Employee's Age and Gender Distribution

Age Group 年齡組別	2019 2019年		2018 2018年	
	Male 男	Female 女	Male 男	Female 女
0-15 0歲-15歲	0%	0%	0%	0%
16-18 16歲-18歲	0%	0%	0%	0%
19-30 19歲-30歲	24%	6%	20%	5%
31-45 31歲-45歲	30%	10%	32%	17%
46-60 46歲-60歲	17%	11%	15%	9%
= 61/>61 61歲或以上	2%	0%	2%	0%
Total 總數	73%	27%	69%	31%

a) 按年齡劃分的僱員性別分佈

b) Employee's Geographical and Gender Distribution

District 地區	2019 2019年		2018 2018年	
	Male 男	Female 女	Male 男	Female 女
Hong Kong 香港	50%	17%	55%	22%
The PRC 中國	23%	10%	14%	9%
Total 總數	73%	27%	69%	31%

b) 按地區劃分的僱員性別分佈

Environmental, Social and Governance Report

環境、社會及管治報告

The Group will continue to provide a well-structured and caring environment to employees to raise their sense of belonging and work efficiency in the Group.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on the Group during the Period under Review. In addition, no non-compliance with relevant laws and regulations that resulted in significant fines or sanctions had been reported during the Period under Review.

B2 Employee Health and Safety

The management recognises that the operational efficiency of an enterprise and the maintenance of a health and safety working environment for all employees are closely related. The Group continues to maintain a healthy and safety working environment for its employees so as to attract and retain talented employees which in line with established internal guidelines and systems of the Group.

The Group provides its employee with flexible rest leave arrangement, medical and hospital scheme. The Group understands that a good working environment for its employees with a safe and comfortable working condition is very important. A set clear guideline of work arrangement under typhoon and rainstorm warning had been formulated by the Group for its employees to follow.

Occupational Health and Safety Data

The information of work accident are set out below:

Health and Safety 健康與安全	2019 2019年		2018 2018年	
	Male 男性	Female 女性	Male 男性	Female 女性
Number of work-related fatalities 因工作關係而死亡的人數	0%	0%	0%	0%
Lost days due to work injury 因工傷損失工作日數	0%	0%	0%	0%

During the Period under Review, the Group had no non-compliance cases regarding violation of relevant laws and regulations on occupational health and safety.

本集團將繼續為員工提供結構良好、關愛的環境，以提高本集團員工的歸屬感與工作效率。

於回顧期內，本集團在補償與解僱、招聘與晉升、工作時間、休息時間、機會均等、多樣性、反歧視及其他福利及待遇等法律及規例等方面，未發現任何重大的違規事件。此外，於回顧期內，未有任何因不遵守有關法律及規例導致重大罰款或制裁的報告。

B2 員工健康與安全

管理層認識到企業的營運效率與為全體員工維持一個健康安全的工作環境密切相關。本集團繼續為員工維持健康及安全的工作環境，以吸引並留住符合本集團既定的內部準則與制度的優秀員工。

本集團為員工提供靈活的休息休假安排、醫療及醫院計畫。本集團明白為員工提供一個安全、舒適的工作環境非常重要。本集團已制定明晰的颱風、暴雨警告工作安排指引，以便員工據此行事。

職業健康與安全資料

工作事故的資料如下表所示：

於回顧期內，本集團並未發生任何違反有關職業健康與安全的法律及規例的個案。

Environmental, Social and Governance Report

環境、社會及管治報告

B3 Development and Training

Staff development is an important aspect of the Group's human resources policy. The Group places a strong emphasis on providing training to its employees to retain appropriate and suitable personnel for its long-term development.

The Group has committed to provide on-the-job education and training to its employees in order to enhance their knowledge and skills. All employees are encouraged to enhance their skills and knowledge at every opportunity in order to perform their current job more efficiently and effectively and to be better prepared for career opportunities which may arise. During the Period under Review, regular training courses were provided to the employees included but not limited to orientation training, technical training and quality training.

Performance evaluations are initiated annually. In order to recognise the value in the skill and experience of the Group's employees, the Group has adopted a policy that any promotions will be considered internally first before hiring any outside staff. It is the Group's policy to select the most suitable candidate for appointment to a higher rank based on merit, rather than on the seniority of the candidates.

B4 Labour Standards

The Group is fully awarded that child labour and forced labour violate fundamental human rights, International Labour Conventions and Recommendations poses a threat to sustainable social and economic development. Therefore, the Group strictly complied with relevant laws and regulations. The Group prohibits the use of child labour by reviewing the actual age of the interviewee during the recruitment process, including the examination of identity documents and detailed records. The Group only carries out the requirements of standard labour contract and does not use any means to unfairly restrict the employment relationship between employee and the enterprise by, for example, withholding a deposit or identity documents.

For entry registration, all employees must present valid documents to the Group as follows: (i) identity card and vocational qualification certificate; (ii) social security card; (iii) medical or health certificate; (iv) recent photos; and (v) other relevant information and documents. The above procedures can ensure no child labour will be employed.

Being people-oriented, the Group has hosted various social events and activities such as company trips and parties for its employees with the aim of promoting work-life balance.

During the Period under Review, the Group had no non-compliance cases regarding violation of relevant child labour and forced labour laws.

B3 發展及培訓

員工發展是本集團人力資源政策的重要一環。本集團非常重視向員工提供培訓，以留住合適人員，促進公司的長遠發展。

本集團致力於為員工提供在職教育與培訓，以提高其知識與技能。鼓勵所有員工利用每一個機會提高自己的技能與知識，以更高效率、更有效果的方式執行其目前的工作，並更好地為可能出現的職業機會做好準備。於回顧期內，本集團為員工提供定期培訓課程，包括但不限於定向培訓、技術培訓及質素培訓。

績效評估每年進行。為認識到本集團員工的技能與經驗的價值，本集團實行一項政策，即在招聘任何外部員工之前，首先應考慮內部晉升。本集團的政策是，為較高的職位選擇最合適的候選人時，以候選人的功績而非年資為基礎。

B4 勞工準則

本集團充分認識到，童工及強制勞工違反基本人權、國際勞工公約，並可能對社會與經濟的可持續發展構成威脅。因此，本集團嚴格遵守相關法律及規例。本集團透過審查在招聘過程中被調查者的實際年齡，包括對身份證件與詳細記錄的審查，以避免使用童工。本集團僅執行標準勞動合同的要求，不使用任何手段，例如扣留定金或身份證件，不公平地限制僱員與公司之間的僱傭關係。

入職登記時，所有員工必須向本集團提供以下有效文件：(i) 身份證及職業資格證書；(ii) 社會保障卡；(iii) 醫療或健康證明；(iv) 近期相片；及(v) 其他相關資訊及檔案。上述流程可確保避免僱用童工。

本集團以人為本，為員工提供各式各樣的社交及活動，如公司旅行及派對等，目的是促進工作與生活的平衡。

於回顧期內，本集團並無違反有關童工及強制勞工法例的個案。

Environmental, Social and Governance Report

環境、社會及管治報告

B5 Supply Chain Management

The Group has the greatest respect for the laws and regulations that govern its business. The Group always adheres to international best practices and conducts fair and unbiased procurement processes when dealing with suppliers.

The Group adheres to the principle of transparency and implements the value of honesty, integrity and fairness in its supply chain management. The Group's procurement procedures provide directions and guidelines on evaluation and engagement when dealing with suppliers of goods and services to ensure business is conducted with legally, financially and technically-sound entities. In addition, approval procedures are in place to ensure that supplier engagements are monitored and approved by the appropriate level of management.

During the selection process of suppliers, the Group takes into account such as its reputation, quality of services and products, past performance and green elements.

B6 Product Responsibility

A high priority for the Group is to ensure customer satisfaction in terms of the 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 requires its employees to comply with applicable governmental and regulatory laws, rules, codes and regulations.

The Company was awarded Hong Kong Star Brand Award (Enterprise) (“香港星級品牌大獎(企業)”) and also Hong Kong Star Brand Award (Innovation and Technology) (“香港星級品牌大獎(創新及科技)”), organised by Hong Kong Small and Medium Enterprise Association (“香港中小企業聯合會”); and the Company was also recognised as one of the most influential security brands in the PRC in 2017 by China Public Security (“CPS中安網”) and China Public Security Publisher (“中國公共安全雜誌社”) in Shenzhen, the PRC.

During the Period under Review, the Group did not have any recalled products and did not receive any complaint from its customers in relation to either its quality of service or products. The Group had no non-compliance cases regarding violations of relevant laws and regulations on product responsibility and data privacy.

B5 供應鏈管理

本集團對規管其業務的法律及規例給予最大的尊重。本集團始終堅持國際最佳做法，在選擇供應商時，採用公平公正的採購流程。

本集團堅持透明原則，在供應鏈管理中實現誠實、信用及公平的價值。在選擇貨物與服務供應商時，本集團的採購流程為其提供評價及參與的指引及說明，以確保交易對方為法律、財務及技術上健全的實體。此外，批准流程亦已就緒，以確保供應商的訂約得到適當的管理層的監察與批准。

在供應商選擇過程中，本集團的考慮因素包括其聲譽、服務及產品質素、舊有業績以及環保因素。

B6 產品責任

本集團的首要任務是確保客戶在產品及服務方面的滿意度。本集團作出巨大努力，以確保遵守與本集團業務營運的司法權區的產品健康與安全、廣告、標籤及私隱有關的相關法律及規例。本集團要求其僱員遵守適用的政府與監管法律、規例、準則及規定。

本公司榮獲由香港中小企業聯合會頒發的「香港星級品牌大獎(企業)」及「香港星級品牌大獎(創新及科技)」兩個獎項；本公司並在中國深圳獲得由CPS中安網及中國公共安全雜誌社認證的2017中國最具影響力的安全品牌之一。

於回顧期內，本集團無召回任何產品，亦並未接獲任何客戶作出關於其服務或產品質素的投訴。本集團並未出現違反有關產品責任或資料私隱的法律及規例的個案。

Environmental, Social and Governance Report

環境、社會及管治報告

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 environment in the workplace.

The management believes that the integrity of business is the foundation of corporate social responsibility, as well as a fundamental element for a business's competitive advantage and sustainability. The Group is committed to the highest possible standards of openness, probity and accountability.

To combat corruption and to govern conflicts of interest, unless with the Group's approval, Directors and employees are prohibited from accepting any valuable items from co-workers, customers, suppliers or other stakeholders. Unless with approval the Board, senior management members are also prohibited from engaging in any activities that involve a potential conflict of interest with the Group or may do harm to the Group's overall interests. Breaches are subject to disciplinary actions, including termination of employment contracts where necessary.

Various policies have also been formulated to accord with the Securities and Futures Commission's Guideline on Anti-Money Laundering and Counter-Terrorist Financing, including the basic procedures for customer identification and due diligence, suspicious transactions report and recordkeeping. Ongoing staff training has also been carried out to ensure each of the employees is fully aware of these policies.

In the Period under Review, there was no legal case concerning corruption brought against the Group or employees.

B8 Community Involvement

The Group always seeks to be a positive force in the communities in which it operates and maintains close communications and interactions with the communities in order to contribute to local development from time to time.

The Group strives to improve the society image and social responsibility through community investment. All employees of the Group are encouraged to participate their own initiatives on helping and supporting the local communities and neighbours.

B7 反貪污

嚴禁任何形式的貪污、賄賂或詐騙等行為。本集團的反貪污政策規定所有員工必須遵守行為準則，以促進工作場所的誠信環境。

管理層相信企業誠信是企業社會責任的基礎，也是企業競爭優勢與可持續性的基本因素。本集團致力於實現開放、廉潔及問責制的最高標準。

為打擊貪污及管治利益衝突，除非得到本集團批准，否則董事及僱員不得從同事、客戶、供應商或其他利益相關者處獲取任何有價物品。除經董事會批准外，高級管理人員也不得從事任何與本集團有潛在利益衝突或可能損害本集團整體利益的活動。違反規定者接受紀律處分，包括在必要時終止僱傭合約。

已制定符合證券及期貨事務監察委員會關於反洗錢及反恐怖融資指引的各項政策，包括客戶識別及盡職調查的基本流程，可疑交易報告及記錄保存。並已進行員工培訓，以確保每位員工均充分瞭解每一項政策。

於回顧期內，未有針對本集團或僱員貪污的法律案件。

B8 社區投資

本集團一直致力於在其營運的社區中發揮積極的力量，並與社區保持密切的溝通與互動，以便適時為當地的發展作出貢獻。

本集團致力於透過社區投資，努力提升社會形象及社會責任感，鼓勵本集團全體員工主動投身參與到幫助及支持當地社區與鄰里的行動中。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Group has committed to upholding high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Group.

The Company has adopted and complied with the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules as its own code and has complied with the CG Code for the year ended 31 March 2019, except for the following deviation. The Board has continued to monitor and review the corporate governance principles and practices to ensure compliance.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Tony Yuen is the chairman and the chief executive officer of the Company. In the view that Mr. Tony Yuen is one of the founders of the Group and has been operating and managing the Group since June 1999, the Board believes that it is in the best interest of the Group to have Mr. Tony Yuen taking up both roles for effective management and business development. Therefore the Board considers that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Model Code”) on terms no less exacting than the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules.

Upon the specific enquiry made to all the Directors, the Company was not aware of any non-compliance with the Model Code regarding securities transactions by the Directors for the year ended 31 March 2019.

企業管治常規

本集團致力維持高水準企業管治。董事會認為增加公眾問責性及企業管治有利於本集團穩健增長、提高顧客及供應商的信心，以及保障本集團股東的利益。

本公司已採納及遵守GEM上市規則附錄15所載之企業管治守則(「企業管治守則」)作為其自身之守則，並於截至2019年3月31日止年度遵守企業管治守則，惟下列偏離事項除外。董事會已持續監察及審閱企業管治原則及常規以確保合規。

主席及行政總裁

企業管治守則條文第A.2.1條規定，主席與行政總裁的角色應予區分且不應由同一人士擔任。阮國偉先生為本公司主席兼行政總裁。鑒於阮國偉先生為本集團創辦人之一且自1999年6月起一直營運及管理本集團，董事會認為，為了有效管理及業務發展，由阮國偉先生同時出任兩個職位合乎本集團的最佳利益。因此，董事會認為在有關情況下偏離企業管治守則條文第A.2.1條實屬恰當。

董事之證券交易

本公司就董事進行證券交易採納條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則之操守守則(「標準守則」)。

經向全體董事進行具體查詢後，本公司並不知悉於截至2019年3月31日止年度有關董事進行證券交易違反標準守則。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

Composition

The Board currently comprises 7 directors, including 3 executive Directors, 1 non-executive Director and 3 independent non-executive Directors.

Executive Directors

Mr. Yuen Kwok Wai, Tony (*Chairman and Chief Executive Officer*)

Ms. Yuen Mei Ling, Pauline

Ms. Sun Ngai Chu, Danielle

Non-executive Director

Mr. Yam Chiu Fan, Joseph

Independent non-executive Directors

Mr. Hui Man Ho, Ivan

Mr. Chung Billy

Mr. Mui Pak Kuen

Details of backgrounds and qualifications of all directors are set out in the “Biographies of Directors and Senior Management” section of this annual report. All Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience, knowledge and execution ability to hold the position so as to carry out his duties effectively and efficiently.

董事會

組成

董事會由7名董事組成，包括3名執行董事、1名非執行董事及3名獨立非執行董事。

執行董事

阮國偉先生 (*主席兼行政總裁*)

阮美玲女士

孫毅珠女士

非執行董事

任超凡先生

獨立非執行董事

許文浩先生

鍾定縉先生

梅栢權先生

所有董事的背景及資歷詳情載於本年報「董事及高級管理層履歷」一節。所有董事已投放足夠時間及精力於本集團事務。各執行董事具備之經驗、知識及執行能力，足以勝任有關職位，並有效及高效履行職務。

Corporate Governance Report

企業管治報告

During the year ended 31 March 2019, 1 general meeting, 4 regular Board meetings and other Board meetings were held in addition to circulation of written resolution. The attendance record of meetings are shown below:

截至2019年3月31日止年度，除了傳閱書面決議案，已舉行1次股東大會、4次常規董事會會議及其他董事會會議。會議出席紀錄列示如下：

Name of member	成員姓名	General Meeting 股東大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Number of total meetings	會議總數	1	4	4	4	4
Number of Meetings attended/Total	已出席會議之次數/總數					
Executive Directors	執行董事					
Mr. Yuen Kwok Wai, Tony	阮國偉先生	1/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Ms. Yuen Mei Ling, Pauline	阮美玲女士	1/1	4/4	N/A 不適用	4/4	N/A 不適用
Ms. Sun Ngai Chu, Danielle	孫毅珠女士	1/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Non-executive Director	非執行董事					
Mr. Yam Chiu Fan, Joseph	任超凡先生	1/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Independent non-executive Directors	獨立非執行董事					
Mr. Hui Man Ho, Ivan	許文浩先生	1/1	4/4	4/4	4/4	4/4
Mr. Chung Billy	鍾定縉先生	1/1	4/4	4/4	4/4	4/4
Mr. Mui Pak Kuen	梅栢權先生	1/1	4/4	4/4	4/4	4/4

Corporate Governance Report

企業管治報告

THE RESPONSIBILITIES OF THE BOARD

The Board is responsible for the control and leadership of management company's business and is collectively responsible for the company's affair under the Board's direction and supervision. All the Directors should make decision objectively in the interests of the Company.

The overall responsibilities of the Board include considering and making decisions on the following matters:

- (i) Setting the cooperate goals of the Group and formulating the Group's strategy and monitoring the implementation;
- (ii) Diversification and extension of activities into new business area;
- (iii) Approving the annual, half year and quarterly results;
- (iv) Dividend policy;
- (v) Material acquisitions and disposal;
- (vi) Reviewing and monitoring the Group's internal control systems;
- (vii) Monitoring the performance of the Management; and
- (viii) Determining and reviewing the composition and diversity of the Board.

BOARD COMPOSITION AND DIVERSITY POLICY

The Company has adopted the board diversity policy since 18 January 2018. The policy sets out the approach to achieve diversity in the Board that should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business and compliance with policies. The composition and diversity policies of the Board is reviewed annually and regularly. The Board should ensure that its changes in composition will not result in any undue interference. The Board members should possess appropriate professionalism, experience and trustworthiness in performing duties and functions. The Board would diversify its members according to the Company's situations and need. While participating in nomination and recommendation of director candidates during the year, each member of the Board may consider a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, or professional experience in achieving diversity for the benefit of the Company's various business development and management. The Board is to review the policy concerning diversity of Board members, and to disclose the policy or a summary of the policy in the corporate governance report, including any quantitative targets and standards and its progress with policy implementation.

In 2019, the Board has reviewed the diversity of the Board and considered the Board composition and diversity policy is appropriate.

董事會的職責

董事會負責控制及領導管理公司業務，並在董事會指導及監督下對公司事務共同承擔責任。全體董事應客觀地作出符合本公司利益的決策。

董事會的整體職責包括就以下事宜作出考慮及決策：

- (i) 設定本集團企業目標及制定本集團策略及監督執行；
- (ii) 多元化發展及拓展業務至新業務領域；
- (iii) 批准全年、中期及季度業績；
- (iv) 股息政策；
- (v) 重大收購及出售；
- (vi) 檢討及監控本集團內部監控制度；
- (vii) 監察管理層的表現；及
- (viii) 確定及審閱董事會組成及多元化。

董事會組成及多元化政策

自2018年1月18日起，本公司已採納董事會多元化政策。該政策載有達致董事會多元化的方法，以組成技能、經驗均衡，且觀點多元化的董事會，以切合本集團業務需求並配合政策。董事會組成及多元化政策會每年及定期審閱。董事會應確保其組成的變動將不會導致任何不適宜的干擾。董事會成員須具備合適專業精神、經驗及誠信以履行彼等職務及職能。董事會將根據本公司的情況及需要增添成員。年內，各董事會成員於提名及建議董事候選人時可考慮一系列多元化因素，包括但不限於性別、年齡、文化及教育背景，或專業經驗，以達致多元化組成，有利本公司各項業務發展及管理。董事會將審閱有關董事會成員多元化的政策，並於企業管治報告披露政策或政策概要，包括任何定量目標及標準以及政策執行進度。

於2019年，董事會已審閱董事會多元化並認為董事會組成及多元化政策實屬合適。

Corporate Governance Report

企業管治報告

MANAGEMENT

The daily management, administration and operation of the Company are delegated to the Chief Executive Officer and senior management (the “Management”). The delegated functions and assignments are periodically reviewed. Approval has to be obtained from the Board prior to entering into any significant transactions by the above mentioned officers.

The overall responsibilities of the Management include considering and making decisions on the following matters:

- (i) Implementing the Group’s policy and strategies as set by the Board;
- (ii) Strategic planning of different business and functions;
- (iii) Closely monitoring operational and financial results in accordance with plans and budgets;
- (iv) Putting adequate operational, planning and financial control systems in place; and
- (v) Managing the Group’s day to day business.

CONFIRMATION OF INDEPENDENCE

In compliance with Rules 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed 3 independent non-executive Directors; and at least one of whom has appropriate professional qualifications or accounting or related financial management expertise. Each of the independent non-executive Directors has made an annual confirmation in writing of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers that all the independent non-executive Directors were independent during 2019 since their respective date of appointment.

All independent non-executive Directors are identified as such in all corporate communications containing the names of the Directors by the Company.

Mr. Tony Yuen (the chairman of the Board, the chief executive officer and an executive Director) and Ms. Jazzy Wong (a member of the senior management) are spouse. Mr. Tony Yuen and Ms. Pauline Yuen (an executive Director) are siblings. Mr. Tony Yuen and Mr. Joseph Yam (a non-executive Director) are brothers-in-law. Mr. Joseph Yam is a brother-in-law of Ms. Jazzy Wong and Ms. Pauline Yuen. Ms. Jazzy Wong and Ms. Pauline Yuen are sisters-in-law. Save as otherwise disclosed herein, there is no family or other material relationship among members of the Board.

管理層

本公司日常管理、行政及營運指派予行政總裁及高級管理層（「管理層」）。被指派的職能及任務獲定期審閱。上述高級職員進行任何重大交易須獲得董事會批准方可進行。

管理層的整體職責包括就以下事宜作出考慮及決策：

- (i) 執行董事會訂立的本集團政策及策略；
- (ii) 制定不同業務及職能的策略計劃；
- (iii) 根據計劃及預算，密切監察經營及財務業績；
- (iv) 制定足夠的營運、計劃及財務監控制度；及
- (v) 管理本集團日常業務。

獨立性確認

遵照GEM上市規則第5.05(1)及(2)條，本公司已委任3名獨立非執行董事，其中至少一名具備合適專業資格或會計或相關財務管理專業知識。各獨立非執行董事已根據GEM上市規則第5.09條就其獨立性發出年度確認書，而本公司認為，於2019年，全體獨立非執行董事自其各自委任日期起均屬獨立。

所有載有本公司董事姓名的公司通訊中均列明全體獨立非執行董事之身份。

阮國偉先生（董事會主席、行政總裁兼執行董事）及王嘉敏女士（高級管理層成員）為配偶。阮國偉先生及阮美玲女士（執行董事）為胞姊弟。阮國偉先生及任超凡先生（非執行董事）為姻兄弟。任超凡先生為王嘉敏女士及阮美玲女士的姻兄，而阮美玲女士及王嘉敏女士為姻姊妹。除本報告另有披露外，董事會成員之間概無家族或其他重大關係。

Corporate Governance Report

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the businesses and activities of the Group. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and updates all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices.

During the year ended 31 March 2019, the Directors provided their training record to the Company in respect of their participation in training activities such as attending seminars relevant to their duties and responsibilities as directors of a listed company, particulars of which are as follows:

持續專業發展

全體董事(包括獨立非執行董事)應緊貼作為董事及於本集團業務與活動的共同責任。本集團亦會提供簡報會及其他培訓，以發展及更新董事的知識及技能，並就GEM上市規則及其他適用監管規定的最新發展向全體董事提供最新資訊，確保合規及加強彼等對良好企業管治常規的意識。

截至2019年3月31日止年度，董事就彼等參與涉及彼等作為上市公司董事之職務及職責的培訓活動(如出席研討會)向本公司提供培訓紀錄，詳情如下：

		Reading materials relevant to directors' duties and responsibilities 與董事職務及職責有關的閱讀材料	Attending the seminar provided by the Company 出席本公司提供的研討會	Attending the seminar relevant to the skill of the Director's position 出席與董事職位技能有關的研討會
Executive Directors	執行董事			
Mr. Yuen Kwok Wai, Tony	阮國偉先生	✓	✓	✓
Ms. Yuen Mei Ling, Pauline	阮美玲女士	✓	✓	✓
Ms. Sun Ngai Chu, Danielle	孫毅珠女士	✓	✓	✓
Non-executive Director	非執行董事			
Mr. Yam Chiu Fan, Joseph	任超凡先生	✓	✓	✓
Independent non-executive Directors	獨立非執行董事			
Mr. Hui Man Ho, Ivan	許文浩先生	✓	✓	✓
Mr. Chung Billy	鍾定續先生	✓	✓	✓
Mr. Mui Pak Kuen	梅栢權先生	✓	✓	✓

Corporate Governance Report

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Tony Yuen is both the Chairman and the chief executive officer of the Company. In view of Mr. Tony Yuen is one of the founders of the Group and has been operating and managing the Group since June 1999, the Board believes that it is in the best interest of the Group to have Mr. Tony Yuen taking up both roles for effective management and business development. The role of the Chairman is primarily responsible for managing the Board, whereas the role of the chief executive officer is primarily responsible for overseeing the various businesses of the Group. Their respective roles and responsibilities are summarised as follows:

Responsibilities of the Chairman include: (i) leading the Board and ensuring that the Board functions effectively and smoothly; (ii) chairing the Board and shareholder's meetings; (iii) approving the agenda for each Board meeting, taking into account, where appropriate, any matters proposed by the other Directors and the company secretary of the Company for inclusion in the agenda; (iv) ensuring that all Directors receive all relevant information prior to each meeting and are properly briefed on issues arising at Board meetings; (v) ensuring all key and appropriate issues are discussed by the Board in a timely and constructive manner; (vi) encouraging all Directors, including the independent non-executive Directors, to actively participate in all Board and Board committees meetings and promoting a culture of openness for the Directors to share and voice their concerns on all matters during each meeting; (vii) ensuring good corporate governance practices and procedures are established and followed; and (viii) taking appropriate steps to provide effective communication with shareholders and to ensure that shareholders' view are communicated to the Board as a whole.

Responsibilities of the chief executive officer include: (i) implementing the Group's policy and strategies as set by the Board; (ii) strategic planning of different business and functions; (iii) closely monitoring operational and financial results in accordance with plans and budgets; (iv) assuming full accountability to the Board for all aspects of the Group's operations and performance; (v) maintaining ongoing dialogue with the Chairman and the other Directors; (vi) developing and leading an effective executive team; (vii) putting adequate operational, planning and financial control systems in place; and (viii) representing the Company and managing the Group's day to day business.

主席及行政總裁

阮國偉先生為本公司主席兼行政總裁。鑑於阮國偉先生為本集團創辦人之一以及自1999年6月以來一直營運及管理本集團，董事會相信阮國偉先生兼任該兩個職位可以實現有效管理及業務發展，符合本集團的最佳利益。主席一職主要負責管理董事會，而行政總裁一職則主要負責監察本集團各業務。兩者的角色及職責概述如下：

主席的職責包括：(i) 領導董事會，確保董事會能有效及暢順運作；(ii) 主持董事會及股東會議；(iii) 批准各董事會會議的議程，考慮(倘適用)其他董事及本公司的公司秘書建議的任何事宜以載入議程；(iv) 確保全體董事於各會議前接獲全部相關資料並獲得有關於董事會會議上所提出事宜的簡介；(v) 確保董事會及時且積極商討所有重要及適當的事宜；(vi) 鼓勵全體董事(包括獨立非執行董事)積極參與所有董事會及董事委員會會議，及提倡公開討論的文化，讓董事於各會議上就所有事宜分享及提出意見；(vii) 確保建立良好企業管治常規及程序，並得以遵循；及(viii) 採取適當步驟與股東有效溝通並確保股東能向董事會整體表達意見。

行政總裁的職責包括：(i) 執行董事會訂立的本集團政策及策略；(ii) 制定不同業務及職能的策略計劃；(iii) 根據計劃及預算，密切監察經營及財務業績；(iv) 就本集團營運及表現的所有方面向董事會負全責；(v) 與主席及其他董事維持對話；(vi) 發展及領導有效的執行團隊；(vii) 制定足夠的營運、計劃及財務監控制度；及(viii) 代表本公司及管理本集團日常業務。

Corporate Governance Report

企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All the Directors are appointed for an initial term of three years and subject to retirement by rotation and eligible for re-election in accordance with the Company's articles of association (the "Articles"). At each annual general meeting, not less than one third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

All existing executive Directors, non-executive Director and independent non-executive Directors are entitled to a fixed remuneration per month or fee per annum respectively. The remuneration of each Director is subject to the annual review of the Board with reference to his contribution in terms of time, effort and his expertise.

Details of remuneration paid to each of the Directors during the year are disclosed in Note 13 to the financial statements.

All Directors are entitled to be reimbursed for reasonable expenses incurred during the performance of their duties to the Company and are eligible for share options under the share option scheme of the Company.

BOARD COMMITTEES

The Board has established the board committees, namely, the audit committee, the remuneration committee and the nomination committee, all with specific terms of reference clearly defining the powers and responsibilities of the respective board committees. All board committees are required by their terms of reference to report to the Board in relation to their decisions, findings or recommendations.

AUDIT COMMITTEE

The Company has established an audit committee ("Audit Committee") with written terms of reference that are in conformity of the requirements of the CG Code which are available on the websites of the Stock Exchange and the Company.

The Audit Committee is currently composed of the 3 independent non-executive Directors, namely Mr. Chung Billy, Mr. Hui Man Ho, Ivan and Mr. Mui Pak Kuen, and chaired by Mr. Chung Billy, with all members being independent non-executive Directors of the Company in full compliance with Rule 5.28 of the GEM Listing Rules.

委任及重選董事

所有董事獲委任之初步年期為三年，惟須根據本公司之組織章程細則（「章程細則」）輪席退任並合資格重選連任。於各股東週年大會，不少於三分之一的時任董事須退任及每名董事須至少每三年輪席退任一次。

所有現任執行董事、非執行董事及獨立非執行董事均有權分別收取每月固定酬金或每年袍金。各董事之酬金須由董事會參考彼所貢獻的時間、努力及其經驗後進行年度檢討。

年內支付各董事的酬金詳情披露於財務報表附註13。

所有董事均有權就彼等履行本公司職責而產生的合理開支獲得補償，且合資格獲得本公司購股權計劃下的購股權。

董事委員會

董事會已成立董事委員會，即審核委員會、薪酬委員會及提名委員會，全部已制定特定職權範圍，明確界定各董事委員會的權力及責任。所有董事委員會須按其職權範圍向董事會報告其決定、結果或建議。

審核委員會

本公司已遵循企業管治守則的規定成立審核委員會（「審核委員會」），並以書面列明其職權範圍，並可於聯交所及本公司網站查閱。

審核委員會現時由三名獨立非執行董事組成，即鍾定縉先生、許文浩先生及梅栢權先生，並由鍾定縉先生擔任主席。審核委員會全體成員均為本公司獨立非執行董事，並全面遵守GEM上市規則第5.28條。

Corporate Governance Report

企業管治報告

For the year ended 31 March 2019, 4 audit committee meetings were held and the members' attendance is shown on page 38 of this annual report.

截至2019年3月31日止年度，審核委員會舉行了四次會議，成員出席情況載於本年報第38頁。

The role and functions of the Audit Committee include:

審核委員會的角色及職能包括：

(i) Relationship with the Company's auditor

(i) 與本公司核數師的關係

- (a) to consider and be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;

- (a) 考慮並主要負責就外聘核數師的委任、重新委任及罷免向董事會提出建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；

- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences. In connection, the Audit Committee shall:

- (b) 按適用之標準檢討及監察外聘核數師的獨立性及客觀性及核數程序的有效性。審核委員會應於審核工作開始前先與核數師討論核數性質及範疇及有關申報責任。就此而言，審核委員會須：

- consider all relationships between the Company and the external auditor (including non-audit services);
- obtain from the external auditor annually information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including those for rotation of audit partners and staff; and
- meet with the external auditor, at least annually, in the absence of the management, to discuss matters relating to its audit fee, any issues arising from the audit and any other matters the external auditor may wish to raise;

- 研究本公司與外聘核數師之間的所有關係(包括非審核服務)；
- 每年向外聘核數師取得資料，了解外聘核數師就保持其獨立性以及監察有關規定執行方面所採納的政策和程序，包括就輪換核數合夥人及職員的規定；及
- 至少每年在管理層不在場的情況下會見外聘核數師一次，以討論與核數費用有關的事宜、任何因核數工作產生的事宜及外聘核數師想提出的任何其他事項；

- (c) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, external auditor includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. When assessing the external auditor's independence or objectivity in relation to non-audit service, the Audit Committee shall consider:

- (c) 就外聘核數師提供非審核服務制定政策，並予以執行。就此規定而言，外聘核數師包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該負責核數的公司的本土或國際業務的一部分的任何機構。在評估外聘核數師有關非審核服務的獨立性或客觀性時，審核委員會須考慮：

- whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services;
- whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit because the external auditor provides non-audit services;

- 就負責核數的公司的能力和經驗來說，其是否為適合的非審核服務供應商；
- 是否設有預防措施，可確保外聘核數師的核數工作的客觀性及獨立性不會因其提供非審核服務而受到威脅；

Corporate Governance Report

企業管治報告

- the nature of the non-audit services, the related fee levels and fee levels individually and in total relative to the audit firm; and
- criteria for compensation of the individuals performing the audit.

The Audit Committee should report to the Board, identifying and making recommendation on any matters where action or improvement is needed; and

- (d) to approve the policies on hiring employees or former employees of the external auditors and monitoring the application of these policies and consider whether there has been or appears to be any impairment of the auditor's judgement or independence for the audit.

(ii) Review of the Company's financial information

- (a) to monitor integrity of the Company's financial statements and annual reports and accounts, half-year reports and, if prepare for publication, quarterly reports, and to review significant financial reporting judgements contained in them. It is the responsibility of the Audit Committee to determine the scope and extent of the review. The Audit Committee may refer to relevant statements of auditing standards and audited guidelines in relation to review of these reports for guidance. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:

- (1) any changes in accounting policies and practices;
- (2) major judgement areas;
- (3) significant adjustments resulting from audit;
- (4) the going concern assumptions and any qualifications;
- (5) compliance with accounting standards; and
- (6) compliance with the GEM Listing Rules and legal requirements in relation to financial reporting.

- 該等非審核服務的性質、有關費用的水平，以及就該負責核數的公司來說，個別費用和合計費用的水平；及
- 釐定核數職員酬金的標準。

審核委員會應就任何須採取行動或改善的事項向董事會報告、指出並提出建議；及

- (d) 批准定有關本公司僱用外聘核數師職員或前職員的政策，並監察應用該等政策的情況，並就此應可考慮有關情況有否損害或看來會損害核數師在核數工作上的判斷力或獨立性。

(ii) 審閱本公司的財務資料

- (a) 監察本公司的財務報表以及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見。審核委員會負責決定審閱的範圍及程度。審核委員會可參照有關報告審閱事宜的審計準則及審計指引作為指引。審核委員會在向董事會提交該等報告前作出審閱時，應特別針對下列事項：

- (1) 會計政策及實務的任何更改；
- (2) 涉及重要判斷的範圍；
- (3) 因核數而出現的重大調整；
- (4) 企業持續經營的假設及任何保留意見；
- (5) 是否遵守會計準則；及
- (6) 是否遵守有關財務申報的GEM上市規則及法律規定。

Corporate Governance Report

企業管治報告

(b) regarding point (a) above:

- (1) members of the Audit Committee should liaise with the Board and Company's senior management and the Audit Committee must meet, at least twice a year, with the Company's auditors; and
- (2) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, and it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors.

to provide full details of any disagreement by the Audit Committee with the accounting treatment adopted by the Company.

(iii) Overseeing of the Company's financial reporting system, risk management and internal control procedures

- (a) to review the Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;
- (b) to discuss the risk management and the internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- (c) to consider major investigations findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (d) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (e) to review the Group's financial and accounting policies and practices;

(b) 就上述 (a) 項而言：

- (1) 審核委員會成員須與董事會及本公司高級管理人員聯絡。審核委員會須至少每年與本公司的核數師開會兩次；及
- (2) 審核委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並應適當考慮任何由本公司屬下會計及財務匯報職員、監察主任或核數師提出的事項。

對本公司所採用的會計處理方法不表同意時，提供審核委員會不同意的詳細情況。

(iii) 監管本公司財務申報制度、風險管理及內部監控程序

- (a) 檢討本公司的財務監控以及(除非有另設董事會轄下風險委員會或董事會本身明確處理)檢討本公司之風險管理及內部監控制度；
- (b) 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的制度。討論內容應包括本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足；
- (c) 主動或應董事會的委派，就有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究；
- (d) 如本公司設有內部審核功能，須確保內部和外聘核數師的工作得到協調；也須確保內部審核功能在本公司內部有足夠資源運作，並且有適當的地位，以及檢討及監察其成效；
- (e) 檢討本集團的財務及會計政策及實務；

Corporate Governance Report

企業管治報告

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| <p>(f) to review the external auditor's management letter, any material queries raised by the auditor to management about the accounting records, financial accounts or systems of control and management's response;</p> <p>(g) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;</p> <p>(h) to report to the Board on the matters in these terms of reference and those set out in the code provisions as stated in Appendix 15 of the GEM Listing Rules from time to time;</p> <p>(i) to review arrangements by which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters, and the Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;</p> <p>(j) to act as the key representation body for overseeing the Group's relationship with the external auditor;</p> <p>(k) to establish a whistleblowing policy and system for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the audit committee about possible improprieties in any matter related to the Company; and</p> <p>(l) to review the half-year report prepared by the Group's corporate guarantee committee on its work and information relating to the provision of corporate guarantees.</p> | <p>(f) 檢查外聘核數師給予管理層的審核情況說明函件、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；</p> <p>(g) 確保董事會及時回應於外聘核數師給予管理層的審核情況說明函件中提出的事宜；</p> <p>(h) 就本職權範圍所載之事宜及GEM上市規則附錄15所列守則條文不時載列的事宜向董事會匯報；</p> <p>(i) 檢討本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注之安排，而審核委員會應確保有適當安排，以對此事宜作出公平獨立的調查及採取適當跟進行動；</p> <p>(j) 擔任本集團與外聘核數師之間的主要代表，負責監察兩者之間的關係；</p> <p>(k) 制定舉報政策及系統，讓僱員及其他與本公司有往來者（如客戶及供應商）可暗中向審核委員會提出其對任何可能關於本公司的不當事宜的關注；及</p> <p>(l) 審閱本集團擔保委員會關於提供公司擔保資料的半年報告。</p> |
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Major accomplishments in 2019 comprised the following:

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| <p>(a) reviewed the financial statements for disclosure on a quarterly, half-yearly and annually basis, where applicable;</p> <p>(b) reviewed the external auditor's significant findings and management's response to the recommendation raised, if any;</p> <p>(c) reviewed the effectiveness of the internal control system and the adequacy of the accounting and financial reporting function of the Group;</p> <p>(d) reviewed and approved the external auditor's statutory audit scope for 2019 and the letter of representation to be given by the Board; and</p> <p>(e) considered and approved the 2019 external audit fees and engagement letters.</p> | <p>於2019年達成的主要事項包括下列各項：</p> <p>(a) 按季度、半年度及年度基準（如適用）審閱財務報表作披露用途；</p> <p>(b) 審閱外聘核數師的主要審核結果，以及管理層對所提出建議作出的回應（如有）；</p> <p>(c) 檢討本集團內部監控系統的有效性以及會計與財務申報功能的充分性；</p> <p>(d) 檢討及審批外聘核數師2019年的法定審核範圍，以及由董事會發出的聲明書；及</p> <p>(e) 省覽及批准2019年的外聘核數費用及聘任書。</p> |
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Corporate Governance Report

企業管治報告

The Group's internal control system is reviewed regularly by management. With the view of enhancing the Group's internal control system, during the year ended 31 March 2019, the Company had appointed World Link Corporate Finance Limited, as independent consultant, to review the Group's internal control systems and recommend actions to improve our internal controls.

Based on the review, the Audit Committee is of the view that the Group's internal control system was effective and in compliance with the requirements of the CG Code C.2.1 for the year ended 31 March 2019.

There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors for the year ended 31 March 2019.

The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 March 2019 and recommended approval to the Board.

REMUNERATION COMMITTEE

The Company has established a remuneration committee ("**Remuneration Committee**") with written terms of reference in accordance with the requirement of the CG Code. In accordance with provisions set out in the CG Code are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee is currently composed of the 1 executive Director and 3 independent non-executive Directors, namely Ms. Yuen Mei Ling, Pauline, Mr. Mui Pak Kuen, Mr. Chung Billy and Mr. Hui Man Ho, Ivan, and chaired by Mr. Mui Pak Kuen.

For the year ended 31 March 2019, 4 remuneration committee meetings were held and the members' attendance is shown on page 38 of this Report.

The role and functions of the Remuneration Committee include:

- (i) to make recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management of the Group and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

管理層定期評核本集團的內部監控系統。為提升本集團的內部監控系統，本公司已於截至2019年3月31日止年度委任滙領企業融資有限公司作為獨立顧問，評核本集團的內部監控系統，以及建議採取的行動，以加強我們的內部監控。

根據評核，審核委員會認為，截至2019年3月31日止年度，本集團的內部監控制度符合企業管治守則第C.2.1條之規定並有效運作。

截至2019年3月31日止年度，董事會與審核委員會就甄選、委任、辭任或罷免外聘核數師事宜並無意見分歧。

審核委員會已審閱本集團截至2019年3月31日止年度的經審核財務報表，並建議董事會批准。

薪酬委員會

本公司已遵循企業管治守則的規定成立薪酬委員會（「**薪酬委員會**」），並制定書面職權範圍。根據企業管治守則所載的條文，該職權範圍可於聯交所及本公司網站查閱。

薪酬委員會現時由一名執行董事及三名獨立非執行董事組成，即阮美玲女士、梅栢權先生、鍾定縉先生及許文浩先生，並由梅栢權先生擔任主席。

截至2019年3月31日止年度，薪酬委員會舉行了四次會議，成員出席情況載於本報告第38頁。

薪酬委員會的角色及職能包括：

- (i) 就有關本公司全體董事及本集團高級管理人員的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- (ii) 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；
- (iii) 向董事會建議個別執行董事及高級管理人員的薪酬待遇。此應包括實物利益、退休金權利及賠償金額（包括喪失或終止職務或委任的任何應付賠償）；

Corporate Governance Report

企業管治報告

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| (iv) | to determine the policy and make recommendations to the Board on remuneration of non-executive Directors; | (iv) | 就非執行董事的薪酬制定政策及向董事會提出建議； |
| (v) | to assess the performance of executive Directors; | (v) | 評估執行董事的表現； |
| (vi) | to approve the terms of executive directors' service contracts; | (vi) | 批准執行董事服務合約條款； |
| (vii) | to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries; | (vii) | 考慮同類公司支付的薪酬、須付出的時間及職責以及本公司及其附屬公司內其他職位的僱用條件； |
| (viii) | to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; | (viii) | 檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多； |
| (ix) | to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; | (ix) | 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當； |
| (x) | to ensure that no Director or any of his associates is involved in deciding his own remuneration; | (x) | 確保任何董事或其任何聯繫人不得參與釐定其自身的薪酬； |
| (xi) | to form a view in respect of service contracts to be granted by the Group under Rule 17.90 of the GEM Listing Rules that require shareholders' approval and advise shareholders (other than shareholders who are Directors with a material interests in the service contracts and their associates) as to whether the terms are fair and reasonable, advise whether such contracts are in the interests of the Company and its shareholders as a whole and advise shareholders how to vote. An independent non-executive Director who has a material interest in any such contracts shall not sit on the Remuneration Committee; | (xi) | 根據GEM上市規則第17.90條對那些須經股東批准的本集團授出的服務合約發表意見，告知股東有關條款是否公平合理，就有關合約是否符合本公司及其股東整體利益提出意見，並就股東(身份是董事並在該等服務合約中有重大利益的股東及其聯繫人者除外)該如何表決而提出意見。如獨立非執行董事在任何該等合約中有重大利益，則該名董事不得擔任薪酬委員會成員； |
| (xii) | to consider the granting of share options to Directors pursuant to any share option scheme adopted by the Company; | (xii) | 考慮根據本公司採納之任何購股權計劃向董事授出購股權； |
| (xiii) | to ensure due compliance with any relevant disclosure requirements in respect of the remuneration of Directors under the GEM Listing Rules, the Companies Ordinance and any other statutory requirements; | (xiii) | 確保妥為遵守GEM上市規則、公司條例及任何其他法定規定內任何有關董事薪酬之相關披露的規定； |
| (xiv) | to consult the Chairman of the Board and/or chief executive of the Company about their remuneration proposals for other executive Directors; | (xiv) | 徵詢董事會主席及/或本公司行政總裁對其他執行董事薪酬方案之意見； |

Corporate Governance Report

企業管治報告

- (xv) to do any such things to enable the Remuneration Committee to discharge its powers and functions conferred on it by the Board; and
- (xvi) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Memorandum of Association and the Articles or imposed by legislation and the GEM Listing Rules.

Major accomplishments in 2019 comprised the following:

- (i) reviewed matters relating to the remuneration packages and emoluments of Directors and senior management.

NOMINATION COMMITTEE

The Company has established a nomination committee (“**Nomination Committee**”) with written terms of reference. The terms of reference of the Nomination Committee are in conformity with the requirements of the CG Code and are available on the websites of the Stock Exchange and the Company.

The Nomination Committee is currently composed of the 3 independent non-executive Directors, namely Mr. Hui Man Ho, Ivan, Mr. Chung Billy and Mr. Mui Pak Kuen, and chaired by Mr. Hui Man Ho, Ivan.

For the year ended 31 March 2019, 4 Nomination Committee meetings were held and the members’ attendance is shown on page 38 of this annual report.

The role and functions of the Nomination Committee include:

- (i) to formulate nomination policy for consideration of the Board and implement the nomination policy laid down by the Board;
- (ii) without prejudice to the generality of foregoing;
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
 - (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - (c) to assess the independence of independent non-executive;

- (xv) 作出任何有關事情，以使薪酬委員會能夠妥為履行其獲董事會賦予之權力及職能；及

- (xvi) 遵守董事會不時訂明或組織章程大綱及細則所載或法律及GEM上市規則施加之任何規定、指示及規例。

於2019年達成的主要事項包括下列各項：

- (i) 審閱有關董事及高級管理人員之薪酬組合及酬金之事宜。

提名委員會

本公司已成立提名委員會（「**提名委員會**」），並制定書面職權範圍。提名委員會的職權範圍符合企業管治守則的規定，並可於聯交所及本公司網站查閱。

提名委員會現時由三名獨立非執行董事組成，即許文浩先生、鍾定錕先生及梅栢權先生，並由許文浩先生擔任主席。

截至2019年3月31日止年度，提名委員會舉行了四次會議，成員出席情況載於本年報第38頁。

提名委員會的角色及職能包括：

- (i) 制定提名政策以供董事會考慮，並實行董事會制定之提名政策；
- (ii) 在不損害前述條文一般性之原則下：
 - (a) 至少每年檢討董事會之架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出以配合本公司企業策略之變動，向董事會提出建議；
 - (b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提出建議；
 - (c) 評核獨立非執行董事之獨立性；

Corporate Governance Report

企業管治報告

- (d) to make recommendations to the Board on the appointment and re-appointment of Directors, and succession planning for Directors, in particular the chairman and the chief executive;
 - (e) to determine the policy for the nomination of Directors;
 - (f) to adopt nomination procedures, process and criteria to select and recommend candidates for directorship;
 - (g) to do any such things to enable to the Nomination Committee to discharge its powers and functions conferred on it by the Board; and
 - (h) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Memorandum of Association and the Articles or imposed by legislation and the GEM Listing Rules;
- (iii) in respect of any proposed service contracts to be entered into by any members of the Group with its director or proposed director, which require the prior approval of the shareholders of the Company at general meeting, to review and provide recommendations to the shareholders of the Company (other than shareholders who are directors with a material interest in the relevant service contracts and their respective associates) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the shareholders as a whole, and to advise shareholders on how to vote; and
- (iv) to review the policy concerning diversity of the Board and the measurable objectives for implementing such policy from time to time adopted by the Board, and to review the progress on achieving these objectives.

Major accomplishments in 2019 comprised the following:

- (i) recommended the re-election of Directors at the forthcoming 2019 annual general meeting of the Company.

- (d) 就董事委任及重新委任以及董事(尤其是主席及行政總裁)繼任計劃之有關事宜,向董事會提出建議;
- (e) 制定提名董事的政策;
- (f) 就董事候選人採納提名程序以及遴選及推薦準則;
- (g) 作出任何有關事情,以使提名委員會能夠妥為履行其獲董事會賦予之權力及職能;及
- (h) 遵守董事會不時訂明或組織章程大綱及細則所載或法律及GEM上市規則施加之任何規定、指示及規例;

(iii) 檢討及就所有須事先於本公司的股東大會取得本公司股東批准的現董事或建議委任董事與本集團任何成員的任何擬定服務合同,向本公司股東(但不包括同時為本公司董事而又於該等服務合同有重大利益的股東及其聯繫人)就該議定服務合同條款的公平及合理性、服務合同對本公司及整體股東而言是否有利及本公司股東應怎樣作表決,向本公司股東提呈建議;及

(iv) 檢討董事會成員多元化政策及執行由董事會不時採納的有關政策的任何可衡量目標,以及檢討達成該等目標的進度。

於2019年達成的主要事項包括下列各項:

- (i) 建議董事於本公司應屆2019年股東週年大會上重選。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance functions which includes:

- (i) developing and reviewing the Group's policies and practices on corporate governance;
- (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management;
- (iii) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and Directors; and
- (v) reviewing the Group's compliance with the CG Code and disclosure in the CG Report.

Major accomplishments in 2019 comprised the following:

- (i) evaluated the Group's policies and practices on corporate governance and made appropriate amendments;
- (ii) arranged the training and continuous professional development of Directors and senior management; and
- (iii) reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

AUDITOR'S REMUNERATION

The fees in respect of audit and non-audit services provided by the external auditor World Link CPA Limited and its network firm to the Group for the year ended 31 March 2019 are as follows:

Services rendered
提供的服務

Audit services
— Audit the consolidated financial statements of the Group for the year ended 31 March 2019
Non-audit services

審核服務
— 審核本集團截至2019年3月31日止年度之綜合財務報表
非審核服務

HK\$
港元

500,000
280,000

Non-audit services include (i) tax compliance service; (ii) risk assessment and internal control review; and (iii) environmental, social and governance reporting.

企業管治職能

董事會負責執行企業管治職務，包括：

- (i) 制定及檢討本集團之企業管治政策及常規；
- (ii) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (iii) 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- (iv) 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊；及
- (v) 檢討本集團遵守企業管治守則的情況及在企業管治報告內的披露。

於2019年達成的主要事項包括下列各項：

- (i) 評估本集團之企業管治政策及常規，並作出適當修訂；
- (ii) 安排董事及高級管理人員的培訓及持續專業發展；及
- (iii) 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

核數師酬金

截至2019年3月31日止年度，外聘核數師華普天健(香港)會計師事務所有限公司及其網絡成員所向本集團提供的審核及非審核服務費如下：

非審核服務包括(i)稅務合規服務；(ii)風險評估及內部控制評估；及(iii)環境、社會及管治報告。

Corporate Governance Report

企業管治報告

The accounts for the year ended 31 March 2019 were audited by World Link CPA Limited whose term of office will expire upon the forthcoming annual general meeting. The Audit Committee has recommended to the Board that World Link CPA Limited be re-appointed as the auditors of the Company at the forthcoming annual general meeting.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparation of the Group's financial statements to give a true and fair view. The responsibilities of auditors in respect of the financial statements are set out in the report of the auditors forming part of this Report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group emphasises the importance of a sound internal control system which is also indispensable for mitigating the Group's key risk exposures. The Group's system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of the business objectives. The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and shareholders' interests. During the year under review, World Link Corporate Finance Limited has reviewed the risk management and internal control systems of the Group and has provided written reports to the Audit Committee.

The Group has adopted a three-tier risk management approach to identify, assess and manage different types of risks. At 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, provide technical support, develops new system and oversees portfolio management. It ensures risks are within acceptable range and that the first line of defence is effective. As the final line of defense, World Link Corporate Finance Limited 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.

Through the Audit Committee, the Board has conducted annual review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 March 2019, covering the material financial, operational and compliance controls, which are considered effective and adequate.

截至2019年3月31日止年度之賬目已由華普天健(香港)會計師事務所有限公司審核，其任期將於下屆股東週年大會屆滿。審核委員會已向董事會建議於下屆股東週年大會上續聘華普天健(香港)會計師事務所有限公司為本公司核數師。

董事就財務申報之責任

董事明白彼等就編製以真實及公平地反映本集團財務報表之責任。核數師就財務報表之責任載於核數師報告，該報告構成本報告的一部分。

風險管理及內部監控

本集團著重健全的內部監控系統，此舉亦為本集團減少主要風險不可或缺之一環，本集團設立內部監控系統旨在對重大錯誤或損失提供合理但並非絕對之保證，以及管理及消除營運系統故障及未能達致業務目標的風險。董事會持續檢討內部監控系統，以確保其在保護重要資產及保障股東權益方面能提供實際而有效之合理保證，於回顧年度，滙領企業融資有限公司已對本集團的風險管理及內部監控系統作出檢討，並已向審核委員會作出書面匯報。

本集團採納三級風險管理方法以識別、評估及管理不同類型的風險。在第一道防線，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型、提供技術支持、制定新制度及監察組合管理，並確保風險在可接受範圍內及第一道防線行之有效性。作為最後一道防線，滙領企業融資有限公司協助審核委員會審核第一道及第二道防線。

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、評估及管理與業務活動相關的風險。本集團已推行有效的監控系統，包括具體制訂職權範圍的管理架構、穩健的管理系統及由審核委員會及董事會定期檢討本集團的表現。

董事會通過審核委員會就截至2019年3月31日止年度本集團風險管理及內部監控系統的成效(涵蓋重大財務、經營及合規控制)進行年度檢討，此舉被認為屬有效及充足。

Corporate Governance Report

企業管治報告

The Audit Committee has reviewed the adequacy of resources, qualifications and experience, training and budget of the accounting, internal audit and financial reporting functions on an annual basis.

INSIDE INFORMATION

The Company assesses the likely impact of any unexpected and significant event that may impact the price of the shares of the Company or their trading volume and decides whether the relevant information is considered inside information and needs to be disclosed as soon as reasonably practicable pursuant to Rules 17.10 and 17.11 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. The Executive Directors have responsibility for approving certain announcements and/or circulars to be issued by the Company under powers delegated by the Board from time to time.

The Company has put in place procedures on handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Company with the latest available information. The Company has appropriate internal control and reporting systems to identify and assess potential inside information. Dissemination of inside information of the Company shall be conducted by publishing the relevant information on the websites of the Stock Exchange and the Company, according to the requirements of the GEM Listing Rules.

COMPANY SECRETARY

For the year ended 31 March 2019, the Company Secretary was Mr. Chou Chiu Ho.

Details of backgrounds and qualification of the Company Secretary are set out in the “Biographies of Directors and Senior Management” of this annual report.

A written record had been received by the Company from Mr. Chou Chiu Ho confirming that he took not less than 15 hours of relevant professional training during the year ended 31 March 2019. The Company is of the view that Mr. Chou has complied with Rule 5.15 of the GEM Listing Rules.

SHAREHOLDERS' RIGHTS TO CONVENE EXTRAORDINARY GENERAL MEETING

In order to safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting.

審核委員會已按年度基準檢討會計、內部審計及財務報告職能方面的資源、員工資歷及經驗、培訓及有關預算是否足夠。

內部資料

本公司評估任何不可預計重大事件可能對本公司股份價格或成交量的影響，並決定有關資料是否視為內幕資料，而須根據GEM上市規則第17.10條及17.11條和證券及期貨條例第XIVA部的內幕資料條文在合理可行情況下盡快披露。執行董事負責批准本公司根據董事會不時授權而刊發的若干公告及／或通函。

本公司已及時到位處理及發佈內部資料，並不會導致任何人士在本公司處於佔優地位，並令市場於得悉最新可得資料的情況下，有充足時間定出本公司上市證券之價格。本公司擁有適當的內部監控及匯報系統，以識別及評估潛在內部資料。根據GEM上市規則規定，本公司內幕資料乃通過於聯交所及本公司網站刊載相關資料而發佈。

公司秘書

截至2019年3月31日止年度，公司秘書為周昭何先生。

有關公司秘書的背景及資格之詳情載於本年報「董事及高級管理層履歷」。

本公司已接獲周昭何先生之書面記錄，確認彼於截至2019年3月31日止年度已參與不少於15小時的相關專業培訓。本公司認為周先生已遵守GEM上市規則第5.15條。

股東召開股東特別大會之權利

為保障股東之權益及權利，於股東大會上，股東可就各項重大事宜獨立提呈決議案，包括甄選個別董事，以供股東考慮及投票。

Corporate Governance Report

企業管治報告

The following procedures for shareholders of the Company to convene an extraordinary general meeting are subject to the Articles, and the applicable legislation and regulation, in particular the GEM Listing Rules:

- (i) any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the “**Eligible Shareholder(s)**”) 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 (the “**Company Secretary**”), to require an extraordinary general meeting (the “**EGM**”) to be called by the Board for the transaction of any business specified in such requisition pursuant to Article 64 of the Articles; and
- (ii) if within 21 days of the deposit of the requisition, the Board fails to proceed to convene such EGM, the requisitionist(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Apart from sending email to ir@primeintelligence.com, shareholders may send their enquiries and concerns to the Board by addressing them to the headquarter and principal place of business of the Company in Hong Kong at Unit A, 6/F, TLP132, Nos. 132-134 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong, by post or by fax to (852) 2991 1110, for the attention of the Company Secretary.

DIVIDEND POLICY

The Company has adopted a dividend policy, a summary of which is disclosed as below.

Any amount of dividends of the Company will be at the discretion of the Directors and will depend on, among other things, the Company's trading results, cash flows and financial condition as well as operating and capital requirements. Any declaration and payment as well as the amount of dividends will be subject to the Company's constitutional documents and the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, including the approval of Shareholders.

PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

Pursuant to the Articles, Shareholders who wish to move a resolution may by means of requisition convene an EGM following the procedures set out above.

AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

For the year ended 31 March 2019, there was no significant change in the Company's memorandum and the Articles.

下列本公司股東召開股東特別大會之程序乃受章程細則、適用法例及法規，特別是GEM上市規則所規限：

- (i) 於遞呈要求日期持有不少於本公司繳足股本(賦予權利於本公司股東大會上投票)十分之一的任何一名或多名本公司股東(「合資格股東」)隨時有權根據章程細則第64條，向董事會或本公司之公司秘書(「公司秘書」)發出書面要求，要求董事會召開股東特別大會(「股東特別大會」)，以處理有關要求中指明的任何事項；及
- (ii) 倘董事會未能在要求書遞交後21天內召開有關股東特別大會，則呈請人可以相同方式自行召開股東特別大會，而本公司須向呈請人償付因董事會未能召開該大會令呈請人產生的所有合理費用。

向董事會發出查詢的程序

除寄發電郵予 ir@primeintelligence.com 外，股東可將彼等向董事會作出之查詢及關注事宜郵寄予本公司之總部及香港主要營業地點，地址為香港新界葵涌大連排道132-134號TLP132六樓A室，或傳真至(852) 2991 1110，註明公司秘書收。

股息政策

本公司已採納股息政策，其概要於下文披露。

本公司任何數額的股息將由董事酌情決定，並將取決於(其中包括)本公司的交易業績、現金流量及財務狀況以及營運及資本要求。任何聲明及付款以及股息金額將受本公司章程文件及開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)(包括股東批准)所規限。

股東於股東大會上提呈建議的程序

根據章程細則，有意動議決議案的股東可根據上述程序以要求方式召開股東特別大會。

修訂章程文件

截至2019年3月31日止年度，本公司之章程大綱及章程細則概無重大變動。

Directors' Report

董事會報告

The directors (“**Directors**”) of Prime Intelligence Solutions Group Limited (the “**Company**”) present their report together with the audited financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. Details of the principal activities of its subsidiaries are set out in note 32 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

The analysis of geographical locations of the Group for the year is set out in note 7 to the consolidated financial statements.

SUBSIDIARIES

Details of the Company's subsidiaries as at 31 March 2019 are set out in note 32 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group's business during the year and analysis of the Group's performance using financial key performance indicators and prospects of the Group's business are provided in the sections headed “Chairman's Statement” on page 5 to 6 and “Management Discussion and Analysis” on pages 7 to 14 of the annual report. The discussion forms part of this Director's report.

SEGMENT INFORMATION

Details of segment reporting are set out in note 7 to the consolidated financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 March 2019 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 67 to 144.

The Directors do not recommend the payment of any dividend for the year ended 31 March 2019.

RESERVES

Details of the movements in reserves of the Group and the Company during the year are set out in the “Consolidated Statement of Changes in Equity” and note 30 to the consolidated financial statements respectively.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 28 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

The Company's reserve available for distribution as at 31 March 2019 was approximately HK\$63.3 million.

匯安智能科技集團有限公司(「本公司」)之董事(「董事」)呈報本公司及其附屬公司(統稱「本集團」)截至2019年3月31日止年度之董事會報告連同經審核財務報表。

主要業務及營運分析

本公司的主要業務為投資控股。其附屬公司的主要業務詳情載於財務報表附註32。於年內，本集團的主要業務性質並無重大變動。

於年內，本集團的地理位置分析載於綜合財務報表附註7。

附屬公司

有關本公司附屬公司於2019年3月31日的詳情載於綜合財務報表附註32。

業務回顧

本集團業務的年內回顧及使用財務關鍵績效指標對本集團表現進行的分析，以及本集團業務的前景，載於年報第5頁至第6頁的「主席報告」一節以及第7至14頁的「管理層討論及分析」一節。有關討論構成本董事會報告的一部分。

分部資料

有關分部資料的詳情載於綜合財務報表附註7。

業績及分派

本集團截至2019年3月31日止年度之業績以及本公司及本集團於該日的事務狀況載於第67至144頁綜合財務報表。

董事不建議就截至2019年3月31日止年度派付任何股息。

儲備

於年內，本集團及本公司儲備之變動詳情分別載於「綜合權益變動表」及綜合財務報表附註30。

股本

於年內，本公司股本之變動詳情載於綜合財務報表附註28。

可分派儲備

於2019年3月31日，本公司之可供分派儲備約為63.3百萬港元。

Directors' Report

董事會報告

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 17 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance covering Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) when the Directors' Report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

PRE-EMPTIVE RIGHTS

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

FOUR YEARS FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last four financial years is set out on page 144 of the annual report.

PURCHASES, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2019.

DIRECTORS

The directors of the Company during the year and up to date of this report were:

Executive Directors

Mr. Yuen Kwok Wai, Tony (*Chairman and Chief Executive Officer*)
Ms. Yuen Mei Ling, Pauline
Ms. Sun Ngai Chu, Danielle

Non-executive Director

Mr. Yam Chiu Fan, Joseph

Independent non-executive Directors

Mr. Mui Pak Kuen
Mr. Chung Billy
Mr. Hui Man Ho, Ivan

物業、廠房及設備

於年內，本集團物業、廠房及設備之變動詳情載於綜合財務報表附註17。

獲准許的彌償條文

本公司已就其董事及高級管理人員可能會面對由企業活動產生之法律行動，為董事及行政人員之職責作適當之投保安排。基於董事利益的獲准許彌償條文根據香港法例第622章公司條例第470條的規定於董事編製的董事會報告根據香港法例第622章公司條例第391(1)(a)條獲通過時生效。

優先認購權

本公司組織章程細則或開曼群島法例概無優先認購權條文規限本公司須按比例向現有股東發售新股份。

四年財務摘要

本集團於過去四個財政年度之業績與資產及負債概要載於年報第144頁。

購買、出售或贖回本公司上市證券

截至2019年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事

於年內及截至本報告日期，本公司之董事如下：

執行董事

阮國偉先生 (*主席兼行政總裁*)
阮美玲女士
孫毅珠女士

執行董事

任超凡先生

獨立非執行董事

梅栢權先生
鍾定縉先生
許文浩先生

Directors' Report

董事會報告

ROTATION OF DIRECTORS IN THE FORTHCOMING ANNUAL GENERAL MEETING

Pursuant to Article 108 of the Company's Articles of Association, Mr. Mui Pak Kuen, Mr. Chung Billy and Mr. Hui Man Ho, Ivan, shall retire from office as Directors by rotation at the forthcoming annual general meeting. Mr. Mui Pak Kuen, Mr. Chung Billy and Mr. Hui Man Ho, Ivan have agreed to offer himself for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of our executive Directors has entered into a service agreement with our Company for an initial term of three years with effect from the 14 February 2018, which will continue thereafter until terminated by not less than three months' prior notice in writing.

The non-executive Director has entered into a letter of appointment with the Company for an initial term of three years with effect from the 14 February 2018, which will continue thereafter until terminated by not less than three months' prior notice in writing.

Each of the independent non-executive Directors is appointed for an initial term of three years with effect from 14 February 2018, which will continue thereafter until terminated by not less than three months' prior notice in writing.

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事於應屆股東週年大會輪任

根據本公司組織章程細則第108條，梅栢權先生、鍾定縉先生及許文浩先生將於應屆股東週年大會上輪值退任董事。梅栢權先生、鍾定縉先生及許文浩先生已同意於本公司應屆股東週年大會膺選連任。

董事服務合約及委任函

各執行董事已與本公司訂立服務協議，初步為期三年，自2018年2月14日起生效，其後將繼續生效，除非發出不少於三個月事先書面通知終止協議。

非執行董事已與本公司訂立委任函，初步為期三年，自2018年2月14日起生效，其後將繼續生效，除非發出不少於三個月事先書面通知終止協議。

各獨立非執行董事已獲委任初步為期三年的任期，自2018年2月14日起生效，其後將繼續生效，除非發出不少於三個月事先書面通知終止協議。

擬於應屆股東週年大會上重選連任的董事概無與本集團訂立不可於一年內在毋須支付賠償（法定賠償除外）的情況下終止的服務合約。

Directors' Report

董事會報告

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Save for disclosed in note 36 to the consolidated financial statements, no significant transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors of the Company and the senior management of the Group are set out on page 15 to 21 of the annual report.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in note 13 to the consolidated financial statements.

RETIREMENT BENEFIT SCHEME

Details of the retirement benefit scheme of the Group are set out in note 16 to the consolidated financial statements.

董事於與本公司業務有關的重大交易、安排及合約中擁有的重大權益

除綜合財務報表附註36所披露者外，於年末或年內任何時間，本公司附屬公司概無訂立與本集團業務有關而本公司董事直接或間接擁有重大權益的重大交易、安排及合約。

董事及高級管理層履歷

有關本公司董事及本集團高級管理層的履歷詳情載於年報第15至21頁。

薪酬政策

本集團僱員之薪酬政策由薪酬委員會根據彼等之表現、資歷及能力制定。

本公司董事之薪酬由薪酬委員會參考本公司之經營業績、個人表現及可比較市場統計數字釐定。

董事及五名最高薪人士之薪酬

董事及五名最高薪人士之酬金詳情載於綜合財務報表附註13。

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註16。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2019, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), which were 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 short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long positions

Ordinary shares of the Company

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

於2019年3月31日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「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及第8分部須知會本公司及聯交所的權益及淡倉(包括彼等根據證券及期貨條例有關條文被認為或視作擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄在該條文所述登記冊內的權益及淡倉，或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

好倉

本公司普通股

Name	Capacity and nature of interest	Number of shares (note 1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
姓名	身份及權益性質	股份數目 (附註1)	
Mr. Yuen Kwok Wai, Tony (“ Mr. Tony Yuen ”) (note 2) 阮國偉先生(「阮國偉先生」)(附註2)	Interest of controlled corporation 受控制法團權益	366,000,000 (L)	45.75%
Ms. Yuen Mei Ling, Pauline (“ Ms. Pauline Yuen ”) (note 2) 阮美玲女士(「阮美玲女士」)(附註2)	Interest of controlled corporation 受控制法團權益	366,000,000 (L)	45.75%

Notes:

- The letter “L” denotes a long position in the shareholder's interest in the share capital of the Company.
- Delighting View Global Limited (“**Delighting View**”) directly holds 366,000,000 Shares. As Delighting View is beneficially owned as to 85% and 15% by Mr. Tony Yuen and Ms. Pauline Yuen respectively and Mr. Tony Yuen and Ms. Pauline Yuen are parties acting in concert, each of Mr. Tony Yuen and Ms. Pauline Yuen is deemed to be interested in all the Share held by Delighting View under the SFO.

附註：

- 英文字母「L」表示股東於本公司股本的好倉。
- Delighting View Global Limited(「**Delighting View**」)直接持有366,000,000股股份。由於Delighting View分別由阮國偉先生及阮美玲女士實益擁有85%及15%，且阮國偉先生及阮美玲女士為一致行動人士，故根據證券及期貨條例阮國偉先生及阮美玲女士各自被視為於Delighting View所持有的所有股份中擁有權益。

Save as disclosed above, as at 31 March 2019, none of the Directors and chief executive of the Company or their associates (as defined in the GEM Listing Rules) had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were 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 or short positions which each of them has taken or deemed to be taken under the provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to Rules 5.46 and 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

除上文所披露者外，於2019年3月31日，概無本公司董事及主要行政人員或彼等之聯繫人(定義見GEM上市規則)於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債權證中，擁有任何根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文彼等各自被當作或視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記錄於該條例所指登記冊內的權益或淡倉，或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益或淡倉。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2019, so far as is known to the Directors, the following persons, not being Directors or chief executive of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were recorded in the register required to be kept by the Company under Section 336 of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Long positions

Ordinary shares of the Company

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於2019年3月31日，據董事所知悉，下列人士（並非董事或本公司最高行政人員）於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉；或須記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉；或直接或間接擁有附帶權利於任何情況下均可在本公司的股東大會上投票的任何類別股本面值5%或以上權益：

好倉

本公司普通股

Name	Capacity and nature of interest	Number of shares (note 1) 股份數目 (附註1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
Delighting View (note 2) Delighting View (附註2)	Beneficial owner 實益擁有人	366,000,000 (L)	45.75%
Super Arena Limited ("Super Arena") (note 3) Super Arena Limited (「Super Arena」)(附註3)	Beneficial owner 實益擁有人	100,000,000 (L)	12.5%
Mr. Kor Sing Mung, Michael ("Mr. Kor") (note 3) Kor Sing Mung, Michael 先生 (「Kor 先生」)(附註3)	Interest of controlled corporation 受控制法團權益	100,000,000 (L)	12.5%

Notes:

- The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.
- As Delighting View is beneficially owned as to 85% and 15% by Mr. Tony Yuen and Ms. Pauline Yuen respectively and Mr. Tony Yuen and Ms. Pauline Yuen are parties acting in concert, each of Mr. Tony Yuen and Ms. Pauline Yuen is deemed to be interested in all the Shares held by Delighting View under the SFO.
- Super Arena directly holds 100,000,000 Shares. As Super Arena is beneficially owned as to 70% by Mr. Kor, Mr. Kor is deemed to be interested in all the Shares held by Super Arena under the SFO.

附註：

- 英文字母「L」表示股東於本公司股本的好倉。
- 由於Delighting View分別由阮國偉先生及阮美玲女士實益擁有85%及15%，且阮國偉先生及阮美玲女士為一致行動人士，故根據證券及期貨條例阮國偉先生及阮美玲女士各自被視為於Delighting View所持有的所有股份中擁有權益。
- Super Arena直接持有100,000,000股股份。由於Super Arena由Kor先生實益擁有70%，故根據證券及期貨條例Kor先生被視為於Super Arena所持有的所有股份中擁有權益。

Save as disclosed above, as at 31 March 2019, the Directors are not aware of any other person, other than Directors and the chief executive of the Company who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or options in respect of such share capital.

除上文披露者外，於2019年3月31日，董事並不知悉任何其他人士（董事及本公司最高行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉；或須記錄於本公司根據證券及期貨條例第336條所存置登記冊的權益或淡倉；或直接或間接擁有附帶權利於任何情況下均可在本公司的股東大會上投票的任何類別股本面值5%或以上權益或有關該股本的購股權。

Directors' Report

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraphs headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS" and "SHARE OPTION SCHEME" in this report, and save for the reorganisation and the capitalisation issue as explained in the Prospectus, at no time during the year ended 31 March 2019 was the Company, or any of its subsidiaries or its parent company a party to any arrangements to enable the Directors and Chief Executives (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of, the Company or any of its associated corporation.

SHARE OPTION SCHEMES

The share option scheme of the Company (the "Scheme") was adopted pursuant to a resolution passed by the Company's shareholders on 18 January 2018 for the primary purpose is to attract, retain and motivate talented participants, to strive for future developments and expansion of the Group. Eligible participants of the Scheme include any employees, any executives, Non-executive Directors (including Independent Non-executive Directors), advisors, consultants of the Company or any of its subsidiaries.

The Scheme will remain valid and effective for a period of 10 years commencing on the date on which the Scheme is adopted, after which period no further share options will be granted but the provisions of the Scheme shall in all other respects remain in full force and effect and share options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue. The principal terms of which were summarised in the paragraph headed "Share Option Scheme" in Appendix IV to the Prospectus. No share options have been granted under the Scheme since its adoption.

EQUITY-LINKED AGREEMENTS

Save and except for the Scheme as disclosed in the paragraph headed "SHARE OPTION SCHEME" above, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company to enter into any agreement that will or may result in the Company issuing shares, was entered into by the Company during the year ended 31 March 2019 or subsisted at the end of the year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries or fellow 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.

董事收購股份或債券之權利

除本報告「董事及最高行政人員於本公司或任何相聯法團的股份、相關股份及債權證的權益及淡倉」及「購股權計劃」各段披露者以及招股章程所闡述重組及資本化發行外，本公司或其任何附屬公司或其母公司概無於截至2019年3月31日止年度任何時間訂立任何安排，使董事及最高行政人員（包括其配偶及18歲以下的子女）可透過收購本公司或任何其相聯法團所收購的股份或相關股份或債權證而獲取利益。

購股權計劃

本公司購股權計劃（「該計劃」）乃根據本公司股東於2018年1月18日通過的決議案採納，主要目的為吸引、保留及激勵有才能的參與者為本集團的未來發展及擴展作出貢獻。該計劃的合資格參與者包括本公司或其附屬公司的任何僱員、任何行政人員、非執行董事（包括獨立非執行董事）、顧問及諮詢人。

該計劃將於該計劃獲採納之日起計10年內維持有效。其後不得再授出購股權，但該計劃的條文在所有其他方面將仍全面有效，而於該計劃有效期內已授出的購股權根據其發行條款仍可繼續行使。該計劃的主要條款概要載於招股章程附錄四「購股權計劃」一段。自採納以來，概無根據該計劃授出購股權。

股票掛鈎協議

除於上文「購股權計劃」一段所披露的該計劃外，本公司於截至2019年3月31日止年度並無訂立或於年末存續(i)將或可能導致本公司發行股份或(ii)要求本公司訂立任何將或可能導致本公司發行股份的股票掛鈎協議。

購買股份或債權證之安排

於年內任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債權證而獲取利益。

Directors' Report

董事會報告

MANAGEMENT CONTRACTS

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

MAJOR CUSTOMERS AND SUPPLIERS

The largest customer	最大客戶
Five largest customers in aggregate	五大客戶總計
The largest supplier	最大供應商
Five largest suppliers in aggregate	五大供應商總計

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

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 March 2019, to the best of knowledge of the Directors, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.

DISCLOSURES UNDER RULES 17.22 TO 17.24 OF THE GEM LISTING RULES

As at 31 March 2019, the Group had no circumstances which would give rise to a disclosure obligation under rules 17.22 to 17.24 of the GEM Listing Rules.

ENVIRONMENTAL POLICIES AND KEY RELATIONSHIP WITH EMPLOYEES

Discussion on the Group's environmental policies and key relationship with employees is set out in the section headed "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT" from pages 22 to 35 of this report.

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to the requirement of rule 5.09 of the GEM Listing Rules. The Company considers all independent non-executive Directors to be independent.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in note 36 to the consolidated financial statements.

CONNECTED TRANSACTIONS

The Company has entered the tenancy agreement between Global Technology Corporation Limited as the landlord and Solution Expert Technology Limited as the tenant constitutes an exempt continuing connected transaction which is exempted from the reporting, announcement, annual review and independent Shareholders' approval requirements pursuant to the GEM Listing Rules. Details of the above tenancy agreement of the Group are set out in note 36 to the consolidated financial statements.

管理合約

年內，本公司概無就整體或任何重大部分業務的管理及行政工作訂立或訂有任何合約。

主要客戶及供應商

		Sales 銷售	Purchases 採購
The largest customer	最大客戶	7.9%	N/A 不適用
Five largest customers in aggregate	五大客戶總計	31.3%	N/A 不適用
The largest supplier	最大供應商	N/A 不適用	29.0%
Five largest suppliers in aggregate	五大供應商總計	N/A 不適用	82.6%

董事、彼等之緊密聯繫人或據董事所知擁有本公司股本5%以上的任何股東概無於本集團之五大客戶或供應商中擁有任何權益。

遵守相關法例及法規

截至2019年3月31日止年度，據董事所深知，本集團並無會對本集團業務及營運產生重大影響的重大違反或不遵守適用法例及法規的情況。

根據GEM上市規則第17.22至17.24條作出披露

於2019年3月31日，本集團並無出現須根據GEM上市規則第17.22至17.24條履行披露責任的情況。

環保政策與僱員的主要關係

有關本集團環保政策與僱員的主要關係的論述載於本報告第22至35頁之「環境、社會及管治報告」。

獨立性確認書

本公司已接獲各名獨立非執行董事根據GEM上市規則第5.09條的規定而作出的年度獨立性確認書。本公司認為全體獨立非執行董事均為獨立。

關聯方交易

有關本集團關聯方交易的詳情載於綜合財務報表附註36。

關連交易

本公司與韓雷集團有限公司(作為業主)及專訊科技有限公司(作為租戶)訂立的租賃協議構成獲豁免持續關連交易，根據GEM上市規則，其獲豁免遵守申報、公告、年度審閱及獨立股東批准規定。有關本集團上述租賃協議的詳情載於綜合財務報表附註36。

Directors' Report

董事會報告

COMPETING INTERESTS

During the year ended 31 March 2019, none of the Directors, the controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) as at 31 March 2019 had any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group or any other conflicts of interest with the Group.

DEED OF NON-COMPETITION

Each of Mr. Tony Yuen, Ms. Pauline Yuen and Delighting View (the "Covenants"), being the controlling shareholders of the Company, has entered into the deed of non-competition (the "Deed of Non-competition") pursuant to which each of the Covenants has, among other things, irrevocably and unconditionally undertaken with the Company (for itself and as trustee for its subsidiaries), on a joint and several basis, that at any time during the period commencing on the Listing Date and expiring on the earlier of (i) the date upon which the Shares cease to be listed on the Stock Exchange; or (ii) the date upon which the Covenants and their close associates cease to own 30% or more of the then issued share capital of the Company directly or indirectly, such Covenantor shall not, and shall procure that neither their respective close associates nor companies controlled by the Covenants (other than the members of the Group) will (i) directly or indirectly, be interested in or involved in or engaged in or acquire or hold any right or interest (in each case whether as a director or shareholder (other than being a director or shareholder of any member of the Group)) in any form of business, including but not limited to any joint venture, alliance, cooperation, partnership which competes or is likely to compete directly or indirectly with the Group's business in any area in which the Group carries or may carry on business (the "Restricted Activity") from time to time; nor provide support in any form to persons other than the members of the Group to engage in business that constitutes or may constitute direct or indirect competition with the businesses that the Group is currently and from time to time carrying on; (ii) solicit any existing employee of the Group for employment by him/her/it or his/her/its close associates or companies controlled by him/her/it; and (iii) without the consent of the Company, make use of any information pertaining to the business of the Group which may have come to his/her/its knowledge for any purpose of engaging, investing or participating in any Restricted Activity. Such non-competition undertaking does not apply to holding shares of a company which conducts or is engaged in any Restricted Activity provided that, such shares are listed on a recognised stock exchange and: (a) the total number of the shares held by the Covenants and/or their respective close associates (in aggregate) does not amount to more than 5% of the issued shares of such company; and (b) the Covenants and/or their respective close associates are not entitled to appoint a majority of the directors or management of that company. Details of the Deed of Non-competition have been disclosed in the Prospectus under the section headed "Relationship with the Controlling Shareholders".

競爭權益

截至2019年3月31日止年度，概無董事、本公司控股股東及彼等各自的聯繫人(定義見GEM上市規則)於2019年3月31日與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有任何權益或與本集團有任何其他利益衝突。

不競爭契據

本公司控股股東阮國偉先生、阮美玲女士及Delighting View (「契諾人」)各自簽訂不競爭契據(「不競爭契據」)。據此，每名契諾人(其中包括)不可撤回及無條件地共同及個別向本公司(為其自身及作為其附屬公司的受託人)承諾，於上市日期起至(i)股份終止在聯交所上市日期；或(ii)契諾人及彼等的緊密聯繫人不再直接或間接擁有本公司當時已發行股本30%或以上的日期(以較早者為準)期滿的期間的任何時間內，該等契諾人將不會並促使其各自的緊密聯繫人或其控制的公司(本集團成員公司除外)將不會(i)直接或間接擁有或參與或從事或收購任何形式業務或於其中持有權利或權益(不論於各情況下是否作為董事或股東(本集團任何成員公司董事或股東除外))，包括但不限於現時或可能直接或間接與本集團任何範疇業務(而本集團現時或可能不時進行該範疇業務)競爭的任何合營、聯盟、合作、合夥(「受限制活動」)；或以任何形式提供支援予本集團成員以外的人士以從事現時或可能直接或間接與本集團目前及不時進行的業務競爭的業務；(ii)由其招攬本集團任何現有僱員在其或其緊密聯繫人或其所控制公司中任職；及(iii)未經本公司同意下利用其可能獲悉有關本集團業務的任何資料，以從事、投資或參與任何受限制活動。該不競爭承諾不適用於進行或參與任何受限制活動公司的所持股份，前提是該等股份乃在認可的證券交易所上市及：(a)由契諾人及/或彼等各自的緊密聯繫人合共所持的股份總數不多於該公司已發行股份5%；及(b)契諾人及/或彼等各自的緊密聯繫人無權委任該公司大多數董事或管理層。有關不競爭契據的詳情於招股章程「與控股股東的關係」一節披露。

Directors' Report

董事會報告

The independent non-executive Directors have reviewed the Annual Confirmation as part of the annual review process. In determining whether the Covenantors had fully complied with the Deed of Non-competition for the year ended 31 March 2019, the independent non-executive Director noted that (a) the Covenantors declared that they had fully complied with the Deed of Non-competition for the year ended 31 March 2019; (b) no new competing business was reported by the Covenantors for the year ended 31 March 2019, and (c) there was no particular situation rendering the full compliance of the Deed of Non-competition being questionable. In view of the above, the independent non-executive Directors confirmed that the Deed of Non-competition was complied with by the Covenantors for the year ended 31 March 2019.

On 30 November 2015, Mr. Yuen Jackson Kwok Leung has also entered into a deed of non-competition with the Company, pursuant to which Mr. Yuen Jackson Kwok Leung has made similar undertakings to the Company as those given by the controlling shareholders of the Company under the Deed of Non-competition.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 36 to 55 of this annual report.

INTERESTS OF THE COMPLIANCE ADVISER

As at the date of this annual report, save and except for (i) the participation of Ample Capital Limited (the "Compliance Adviser") as the sponsor and Ample Orient Capital Limited as one of the underwriters and joint lead managers in relation to the Listing; and (ii) the compliance adviser's agreement entered into between the Company and the Compliance Adviser dated 25 January 2018, neither the Compliance Adviser, nor any of its directors, employees or close associates (as defined in the GEM Listing Rules) had any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) which is required to be notified to the Company pursuant to rule 6A.32 of the GEM Listing Rules.

AUDITORS

A resolution to re-appoint World Link CPA Limited as auditors of the Company will be proposed at the forthcoming annual general meeting.

獨立非執行董事已審閱年度確認書，作為年度審查過程的一部分。截至2019年3月31日止年度，在確定契諾人是否已完全遵守不競爭契據時，獨立非執行董事知悉(a)截至2019年3月31日止年度，契諾人宣稱已完全遵守不競爭契據；(b)截至2019年3月31日止年度，契諾人並無呈報任何新的競爭性業務，及(c)並無出現特別情況致使完全遵守不競爭契據一事令人有所質疑。鑒於以上情況，獨立非執行董事確認，截至2019年3月31日止年度，契諾人已完全遵守不競爭契據。

於2015年11月30日，阮國良先生亦與本公司訂立不競爭契據，據此，阮國良先生已向本公司作出與本公司控股股東根據不競爭契據提供者相似的承諾。

充足公眾持股量

根據本公司公開可得之資料及據董事所知，於本報告日期，本公司全部已發行股本中最少有25%由公眾人士持有。

企業管治

本公司之企業管治報告載於本年報第36至55頁。

合規顧問權益

於本年報日期，除(i)豐盛融資有限公司(「合規顧問」，作為保薦人)及豐盛東方資本有限公司(作為包銷商及聯席牽頭經辦人)參與上市；及(ii)本公司與合規顧問訂立日期為2018年1月25日的合規顧問協議外，合規顧問或其任何董事、僱員或緊密聯繫人(定義見GEM上市規則)並無擁有本公司或本集團任何其他成員公司任何證券權益(包括購股權或認購有關證券的權利)，而有關權益根據GEM上市規則第6A.32條須知會本公司。

核數師

本公司將於應屆股東週年大會上提呈決議案，續聘華普天健(香港)會計師事務所有限公司為本公司核數師。

Directors' Report

董事會報告

ANNUAL GENERAL MEETING

The 2019 AGM will be held at Unit A, 12th Floor, Mai Sik Industrial Building, 1-11 Kwai Ting Road, Kwai Chung, New Territories, Hong Kong on Tuesday, 13 August 2019 at 11:00 a.m. and a notice of the 2019 AGM will be published and despatched in due course.

ON BEHALF OF THE BOARD

Yuen Kwok Wai, Tony

Chairman

Hong Kong
21 June 2019

股東週年大會

本公司謹訂於2019年8月13日(星期二)上午十一時正,於香港新界葵涌葵定路1-11號美適工業大廈12樓A室舉行2019年股東週年大會。2019年股東週年大會通告將於適當時候刊載及寄發。

代表董事會

主席

阮國偉

香港
2019年6月21日

Independent Auditor's Report 獨立核數師報告

World Link CPA Limited

TO THE SHAREHOLDERS OF
PRIME INTELLIGENCE SOLUTIONS GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Prime Intelligence Solutions Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 73 to 143, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

華普天健 (香港)會計師事務所有限公司

致匯安智能科技集團有限公司股東
(於開曼群島註冊成立的有限公司)

意見

吾等已審核載於第73頁至第143頁匯安智能科技集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，包括於2019年3月31日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、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。

吾等認為，綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的香港財務報告準則(「**香港財務報告準則**」)真實及公平地反映 貴集團於2019年3月31日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定妥為編製。

意見基礎

吾等已根據香港會計師公會頒佈之香港審計準則(「**香港審計準則**」)進行審核工作。吾等於該等準則下之責任於本報告「核數師就審核綜合財務報表的責任」一節中進一步詳述。根據香港會計師公會之專業會計師道德守則(「**守則**」)，吾等獨立於 貴集團，及吾等已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充分恰當地為吾等的審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

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. We have determined (i) the valuation and allowance of inventories; and (ii) impairment and recoverability of trade receivables to be the key audit matters to be communicated in our report:

關鍵審核事項

關鍵審核事項為根據吾等的專業判斷對本期綜合財務報表的審核最為重要的事項。該等事項於吾等審核整體綜合財務報表及就此形成意見時處理，而吾等不會對該等事項提供獨立的意見。吾等已釐定(i)存貨的估值及撥備；及(ii)貿易應收款項的減值及可收回性為將於本報告傳達的關鍵審核事項：

Key Audit Matter

關鍵審核事項

How our audit addressed the Key Audit Matter

吾等在審核中如何處理關鍵審核事項

(i) Valuation and allowance of inventories

(i) 存貨的估值及撥備

Refer to significant accounting policies in note 4(f), critical judgement and key estimates in note 5(c) and its relevant disclosures in note 19 to the consolidated financial statements.

請參閱綜合財務報表附註4(f)主要會計政策、附註5(c)關鍵判斷及主要估計及附註19的相關披露事項。

The Group had inventories with net carrying amount of approximately HK\$21,393,000 as at 31 March 2019 (after related allowance of approximately HK\$603,000 provided as at 31 March 2019). The carrying amount of inventories contributed a significant part (19.7%) of the Group's total assets as at 31 March 2019.

於2019年3月31日，貴集團擁有賬面淨值約21,393,000港元的存貨（經扣除於2019年3月31日計提的相關撥備約603,000港元後）。存貨的賬面值佔貴集團於2019年3月31日的資產總值一大部分(19.7%)。

The Group operates in an industry where technological development may significantly affect the valuation of inventories as its products would become slow-moving or obsolete when products with new technology emerge.

鑑於貴集團經營所在行業的性質，科技發展會對存貨估值產生顯著影響，當新科技產品興起，其產品將滯銷或變得過時。

The estimation of the net realisable value of these inventories requires management to make judgements based on these inventories' ages, obsolescence, future usage plan, estimated net selling prices as well as inventory disposal plans. Actual sales or usages are likely to be different from those estimated or forecast since anticipated events sometimes do not occur as expected and unforeseen events may arise, and their impact on estimates and forecasts may be material.

管理層須基於該等存貨的賬齡、陳舊程度、未來用途計劃、估計淨售價以及存貨出售計劃作出判斷，以估計該等存貨的可變現淨值。實際銷售或用途很可能與該等估計或預測不同，乃由於預計事件有時不如預期般發生及可能發生預計以外的事件，而其對估計及預測的影響可能屬重大。

Our procedure in relation to net realisable value determination as well as impairment assessment of inventories carried out by the management included:

吾等有關於管理層開展的可變現淨值釐定以及存貨減值評估的程序包括：

- Reviewed the ageing of inventory;
- 審核存貨賬齡；
- Identifying and assessing aged and obsolete items of inventory while attending the physical inventory count;
- 參與實體存貨盤點時，識別及評估老舊及陳舊存貨項目；
- Assessed the Group's internal control over the inventory provision in particular the Group's policy on allowance for slow-moving and obsolete inventories;
- 評估貴集團對存貨撥備的內部控制，尤其是貴集團對滯銷及陳舊存貨的撥備政策；
- Assessing the appropriateness and reasonableness of the methodologies adopted by the management in determining the net realisable value for those slow-moving items of inventory; and
- 評估管理層採納釐定該等滯銷存貨項目可變現淨值的方法的合適性及合理性；及
- Challenging the appropriateness and reasonableness of management's assumption by performing sensitivity analysis on possible future consumption/sales of slow-moving items of inventory.
- 透過對滯銷存貨項目的潛在未來消耗／銷售進行敏感度分析，評估管理層的假設的合適性及合理性。

Independent Auditor's Report

獨立核數師報告

Key Audit Matter 關鍵審核事項

(II) Impairment and recoverability of trade receivables (II) 貿易應收款項的減值及可收回性

In practice, the Group would grant credit terms to its customers ranged between 30 to 90 days. The Group would perform periodic assessment on the impairment as well as recoverability of trade receivables by basing on information including credit risk characteristics of each customer, historical ageing and settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances, and on-going trading relationships with the relevant customers. Subsequent to adoption of HKFRS 9, the Group also considered forward-looking information that may impact its customers' ability to repay the outstanding trade receivables in order to estimate the expected credit losses ("ECL") for the impairment assessment that increased complexity which include the identification of exposures with a significant deterioration in credit quality and assumptions used in the ECL model (for exposures assessed individually or collectively).

實際上，貴集團會向其客戶授予30至90日的信貸期。貴集團將根據各客戶的信貸風險特徵、過往賬齡及結算記錄、其後結算狀況、預期變現尚未償還結餘的時間及金額以及與相關客戶的持續交易關係等資料，對貿易應收款項的減值及可收回性進行定期評估。於採納香港財務報告準則第9號後，貴集團亦考慮可能影響其客戶償還尚未償還貿易應收款項的能力的前瞻性資料，以估計減值評估的預期信貸虧損（「預期信貸虧損」），減值評估的複雜程度較高，當中包括識別信貸質素及預期信貸虧損模式所用的假設出現顯著惡化的風險（單獨或集體評估風險）。

Due to the impairment and recoverability assessments of trade receivables under the ECL model involved the use of significant management judgements and estimates, we considered this as a key audit matter.

鑑於預期信貸模式下的貿易應收款項的減值及可收回性評估涉及使用重大管理層判斷及估計，故吾等認為此乃為關鍵審核事項。

How our audit addressed the Key Audit Matter 吾等在審核中如何處理關鍵審核事項

Our audit procedures in relation to the recoverability assessment of trade receivables included:

吾等有關貿易應收款項可收回性評估的審核程序包括：

- Evaluating the design, implementation and operating effectiveness of key internal controls over credit control, debt collection and estimate of ECL;
- 評估信貸控制、收回債務及預期信貸虧損估計的關鍵內部控制的設計、實施及運作成效；
- Assessing the reasonableness of the Group's ECL models by examining the model input used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions variables and assumptions used in each of the economic scenarios and their probability weightings and assessing whether there was an indication of management bias when recognising loss allowances;
- 透過檢查管理層用於作出相關判斷的模式輸入數據評估貴集團預期信貸虧損模式的合理性，當中包括測試過往違約數據的準確性、評估過往虧損率是否根據當前經濟狀況的可變因素及各經濟情景下所用的假設及其機率比重進行適當調整，及評估是否有跡象顯示管理層於確認虧損撥備時存有偏見；
- Inspected settlements after the financial year end relating to the trade receivables as at 31 March 2019; and
- 於財政年度結束後檢查於2019年3月31日的貿易應收款項相關的結算情況；及
- We also assessed the disclosures made in the consolidated financial statements in relation to the Group's credit risk exposure.
- 吾等亦評估於綜合財務報表中所作出有關貴集團信貸風險的披露資料。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

其他資料

董事須為其他資料承擔責任。其他資料包括 貴公司年報中除綜合財務報表及吾等就此發出的核數師報告以外的所有資料。

吾等對綜合財務報表作出的意見並未涵蓋其他資料及吾等不對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審核過程中獲悉的資料存在重大抵觸，或似乎存在重大錯誤陳述。基於吾等已執行的工作，倘吾等認為此其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事就綜合財務報表須承擔的責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製真實及意見公允之綜合財務報表，並負責董事認為就編製綜合財務報表而言屬必要的有關內部監控，致使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用），及除非董事有意將 貴集團清盤或停止營運，或除此之外並無其他實際可靠的辦法，否則董事須採用以持續經營為基礎的會計法。

審核委員會協助董事履行監督 貴集團的財務報告流程的職責。

核數師就審核綜合財務報表須承擔的責任

吾等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，並出具包括吾等意見的核數師報告。吾等僅向 閣下（作為整體）報告吾等的意見，並無其他目的。吾等概不就本報告的內容，對任何其他人士負責或承擔法律責任。

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，它們單獨或匯總起來可能影響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。

Independent Auditor's Report

獨立核數師報告

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.
- 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 the Audit Committee, 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.

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

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充分適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部監控，以設計適用於有關情況之審核程序，惟不會就 貴集團之內部監控成效發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估計及相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括資料披露)的整體呈列、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就 貴集團內各實體及業務活動的財務資料獲得充分而適當的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等只須為吾等的審核意見承擔責任。

吾等就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷與審核委員會進行溝通。

Independent Auditor's Report

獨立核數師報告

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

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

World Link CPA Limited

Certified Public Accountants

Lo Ka Ki

Audit Engagement Director

Practising Certificate Number: P06633

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

Hong Kong, 21 June 2019

吾等亦向審核委員會提交聲明，確認吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施（如適用）與審核委員會進行溝通。

吾等從與審核委員會溝通的事項中，決定哪些事項對本期間綜合財務報表的審核工作最為重要，從而構成關鍵審核事項。除非法例或規例不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

華普天健(香港)會計師事務所有限公司

執業會計師

盧家麒

審核項目董事

執業證書編號：P06633

香港
德輔道中 121 號
遠東發展大廈 5 樓

香港，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益表

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

		Note 附註	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Revenue	收益	8	50,878	71,063
Cost of sales	銷售成本		(25,054)	(29,016)
Gross profit	毛利		25,824	42,047
Other income	其他收入	9	702	230
Selling and distribution costs	銷售及分銷成本		(5,749)	(5,121)
Administrative and other operating expenses	行政及其他經營開支		(21,976)	(29,645)
(Loss)/profit from operation	來自經營之(虧損)/溢利		(1,199)	7,511
Finance costs	財務成本	10	(28)	(75)
(Loss)/profit before tax	除稅前(虧損)/溢利	11	(1,227)	7,436
Income tax expense	所得稅開支	12	(259)	(3,222)
(Loss)/profit for the year attributable to equity owners of the Company	本公司權益擁有人應佔年內(虧損)/溢利		(1,486)	4,214
Other comprehensive income for the year, net of tax:	年內其他全面收益，扣除稅項：			
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益之項目：</i>			
Exchange differences on translating foreign operations	換算海外業務時之匯兌差額		(273)	690
Total comprehensive income for the year attributable to equity owners of the Company	本公司權益擁有人應佔年內全面收益總額		(1,759)	4,904
(Loss)/earnings per share (HK cents)	每股(虧損)/盈利(港仙)			
— Basic and diluted	— 基本及攤薄	15	(0.19)	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

		Note 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	17	1,816	1,036
Intangible assets	無形資產	18	119	168
			1,935	1,204
Current assets	流動資產			
Inventories	存貨	19	21,393	18,919
Trade receivables	貿易應收款項	20	9,691	12,354
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	21	2,706	2,444
Tax recoverable	可收回稅項		2,531	–
Cash and bank balances	現金及銀行結餘	22	70,334	76,837
			106,655	110,554
Current liabilities	流動負債			
Trade payables	貿易應付款項	23	2,922	2,377
Other payables, deposits received and accrued expenses	其他應付款項、已收按金及應計費用	24	5,538	5,663
Contract liabilities	合約負債	25	5,066	–
Deferred revenue	遞延收益	25	–	3,595
Current tax liabilities	即期稅項負債		67	1,174
			13,593	12,809
Net current assets	流動資產淨值		93,062	97,745
Total assets less current liabilities	總資產減流動負債		94,997	98,949
Non-current liabilities	非流動負債			
Contract liabilities	合約負債	25	102	–
Deferred revenue	遞延收益	25	–	134
			102	134
NET ASSETS	資產淨值		94,895	98,815
Capital and reserves	資本及儲備			
Share capital	股本	28	8,000	8,000
Reserves	儲備	30	86,895	90,815
TOTAL EQUITY	總權益		94,895	98,815

Approved and authorised for issue by the Board of Directors on 21 June 2019.

於2019年6月21日經董事會批准及授權刊發。

Yuen Kwok Wai, Tony
阮國偉

Yuen Mei Ling, Pauline
阮美玲

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 equity owners of the Company
本公司權益擁有人應佔

		Share capital	Share premium	Merger reserve	Legal reserve	Foreign currency translation reserve	Retained profits	Total reserve	Total equity
		股本	股份溢價	合併儲備	法定儲備	外幣換算儲備	保留溢利	總儲備	總權益
		(note 30(c)(i))	(note 30(c)(i))	(note 30(c)(ii))	(note 30(c)(iii))	(note 30(c)(iv))			
		(附註30(c)(i))	(附註30(c)(i))	(附註30(c)(ii))	(附註30(c)(iii))	(附註30(c)(iv))			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於2017年4月1日	-*	-	17,079	12	(688)	17,826	34,229	34,229
Share capitalisation (note 28(b))	股份資本化(附註28(b))	6,000	(6,000)	-	-	-	-	(6,000)	-
Issue of new shares under the share offer (note 28(c))	根據股份發售發行新股份(附註28(c))	2,000	68,000	-	-	-	-	68,000	70,000
Cost of issuing new shares under the share offer	根據股份發售發行新股份的成本	-	(10,318)	-	-	-	-	(10,318)	(10,318)
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	-	690	4,214	4,904	4,904
Changes in equity for the year	年內權益變動	8,000	51,682	-	-	690	4,214	56,586	64,586
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	8,000	51,682	17,079	12	2	22,040	90,815	98,815
Impact on initial application of HKFRS 15 (note 3(a))	初步應用香港財務報告準則第15號的影響(附註3(a))	-	-	-	-	-	(2,161)	(2,161)	(2,161)
Loss and total comprehensive income for the year	年內虧損及全面收益總額	-	-	-	-	(273)	(1,486)	(1,759)	(1,759)
Changes in equity for the year	年內權益變動	-	-	-	-	(273)	(3,647)	(3,920)	(3,920)
At 31 March 2019	於2019年3月31日	8,000	51,682	17,079	12	(271)	18,393	86,895	94,895

* Represents amount less than HK\$1,000

* 指金額少於1,000港元

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

	Note 附註	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES 經營活動現金流量			
(Loss)/profit before tax	除稅前(虧損)/溢利	(1,227)	7,436
Adjustments for:	就以下各項作出調整：		
Interest income	利息收入	(636)	(4)
Amortisation	攤銷	49	48
Depreciation	折舊	957	589
Finance costs	財務成本	28	75
Impairment losses on trade receivables	貿易應收款項減值虧損	178	-
Allowance for inventories/(reversal of allowance)	存貨撥備/(撥備撥回)	386	(99)
Gain on disposals of property, plant and equipment	出售物業、廠房及設備收益	(29)	(212)
Write off of property, plant and equipment	撤銷物業、廠房及設備	1	-
Operating (loss)/profit before working capital changes	營運資金變動前經營 (虧損)/溢利	(293)	7,833
Increase in inventories	存貨增加	(3,136)	(981)
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)	2,419	(1,447)
(Increase)/decrease in other receivables, prepayments and deposits	其他應收款項、預付款項 及按金(增加)/減少	(275)	3,243
Increase/(decrease) in trade payables	貿易應付款項增加/(減少)	620	(68)
(Decrease)/increase in other payables, deposits received and accrued expenses	其他應付款項、已收按金及 應計費用(減少)/增加	(123)	2,187
Decrease in contract liabilities/deferred revenue	合約負債/遞延收益減少	(1,149)	(1,392)
Cash (used in)/from operations	經營(所用)/所得現金	(1,937)	9,375
Hong Kong Profits Tax paid	已付香港利得稅	(3,442)	(2,435)
Macao Complementary Tax paid	已付澳門所得補充稅	(28)	(55)
Interest paid	已付利息	(28)	(75)
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額	(5,435)	6,810
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動現金流量			
Purchases of property, plant and equipment	購買物業、廠房及設備	(1,724)	(687)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及 設備所得款項	29	212
Interest received	已收利息	636	4
Net cash used in investing activities	投資活動所用現金淨額	(1,059)	(471)

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
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Import/export loans raised	已籌得進／出口貸款	508	2,148
Repayments of import/export loans	償還進／出口貸款	(508)	(3,598)
Repayments of finance lease payables	償還融資租賃應付款項	-	(44)
Proceeds from new shares issued under the share offer	根據股份發售發行新股份的所得款項	-	70,000
Cost of issuing new shares under the share offer	根據股份發售發行新股份的成本	-	(10,318)
Net cash from financing activities	融資活動所得現金淨額	-	58,188
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)／增加淨額	(6,494)	64,527
Effect of foreign exchange rate changes	匯率變動的影響	(9)	92
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初的現金及現金等價物	76,837	12,218
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末的現金及現金等價物	70,334	76,837
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物的分析		
Cash and bank balances	現金及銀行結餘	70,334	76,837

Note
附註

22

Notes to the Financial Statements

財務報表附註

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

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempt company with limited liability under the Companies Law (as revised) of the Cayman Islands on 16 October 2015. The address of its registered office is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands. The address of its principal place of business is located at Unit A, 6/F, TLP132, Nos. 132-134 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong. The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 14 February 2018 (the "Listing").

The Company is an investment holding company. The principal activities of its subsidiaries are sales of biometrics identification devices and other devices and accessories and provision of auxiliary and other services.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are discussed in note 4 below.

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

1. 一般資料

本公司於2015年10月16日根據開曼群島公司法(經修訂)在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands。其主要營業地點的地址位於香港新界葵涌大連排道132-134號TLP132六樓A室。本公司股份已自2018年2月14日起於香港聯合交易所有限公司(「聯交所」)GEM上市(「上市」)。

本公司為一間投資控股公司。其附屬公司的主要業務為銷售生物特徵識別裝置及其他裝置及配件，以及提供配套及其他服務。

2. 編製基準

此等綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)及香港公認的會計原則編製。此等綜合財務報表亦符合聯交所GEM證券上市規則(「GEM上市規則」)的適用披露條文及第622章香港公司條例的披露規定。本集團採納的重大會計政策於下文附註4討論。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並於本集團之當前會計期間首次生效或可供提早採用。初步應用此等準則所引致有關本集團於當前及過往會計期間的任何會計政策變動已於此等綜合財務報表內反映，有關資料載於下文附註3。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs

(a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 April 2018. Of these, the following developments are relevant to the Group's consolidated financial statements:

- (i) HKFRS 9 Financial Instruments; and
- (ii) HKFRS 15 Revenue from Contracts with Customers

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

HKFRS 9 Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and 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 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 application of HKFRS 9 did not affect the classification and measurement of the Group's loans and receivables as at 1 April 2018 which are continue to be measured at amortised cost after initial application. As a result, restatement of the opening accumulated losses, other components of equity and comparative information is not required.

The adoption of HKFRS 9 resulted in the following changes to the Group's accounting policies.

- (a) Classification
From 1 April 2018, the Group classifies its financial assets in the following measurement categories:
 - those to be measured subsequently at fair value through other comprehensive income (“**FVTOCI**”) or fair value through profit or loss (“**FVTPL**”); and
 - those to be measured at amortised cost.

3. 採納新訂及經修訂香港財務報告準則

(a) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，有關準則於2018年4月1日或之後開始的年度期間首次生效。其中，以下準則頒佈與本集團的綜合財務報表相關：

- (i) 香港財務報告準則第9號金融工具；及
- (ii) 香港財務報告準則第15號來自客戶合約收益

本集團並無應用任何於當前會計期間尚未生效的新訂準則或詮釋。

香港財務報告準則第9號金融工具

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債確認、分類及計量、金融工具終止確認、金融資產減值及對沖會計的條文。

本集團已根據香港財務報告準則第9號所載的過渡條文，向於2018年4月1日（初步應用日期）尚未終止確認的工具追溯應用香港財務報告準則第9號（即應用分類及計量規定），而並無應用該等規定至於2018年4月1日已終止確認的工具。

應用香港財務報告準則第9號並不影響本集團於2018年4月1日的貸款及應收款項的分類及計量，有關項目於初步應用後按攤銷成本繼續計量。因此，毋須重列期初累計虧損、其他權益部分及比較資料。

採納香港財務報告準則第9號對本集團會計政策造成以下變動。

- (a) 分類
自2018年4月1日起，本集團將其金融資產分為以下計量類別：
 - 其後按公平值計入其他全面收益（「**按公平值計入其他全面收益**」）或按公平值計入損益（「**按公平值計入損益**」）計量的金融資產；及
 - 按攤銷成本計量的金融資產。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 9 Financial Instruments (continued)

(a) Classification (continued)

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTOCI.

(b) Measurement

At initial recognition, the Group measures financial assets at its fair value plus, in the case of financial assets not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented in the statement of profit or loss.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續) 香港財務報告準則第9號金融工具(續)

(a) 分類(續)

分類取決於本集團管理金融資產的業務模式及現金流量的合約條款而釐定。本集團於及僅於其管理該等資產的業務模式出現變動時方會重新分類金融資產。

就按公平值計量的資產而言，收益及虧損將於損益或其他全面收益入賬。就並非持作買賣的權益工具的投資而言，此將取決於本集團是否於初步確認時不可撤回地選擇按公平值計入其他全面收益對股本投資列賬。

(b) 計量

於初步確認時，本集團按公平值加(倘金融資產並非按公平值計入損益)直接歸屬於金融資產收購的交易成本計量金融資產。按公平值計入損益列賬的金融資產的交易成本於損益中支銷。

在確定具有嵌入衍生工具的金融資產的現金流量是否僅支付本金和利息時，需從金融資產的整體進行考慮。

債務工具的其後計量取決於本集團管理資產的業務模式及資產的現金流量特徵而定。本集團按照以下三種計量類別對債務工具進行分類：

- **攤銷成本：**持作收合同約現金流量的資產，倘該等現金流量僅指支付本金及利息，則按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入其他收入。終止確認產生的任何收益或虧損乃於損益中直接確認，並與匯兌收益及虧損一併呈列於其他收益/(虧損)中。減值虧損於損益表中呈列。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 9 Financial Instruments (continued)

(b) Measurement (continued)

- **FVTOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment losses are presented in the statement of profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are continued to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other income or administrative and other operating expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號金融工具(續)

(b) 計量(續)

- 按公平值計入其他全面收益：持作收回合約現金流量及出售金融資產的資產，倘該等資產現金流量僅指所支付的本金及利息，則按公平值計入其他全面收益計量。賬面值的變動乃計入其他全面收益，惟於損益確認的減值收益或虧損、利息收益及匯兌收益及虧損除外。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損由權益重新分類至損益並確認為其他收益/(虧損)。該等金融資產的利息收入乃採用實際利率法計入其他收入。匯兌收益及虧損於其他收益/(虧損)呈列，而減值虧損於損益表中呈列。
- 按公平值計入損益：未達攤銷成本或按公平值計入其他全面收益標準的資產乃按公平值計入損益計量。其後按公平值計入損益計量的債務投資的收益或虧損於損益確認，並於產生期間在其他收益/(虧損)呈列淨額。

本集團其後按公平值計量所有股本投資。倘本集團管理層選擇於其他全面收益呈列股本投資的公平值收益及虧損，於終止確認投資後，公平值收益及虧損其後概不重新分類至損益。當本集團收取股息付款的權利確立時，該等投資的股息繼續於損益確認為其他收入。

按公平值計入損益的金融資產公平值變動於損益表確認為其他收入或行政及其他經營開支(如適用)。按公平值計入其他全面收益計量的股本投資的減值虧損(及減值虧損撥回)不會與其他公平值變動分開呈報。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 9 Financial Instruments (continued)

(b) Measurement (continued)

The measurement categories for all financial liabilities of the Group remain the same and the carrying amounts for all financial liabilities of the Group as at 1 April 2018 have not been significantly impacted by the initial application of HKFRS 9.

(c) Impairment

From 1 April 2018, the Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the Group's receivables. There is no significant change in accumulated impairment loss at the date of initial adoption of HKFRS 9 as compared with that recognised under HKAS 39.

The following table and the accompanying notes below explain the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group's financial assets as at 1 April 2018.

Financial assets	Classification under HKAS 39	Classification under HKFRS 9	Carrying amount under HKAS 39	Carrying amount under HKFRS 9
			香港會計準則第39號項下的賬面值 HK\$'000 千港元	香港財務報告準則第9號項下的賬面值 HK\$'000 千港元
Trade receivables (note) 貿易應收款項(附註)	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本	12,354	12,354
Other receivables, prepayments and deposits (note) 其他應收款項、預付款項及按金(附註)	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本	2,444	2,444
Cash and bank balances 現金及銀行結餘	Loans and receivables 貸款及應收款項	Amortised cost 攤銷成本	76,837	76,837

Note: These balances were classified as loans and receivables under HKAS 39 and are now classified as amortised cost.

附註：該等結餘以往根據香港會計準則第39號分類為貸款及應收款項，現按攤銷成本分類。

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號金融工具(續)

(b) 計量(續)

本集團所有金融負債的計量類別保持不變，而本集團於2018年4月1日的所有金融負債的賬面值並無因初步應用香港財務報告準則第9號而受到重大影響。

(c) 減值

自2018年4月1日起，本集團按前瞻基準評估與按攤銷成本及按公平值計入其他全面收益列賬的金融資產有關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加而定。

本集團應用香港財務報告準則第9號允許的簡化法，其規定預期可使用年期虧損將自本集團應收款項初步確認起予以確認。於香港財務報告準則第9號初步採納日期的累計減值虧損與根據香港會計準則第39號所確認者並無重大變動。

下表及下文所列附註闡述本集團於2018年4月1日的各類金融資產在香港會計準則第39號項下的原有計量類別及香港財務報告準則第9號項下的新計量類別。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

Under HKFRS 15, an entity is required to identify the performance obligations in the contract, determine the transaction price of the contract, allocate the transaction price to the performance obligations in the contract based on each performance obligation's standalone price, and recognise revenue when the performance obligations are satisfied.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- (b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- (c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

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

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 (or other components of equity, as appropriate) and comparative information has not been restated.

The adoption of HKFRS 15 resulted in the following changes to the Group's accounting policies.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號來自客戶合約收益
香港財務報告準則第15號建立了一個釐定收益確認與否、金額及時間的綜合框架。香港財務報告準則第15號取代香港會計準則第18號收益、香港會計準則第11號建造合約及相關詮釋。

根據香港財務報告準則第15號，實體須確定合約的履約責任、釐定合約的交易價格、按各履約責任的單獨價格分配交易價格至合約的履約責任，以及於達成履約責任時確認收益。

根據香港財務報告準則第15號，收益於客戶獲得合約中承諾商品或服務的控制權時確認。香港財務報告準則第15號確定了對承諾商品或服務的控制權被視為隨時間轉移的3種情況：

- (a) 當客戶於實體履約時同時接受及使用實體履約所提供的利益時；
- (b) 當實體履約時創造或改良客戶在資產被創造或改良時所控制的資產(如在建工程)；
- (c) 當實體履約時並無創造對實體而言具替代用途的資產，且該實體對迄今完成的履約付款具有可執行權利。

倘合約條款及實體的活動並不屬於任何該等3種情況，則根據香港財務報告準則第15號，實體於某一時間點(即控制權轉移時)就銷售該商品或服務確認收益。所有權風險及回報的轉移僅為於釐定控制權轉移發生時將考慮的其中一項指標。

本集團已追溯應用香港財務報告準則第15號，而初步應用該準則的累計影響於初步應用日期(2018年4月1日)確認。於初步應用日期的任何差額於期初保留溢利(或其他權益部分(倘適合))確認，且並未重列比較資料。

採納香港財務報告準則第15號對本集團會計政策造成以下變動。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

As mentioned in note 7 to the consolidated financial statements, the Group mainly derived its revenue from (i) sales of biometric identification devices, security products and other accessories; and (ii) provision of auxiliary and other services which include (a) maintenance, installation and solution services; and (b) software licensing.

Prior to application of HKFRS 15, apart from maintenance services was recognised on a straight-line basis over the relevant term of maintenance contracts, the Group recognised income from sales of goods and provision of other services at a point in time: i.e. when the goods and relevant services are delivered to customers.

The Group generally provides one-year free warranty on sales of biometrics identification devices and certain accessories to its customers, income from sales of such products was fully recognised upon delivery under HKAS 18 "Revenue" and the Group would recognise a provision (if necessary) for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. The estimation basis is reviewed on an ongoing basis and revised where appropriate. Following the adoption of HKFRS 15, the one-year free warranty constitutes a separate unfulfilled performance obligation upon delivery of the promised goods and the Group had distinguished contract amount between sales of products and provision of warranty services and recognised unfulfilled warranty services as contract liabilities having considered (i) the standalone transaction price for sales of products and provision of warranty services; and (ii) the weighted discount given to a bundle sales of products and provision of warranty services. The opening retained profits were adjusted by the contract liabilities and the corresponding income tax effect as if HKFRS 15 was in effect as at 1 April 2018.

Save for disclosed above, the adoption of HKFRS 15 does not have a significant impact on how the Group recognises revenue from other source of income.

The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 15.

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續) 香港財務報告準則第15號來自客戶合約收益(續)

誠如綜合財務報表附註7所述，本集團收益主要來自(i)銷售生物特徵識別裝置、保安產品及其他配件；及(ii)提供配套及其他服務，包括(a)維護、安裝及解決方案服務；及(b)軟件許可。

於應用香港財務報告準則第15號前，除維護服務於相關維護合約期內按直線法確認外，本集團於某時間點(當商品及相關服務提供予客戶時)確認銷售商品及提供其他服務所產生的收入。

本集團一般就銷售生物特徵識別裝置及若干配件向客戶提供一年免費保修，銷售相關產品所得收入於根據香港會計準則第18號「收益」交付時已悉數確認，而本集團將根據過往保修索賠資料及可能表明過往成本資料可能與未來索賠不同的最新趨勢就未來保修索賠撥備(如需要)。估計基準會持續審閱，並在適當情況下作出修訂。於採納香港財務報告準則第15號後，一年免費保修構成交付承諾商品後的單獨未履行履約責任，而本集團已透過考慮(i)銷售產品及提供保修服務的獨立交易價格；及(ii)提供予捆綁式銷售產品及提供保修服務的加權折扣而區分銷售產品與提供保修服務之間的合約金額並確認未履行約保修服務為合約負債。期初保留溢利按合約負債及相應的所得稅影響進行調整，猶如香港財務報告準則第15號已於2018年4月1日生效。

除上文所披露者外，採納香港財務報告準則第15號對本集團如何確認來自其他收入來源的收益並無重大影響。

下表概述就綜合財務狀況表中各項受香港財務報告準則第15號影響的項目所確認的期初結餘調整。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued) HKFRS 15 Revenue from Contracts with Customers (continued)

		HK\$'000 千港元
Retained profits	保留溢利	
Change in timing of billed maintenance/ warranty services recognised as revenue	已開具發票的維護／保修服務確認為收益的 時間變動	(2,588)
Related tax	相關稅項	427
Net decrease in retained profits as at 1 April 2018	於2018年4月1日的保留溢利的淨減少	(2,161)

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

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

3. 採納新訂及經修訂香港財務報告準則(續)

(a) 應用新訂及經修訂香港財務報告準則(續) 香港財務報告準則第15號來自客戶合約收益 (續)

(b) 已頒佈但尚未生效的新訂及經修訂香港 財務報告準則

本集團並無提早應用已頒佈但於2018年4月1日開始的財政年度尚未生效的新訂及經修訂香港財務報告準則。該等新訂及經修訂香港財務報告準則包括以下可能與本集團有關的項目。

	Effective for accounting periods beginning on or after 於此日期起或之後 開始的會計期間生效
HKFRS 16 Leases 香港財務報告準則第16號租賃	1 January 2019 2019年1月1日
HK(IFRIC) 23 Uncertainty over Income Tax Treatments 香港(國際財務報告詮釋委員會)詮釋 第23號所得稅處理之不確定性	1 January 2019 2019年1月1日
Annual Improvements to HKFRSs 2015–2017 Cycle 2015年至2017年週期的香港財務報告準則 年度改進	1 January 2019 2019年1月1日
Amendments to HKAS 28 Long-term Interest in Associates and Joint Ventures 香港會計準則第28號(修訂本)於聯營公司及 合營企業的長期權益	1 January 2019 2019年1月1日

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

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

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

HKFRS 16 Leases

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

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

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

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

本集團現正評估此等修訂及新訂準則於初步應用期間的預期影響。迄今本集團已識別香港財務報告準則第16號的部分方面可能對綜合財務報表造成重大影響。有關預期影響的進一步詳情於下文討論。儘管香港財務報告準則第16號的評估已大致完成，惟由於迄今完成的評估基於本集團目前可得資料而作出，因此對初步採納準則的實際影響可能不同，並於準則初步應用於本集團截至2019年9月30日止六個月的中期財務報告前，或會進一步確定影響。本集團亦可能改變其會計政策選擇，包括過渡方案，直至準則初步應用於該中期財務報告為止。

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋。新準則為承租人引入單一會計模型。對於承租人，經營與融資租賃的區分將取消，而承租人將就所有租賃確認使用權資產及租賃負債(可就短期租賃及低價值資產的租賃選擇豁免)。香港財務報告準則第16號沿用香港會計準則第17號中出租人的會計要求而大致保持不變。因此，出租人會繼續將租賃分類為經營或融資租賃。

香港財務報告準則第16號於2019年4月1日或以後開始的年度期間生效。本集團擬應用簡化過渡方法及將不會於首次採納前年度重列比較款項。

本集團的辦公室及員工宿舍租賃目前分類為經營租賃，而租賃付款(扣除從出租人收到的任何寬減後)在租賃期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能須按未來最低租賃付款額現值確認和計量一項負債，並就該等租賃確認相應使用權資產。租賃負債的利息開支及使用權資產的折舊將會在損益內確認。本集團的資產及負債將會增加，而開支確認的時間亦將會因此而受到影響。

Notes to the Financial Statements

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. ADOPTION OF NEW AND REVISED HKFRSs (continued)

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

HKFRS 16 Leases (continued)

As disclosed in note 37 to the consolidated financial statements, the Group's future minimum lease payments under non-cancellable operating leases for its offices and staff quarters amounted to a total of approximately HK\$4,531,000 as at 31 March 2019. The Group will need to perform a more detailed assessment in order to determine the new assets and liabilities arising from these operating leases commitments after taking into account the transition reliefs available in HKFRS 16 and the effects of discounting.

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

HK (IFRIC) 23 Uncertainty over Income Tax Treatments

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

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

3. 採納新訂及經修訂香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

誠如綜合財務報表附註37所披露，於2019年3月31日，本集團於其辦公室及員工宿舍的不可撤銷經營租賃的未來最低租賃付款額合共約4,531,000港元。本集團將須進行更詳盡之評估，以於考慮香港財務報告準則第16號允許之過渡安排及折讓影響後釐定該等經營租賃承擔所產生之新資產及負債。

除租賃負債及使用權資產的確認外，本集團預期將就初步採納香港財務報告準則第16號所作出的過渡調整並不重大。然而，上述的會計政策的預期變動可對本集團於2019年起之後的綜合財務報表造成重大影響。

香港(國際財務報告詮釋委員會)詮釋第23號 所得稅處理之不確定性

香港會計準則第12號所得稅的詮釋載列於存在所得稅處理的不確定性時應用該準則的方式。實體須釐定是否應單獨或整體評估不確定的稅項處理(視乎哪項方法將能更好預測不確定性的解決方案而定)。實體將須評估稅務機構是否可能接受不確定的稅項處理。倘接受，會計處理將符合該實體的所得稅申報；然而倘不接受，該實體則須採用可能性最大之結果或預期價值法(視乎哪項方法預期能更好預測其解決方案而定)將不確定性的影響入賬。

本集團需於完成更為詳細的評估後方可估計詮釋對綜合財務報表的影響。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

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

Subsidiaries are consolidated from the date on which the Group obtains and continue to be consolidated until the date when such control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary determined on the date when control is lost; and (ii) the carrying amount of the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated amounts in other comprehensive income.

4. 主要會計政策

該等財務報表乃按歷史成本慣例編製。

編製符合香港財務報告準則的財務報表須採用若干關鍵會計估計，亦要求管理層於應用本集團會計政策的過程中作出判斷。涉及高度判斷或複雜程度的範疇，或對綜合財務報表有重大影響的假設及估計的範疇於附註5中披露。

在編製該等財務報表時應用的主要會計政策的概要載列如下。

(a) 綜合基準

綜合財務報表包括本公司及其附屬公司截至3月31日止的財務報表。附屬公司的財務報表乃就與本公司相同的報告年度編製。附屬公司的會計政策已按需要作出改變以確保與本集團採納的政策一致。附屬公司指本集團控制的實體。當本集團通過參與某實體而承擔可變回報的風險或享有可變回報，並且有能力運用對該實體的權力影響該等回報，本集團即控制該實體。當本集團擁有現有權利，使本集團目前有能力主導相關活動（即對實體的回報產生重大影響的活動），本集團對該實體擁有權力。

在評估是否擁有控制權時，本集團考慮其潛在表決權以及其他方所持有的潛在表決權，以釐定其是否有控制權。只有在持有人有實際能力行使有關權利時，方考慮潛在表決權。

附屬公司在本集團取得控制權之日起綜合入賬，並繼續綜合入賬直至控制權終止當日為止。

如果出售附屬公司導致失去控制權，該收益或虧損指以下兩項的差額(i) 出售代價的公平值加該附屬公司保留的任何投資的公平值（於失去控制權當日釐定）；及(ii) 本公司分佔該附屬公司資產淨值的賬面值加與該附屬公司有關的任何其餘商譽及任何於其他全面收益內累計之相關金額。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

All intragroup transactions, balances, income and expenses and profits and losses are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(b) Foreign currency translation

(i) Functional and presentation currency

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

4. 主要會計政策(續)

(a) 綜合基準(續)

所有集團內公司間交易、結餘、收入及開支以及溢利及虧損均予以撇除。未變現虧損亦予以撇除，除非該交易提供所轉讓資產減值的憑據。

非控股權益指並非直接或間接歸屬本公司之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內列賬。於綜合損益及其他全面收益表內，非控股權益呈列為年內損益及全面收益總額在非控股股東與本公司擁有人之間的分配。

損益及其他全面收益之各個組成部份歸屬於本公司之擁有人及非控股股東，即使此舉會導致非控股權益有虧絀結餘。

本公司於附屬公司擁有權益變動(並不導致失去控制權)列作權益交易(即與擁有人以彼等作為擁有人的身份進行的交易)入賬。控股及非控股權益的賬面值將予以調整，以反映其於附屬公司的相對權益變動。非控股權益之調整金額與所付或所收代價的公平值之間的任何差額直接於權益中確認，並歸屬於本公司擁有人。

在本公司的財務狀況表內，於附屬公司的投資以成本減去減值虧損列值，除非投資分類為持作出售(或計入分類為持作出售的出售組合)。

(b) 外幣換算

(i) 功能及呈列貨幣

本集團各實體的財務報表內所包括項目，均利用該實體經營的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以港元(「港元」)呈列，港元為本公司之功能及呈列貨幣。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Foreign currency translation (continued)

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

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

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

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

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the consolidated profit or loss as part of the gain or loss on disposal.

4. 主要會計政策(續)

(b) 外幣換算(續)

(ii) 各實體之財務報表中的交易及結餘

外幣交易於初步確認時均按交易日期的現行匯率換算為功能貨幣。外幣貨幣資產及負債按各報告期末的匯率換算。匯兌政策產生的收益及虧損於損益內確認。

按公平值計量及以外幣計值的非貨幣項目乃按釐定公平值當日的匯率折算。

當非貨幣項目的收益或虧損於其他全面收益確認時，該收益或虧損的任何匯兌部分於其他全面收益確認。當非貨幣項目的收益或虧損於損益內確認時，該收益或虧損的任何匯兌部分於損益內確認。

(iii) 綜合賬目時換算

所用功能貨幣與本公司呈列貨幣不同的所有本集團旗下各實體的業績及財務狀況均按下列方式換算為本公司的呈列貨幣：

- 各財務狀況表所列資產及負債均於該財務狀況表日期按收市匯率換算；
- 各損益及其他全面收益表的收入及開支均按平均匯率換算(除非該平均數並非交易日期的現行匯率累計影響的合理約數，則在此情況下收入及開支按交易日期的匯率換算)；及
- 所有產生的匯兌差額均於外幣換算儲備確認。

綜合入賬時，因換算海外實體投資淨額及借款產生的匯兌差額於外幣換算儲備確認。當出售海外業務時，有關的匯兌差額於綜合損益中確認為出售收益或虧損的一部分。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the period in which they are incurred.

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

		Depreciation rate 折舊率
Furniture and fixtures	傢俬及裝置	20%
Biometric identification devices	生物特徵識別裝置	20%
Motor vehicles	汽車	30%
Computer equipment	電腦設備	20%

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

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

(d) Intangible assets (other than goodwill)

Intangible assets acquired are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be whether finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period.

4. 主要會計政策(續)

(c) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。物業、廠房及設備項目之成本值包括其購買價及促使該資產達至其擬定用途之營運狀況及地點之任何直接應佔成本。

僅當與項目相關的未來經濟利益將會流入本集團，且項目的成本能夠可靠計量時，其後成本方會計入資產賬面值或確認為一項獨立資產(倘適用)。所有其他維修及保養成本於其產生的期間在損益內確認。

物業、廠房及設備折舊乃於其估計可使用年期按足以撇銷其成本減剩餘價值的比率以直線法計算。就此所採用之主要年率如下：

		Depreciation rate 折舊率
Furniture and fixtures	傢俬及裝置	20%
Biometric identification devices	生物特徵識別裝置	20%
Motor vehicles	汽車	30%
Computer equipment	電腦設備	20%

剩餘價值、可使用年期及折舊方法於各報告期末進行檢討及作出調整(如適用)。

物業、廠房及設備項目於出售時或預期繼續使用有關資產不會產生未來經濟利益時終止確認。因出售物業、廠房及設備而產生之收益或虧損為出售所得款項淨額與相關資產賬面值之間的差額，並於有關項目終止確認的年度於損益內確認。

(d) 無形資產(商譽除外)

購入的無形資產於初步確認時按成本計量。無形資產的可使用年期評估為有限或無限。年期有限的無形資產隨後於可使用經濟年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。可使用年期有限的無形資產的攤銷年期及攤銷方法於各報告期末檢討。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Intangible assets (other than goodwill) (continued)

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. With respect to staff costs incurred directly attributable to solution service income, it will be regarded as cost of sales and charged to profit or loss of the Group accordingly.

Software development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the software are put into commercial production.

(e) Leases

The Group as lessee

(i) Operating leases

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

(ii) Finance leases

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

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Finance charges which represent the difference between the total leasing commitments and the fair value of the assets acquired, are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated the same as owned assets over the shorter of the lease term and their estimated useful lives.

4. 主要會計政策(續)

(d) 無形資產(商譽除外)(續)

研發新產品項目所產生的開支只會在本集團能夠顯示其在技術上能夠完成無形資產以能供使用或出售、打算完成資產並能夠加以使用或將之出售、資產如何產生未來經濟利益、有足夠資源以完成項目並且有能力可靠地計算發展期間的開支的情況下，才會撥作資本及遞延。倘未能符合以上準則，產品研發開支會在產生時支銷。就解決方案服務直接產生的員工成本而言，其將被視為銷售成本，並據此計入本集團的損益。

軟件開發成本按成本減任何減值虧損列賬，並以直線法在相關產品不超過其經濟可用年期的五年(自其投產日期起計)內攤銷。

(e) 租賃

本集團作為承租人

(i) 經營租賃

資產擁有權的絕大部分風險及回報並無轉移至本集團的租賃列作經營租賃。租賃款項(扣除自出租人收取的任何獎勵金後)於租期內以直線法確認為開支。或然租金於其產生期間確認為開支。

(ii) 融資租賃

資產擁有權的絕大部分風險及回報轉移至本集團的租賃列作融資租賃。於租期開始時，融資租賃按租賃開始時釐定的租賃資產之公平值及最低租賃付款之現值中的較低者撥充資本。

對出租人之相應負債於財務狀況表列作融資租賃應付款項。融資費用指租賃承擔總額與所收購資產公平值之差額，於租期內分配至各期間，以使該負債之餘額維持固定周期利率。

按融資租賃持有之資產按與自置資產相同之基準，以其租期及估計可使用年期(以較短者為準)折舊。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis and comprise all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised in the profit or loss in the period of write-down or loss occurs. The amount of any reversal of any write-down of inventories recognised as an increment in the amount of inventories and recognised in the profit or loss in the period in which the reversal occurs.

(g) Recognition and derecognition of financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

4. 主要會計政策(續)

(f) 存貨

存貨乃按成本與可變現淨值之較低者入賬。成本採用先入先出基準釐定並包括所有購入成本及(如適用)轉換成本以及其他致使存貨能達到目前位置及狀況之成本。可變現淨值為在日常業務過程中的估計售價減去直至完工的估計成本及為完成銷售所需的估計成本。當存貨售出時，該等存貨的賬面值於確認有關收益期間支銷。將存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間於損益內確認。任何存貨撇減的撥回金額乃於發生撥回期間在損益內確認為存貨金額增加。

(g) 確認及終止確認金融工具

金融資產及金融負債於本集團實體成為工具合約條文之訂約方時在綜合財務狀況表確認。

金融資產及金融負債初步按公平值計量。於初步確認時，金融資產或金融負債之公平值會加上或減去(視情況而定)因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及金融負債除外)而直接產生的交易成本。因收購按公平值計入損益的金融資產或金融負債而直接產生的交易成本會即時於損益確認。

本集團僅在自資產收取現金流量的合約權利屆滿，或於其轉讓金融資產而資產擁有權的絕大部分風險及回報轉移至另一實體時，方會終止確認該金融資產。倘本集團並無轉讓或保留擁有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團會確認其資產的保留權益及其可能須支付的金額的相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團會繼續確認該金融資產，亦會確認已收所得款項的有抵押借款。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Recognition and derecognition of financial instruments (continued)

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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

(h) Financial assets

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

Debt instruments

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

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- FVTOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

4. 主要會計政策(續)

(g) 確認及終止確認金融工具(續)

本集團乃於及僅於本集團之責任獲解除、註銷或到期時終止確認金融負債。已終止確認的金融負債賬面值與已付及應付代價(包括已轉移之任何非現金資產或承擔之負債)之間的差額於損益確認。

當有法定可執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產及結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時亦必須可強制執行。

(h) 金融資產

金融資產的所有常規買賣按交易日期基準確認及終止確認。常規買賣指須按市場規定或慣例所定時限內交付資產的金融資產買賣。視乎金融資產的分類，所有已確認金融資產其後按攤銷成本或公平值作整體計量。

債務工具

本集團持有的債務工具分類為以下計量類別之一：

- 攤銷成本，如持有投資是為了收取合約現金流量(即僅支付本金及利息)。投資的利息收入乃採用實際利率法計算。
- 按公平值計入其他全面收益 — 可轉入，倘投資的合約現金流量僅包括本金及利息付款，並且持作投資的目的為同時收回合約現金流量及出售的業務模式。公平值的變動於其他全面收益內確認，惟預期信貸虧損、利息收入(採用實際利率法計算)及匯兌收益及虧損於損益內確認。當終止確認該投資時，於其他全面收益內累計的金額由權益轉入損益。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial assets (continued)

Debt investments (continued)

- FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(i) Trade and other receivables

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

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less allowance for expected credit loss (“ECL”).

(j) Cash and cash equivalents

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

(k) Financial liabilities and equity instruments

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

4. 主要會計政策(續)

(h) 金融資產(續)

債務投資(續)

- 按公平值計入損益，倘該投資不符合按攤銷成本或按公平值計入其他全面收益(可轉入)計量的標準。該投資的公平值變動(包括利息)於損益內確認。

(i) 貿易及其他應收款項

應收款項於本集團具有無條件權利收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。倘收益在本集團具有無條件權利收取代價前經已確認，則金額呈列為合約資產。

貿易及其他應收款項初步按公平值確認，其後按實際利率法以攤銷成本扣除預期信貸虧損(「預期信貸虧損」)撥備計量。

(j) 現金及現金等價物

現金及現金等價物包括銀行現金及手頭現金、銀行及其他金融機構的活期存款，以及購入時於三個月內到期可隨時兌換為已知金額及存在非重大價值變動風險的短期高流通性投資。須按要求償還並構成集團現金管理的整體一部分的銀行透支亦於綜合現金流量表入賬列作現金及現金等價物部分。現金及現金等價物的預期信貸虧損已予以評估。

(k) 金融負債及權益工具

金融負債及權益工具乃根據所訂立合約安排的內容及香港財務報告準則項下金融負債和權益工具的定義分類。權益工具乃證明於經扣除其所有負債後顯示本集團資產的剩餘權益的任何合約。下文載列就特定金融負債及權益工具採納的會計政策。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(m) Trade and other payables

Trade and other payables are stated initially at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(n) Equity instruments

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

(o) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from the sale of biometric identification devices, security products and other accessories is recognised when control of the goods has transferred, being when the goods have been delivered to the buyer's specific location (delivery). Under the Group's standard contract terms, customers are entitled to a one-year free warranty. At the point of sale, a contract liability and corresponding adjustment to revenue is recognised, representing the unfulfilled performance obligation of the warranty services. The contract liability would be recognised as income on a straight-line basis over the warranty period.

4. 主要會計政策(續)

(l) 借款

借款初步按公平值(扣除已產生的交易成本)確認,其後以實際利率法按攤銷成本計量。

除非本集團具無條件權利將負債還款期遞延至報告期間後至少12個月,否則借款將被劃分為流動負債。

(m) 貿易及其他應付款項

貿易及其他應付款項初步按公平值列賬,其後採用實際利率法按攤銷成本計量,除非貼現影響甚微,於此情況下,則以成本列賬。

(n) 權益工具

權益工具為證明某一實體資產的剩餘權益(扣減其所有負債後)的任何合約。本公司所發行的權益工具按已收所得款項扣除直接發行成本入賬。

(o) 收益確認

收益於商品或服務的控制權轉移予客戶時確認,金額為本集團預期有權收取的承諾代價,不包括代第三方收取的金額。收益不含增值稅或其他銷售稅,且已扣減任何買賣折扣。

銷售生物特徵識別裝置、保安產品及其他配件所得收益於商品控制權轉移時(即商品已交付至買方的特定地點(交付))確認。根據本集團的標準合約條款,客戶享有一年免費保修服務。在銷售時,確認合約負債及收益的相應調整,即保修服務的未履行履約責任。合約負債於保修期內按直線法確認為收入。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Revenue recognition (continued)

Revenue from provision of solution, installation and other services are recognised when the relevant services are rendered and delivered to customers.

Revenue from maintenance services are recognised on a straight-basis over the term of the maintenance period.

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

Policy prior to 1 April 2018

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

(i) Sales of goods

Revenue from the sales of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

(ii) Service revenue

Service revenue comprises revenue from (I) provision of solution services; (II) maintenance and other services; and (III) software licensing income.

Revenue from provision of solution services is recognised when relevant services are delivered to customers.

Income from maintenance and other services is recognised on a straight-line basis over the term of the maintenance and other service contracts. Payments received or receivable in respect of maintenance and other services which have not been completed on or before the end of the reporting period are shown in the statement of financial position as deferred income.

Software licensing income is recognised on an accrual basis in accordance with the terms and conditions of the licensing agreement.

(iii) Interest income

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

4. 主要會計政策(續)

(o) 收益確認(續)

提供解決方案、安裝及其他服務所得收益於提供相關服務及向客戶交付相關服務時確認。

維護服務所得收益於維護期內按直線法確認。

利息收入於產生時以實際利率法確認。就按攤銷成本或按公平值計入其他全面收益(可轉入)計量且並無出現信貸減值的金融資產而言,實際利率適用於該資產的賬面總值。就出現信貸減值的金融資產而言,實際利率應用於該資產的攤銷成本(即扣除虧損撥備的賬面總值)。

於2018年4月1日前的政策

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

(i) 商品銷售

商品銷售的收益於所有權的重大風險及回報轉移時(一般指商品交付及所有權轉移予客戶時)確認。

(ii) 服務收益

服務收益包括來自(I)提供解決方案服務; (II)維護及其他服務; 及(III)軟件許可收入的收益。

提供解決方案服務的收益於有關服務交付予客戶時確認。

維護及其他服務的收入按直線法在維護及其他服務合約的期限確認。就尚未於報告期末或之前完成的維護及其他服務,已收或應收的款項在財務狀況表中列為遞延收入。

軟件許可收入根據許可協議的條款及條件按應計基礎確認。

(iii) 利息收入

利息收入按時間比例基準使用實際利率法確認。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策(續)

(p) 僱員福利

(i) 僱員應享假期

僱員的年假及長期服務假期於僱員應享有時予以確認。截至報告期末，僱員所提供的服務而產生的年假及長期服務假期的估計負債已計提撥備。

僱員的病假及產假於僱員休假時方會確認。

(ii) 退休金責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員對計劃的供款乃按僱員的基本薪金的百分比計算。在損益內扣除的退休福利計劃成本乃指本集團應付該等基金的供款。

(iii) 離職福利

離職福利於本集團再無能力撤銷提供該等福利時或本集團確認重組成本並涉及支付離職福利時(以較早者為準)確認。

(q) 借款成本

直接用作購入、建造或生產合資格資產(即需要相當長期間以達致其擬定用途或銷售的資產)的借款成本會資本化作為該等資產的部分成本，直至資產大致準備妥當以用作其擬定用途或銷售。特定用於合資格資產的借款在其尚未支銷時用作短暫投資所賺取的投資收入，乃於合資格資本化的借款成本內扣除。

倘一般性借入資金用於獲取一項合資格資產，合資格資本化的借款成本金額乃按該資產支銷的資本化率釐定。資本化率為適用於本集團於期內未償還借款的加權平均借款成本，不包括為取得合資格資產而專門借入的借款。

所有其他借款成本均於產生期間於損益內確認。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. 主要會計政策(續)

(r) 稅項

所得稅指即期稅項及遞延稅項之總額。

即期應付稅項乃根據年內之應課稅溢利計算。應課稅溢利與於損益內確認的溢利有所不同，乃由於其不包括其他年度的應課稅或可扣減收入或開支項目，且其亦不包括毋須課稅或不可扣減項目。本集團有關即期稅項之負債乃採用於報告期末已實行或實質已實行之稅率計算。

遞延稅項乃指在財務報表內資產及負債之賬面值與採用應課稅溢利計算之相應稅基之差額。遞延稅項負債一般按所有應課稅暫時差額確認入賬，而遞延稅項資產則會在預期應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認入賬。倘暫時差額乃因商譽或首次確認不影響應課稅溢利或會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不會確認有關資產及負債。

於附屬公司之投資而產生之應課稅暫時差額確認為遞延稅項負債，惟倘本集團可控制暫時差額之撥回，並預期該暫時差額將不會在可見將來撥回者除外。

遞延稅項資產之賬面值乃於各報告期末進行檢討，並調低至預期將不可能有充裕之應課稅溢利以收回所有或部分資產。

遞延稅項乃根據於報告期末已實行或實質實行之稅率，按預期在負債償還或資產變現期間適用之稅率計算。遞延稅項乃自損益中確認，惟倘遞延稅項相關之項目於其他全面收益確認或直接於權益確認時，則在此情況下亦會於其他全面收益或直接於權益確認。

遞延稅項資產及負債之計量反映按照本集團預期於報告期末可收回或結算其資產及負債之賬面值而得出之稅務結果。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Taxation (continued)

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.

(s) Related parties

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(B) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group which it is a part, provides key management personnel services to the Company or to a parent of the Company.

4. 主要會計政策(續)

(r) 稅項(續)

當存在法律上可強制執行權利以將即期稅項資產與即期稅項負債抵銷，並且當涉及與同一稅務機關所徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

(s) 關聯方

關聯方指與本集團有關的人士或實體。

(A) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本公司或本公司母公司的主要管理層成員。

(B) 倘符合下列任何條件，即實體與本集團有關連：

- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體之所屬集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方的合營企業。
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 該實體為本集團或與本集團有關連之實體就僱員福利設立的離職福利計劃。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。
- (vi) 該實體受(A)所識別人士控制或受其共同控制。
- (vii) 於(A)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 向本公司或本公司的母公司提供關鍵管理人員服務的實體或其所屬集團的任何成員公司。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

(u) Impairment of financial assets

The Group recognises a loss allowance for ECL on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

4. 主要會計政策(續)

(t) 非金融資產減值

非金融資產的賬面值於各報告日進行檢討，以檢視是否有跡象發生減值，如果資產發生減值，則通過綜合損益表將其撇減至其估計可收回金額，撇減金額為開支。可收回金額按單項資產確認，除非該資產不能產出基本上獨立於其他資產或資產組所產生的現金流入。在這種情況下，可確定該資產所屬的現金產生單位的可收回金額。可收回金額為單項資產或現金產生單位之使用價值與其公平值減出售成本兩者中之較高者。

使用價值是資產／現金產生單位的估計未來現金流量的現值。現值使用反映貨幣時間價值及資產／現金產生單位(已計量減值)特定風險的稅前折現率計算。

現金產生單位的減值虧損應當先分攤至單位中的商譽，再按比例分配攤至現金產生單位的其他資產。由於估計變動而導致的其後可收回金額增加按所撥回的減值額計入損益。

(u) 金融資產減值

本集團就貿易應收款的預期信貸虧損確認虧損撥備。預期信貸虧損的金額於各報告日期予以更新，以反映自初步確認各金融工具以來信貸風險的變動。

本集團一直為貿易應收款確認全期預期信貸虧損。該等金融資產的預期信貸虧損乃使用根據本集團過往信貸虧損經驗計算的撥備矩陣進行估計，並就債務人的特定因素、整體經濟狀況及對於報告日期的現時狀況及預測動向的評估(於適用情況下包括貨幣的時間價值)作出調整。

就所有其他金融工具而言，倘自初步確認以來信貸風險已大幅增加，則本集團確認全期預期信貸虧損。然而，倘自初步確認以來金融工具的信貸風險並無大幅增加，則本集團按與12個月預期信貸虧損的等額計算有關金融工具的虧損撥備。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Impairment of financial assets (continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;

4. 主要會計政策(續)

(u) 金融資產減值(續)

全期預期信貸虧損指於金融工具預期壽命內發生所有可能的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損則指預期於報告日期後12個月內可能發生的金融工具違約事件而導致的部分全期預期信貸虧損。

信貸風險顯著增加

為評估金融工具的信貸風險自初步確認後是否已顯著增加，本集團會將金融工具於報告日出現違約的風險與該金融工具於初步確認日期出現違約的風險比較。本集團進行評估時，會考慮合理及有依據的量化及質性資料，包括參考過往經驗及無須耗費不必要的成本或精力而取得的前瞻性資料。納入考量的前瞻性資料包括來自經濟專家報告、金融分析師、政府機構、相關智庫及其他類似機構所觀望本集團債務人所經營行業的未來前景、以及考慮與本公司主要業務相關的實際及預測經濟資料的不同外部來源。

具體而言，評估信貸風險是否自初步確認以來已顯著增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期嚴重惡化；
- 具體金融工具的信貸風險的外部市場指標嚴重轉差；
- 業務、金融或經濟環境目前受到或預期出現不利影響，並預期嚴重使債務人的債務償還能力下降；
- 債務人的經營業績實際上或預期嚴重惡化；
- 有關相同債務人的其他金融工具的信貸風險顯著增加；

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Impairment of financial assets (continued)

Significant increase in credit risk (continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

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.

4. 主要會計政策(續)

(u) 金融資產減值(續)

信貸風險顯著增加(續)

- 債務人面對的監管、經濟或技術環境在實際上或預計會發生重大不利變動，導致債務人的債務償還能力嚴重下降。

不論上述評估結果，本集團認為，當合約付款逾期超過30日，則自初步確認以來金融資產的信貸風險已顯著增加，除非本集團有合理及有依據的資料證明則當別論。

儘管如此，本集團假設倘若金融工具於報告日期確定為信貸風險較低，則自初步確認以來金融工具的信貸風險則尚未顯著增加。倘若出現以下情況，則金融工具可被確定為具有低信貸風險：

- 金融工具的違約風險較低；
- 債務人於近期內履行合約現金流量責任的能力強；及
- 經濟及商業環境的不利影響從長遠來看，可能但不一定會降低借款人履行合約現金流量責任的能力。

本集團認為，倘金融資產具有按照環球理解定義的「投資級別」的外部信貸評級，則有關資產具有低信貸風險，或倘並無外部評級可用，則有關資產具有「良好」的內部評級。良好指對手方財務狀況強固，且並無逾期款項。

本集團定期監察用於識別信貸風險是否有顯著增加的標準的有效性，並對其作出適當修訂，以確保該標準能於款項逾期前識別信貸風險是否有顯著增加。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Impairment of financial assets (continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

4. 主要會計政策(續)

(u) 金融資產減值(續)

違約的定義

本集團認為，就內部信貸風險管理而言，以下事件構成違約事件，原因為過往經驗顯示符合以下任何標準之的應收款項一般無法收回。

- 對手方違反財務契諾時；或
- 內部產生或外部來源資料顯示，債務人很可能無法向債權人(包括本集團)悉數還款(不計及本集團所持有任何抵押品)。

不論上文分析，本集團認為，倘金融資產逾期超過90日，則違約已經發生，除非本集團擁有合理及有依據資料顯示一項更滯後的違約標準更為合適，則當別論。

出現信貸減值的金融資產

如一項或多項事件發生，導致金融資產的估計未來現金流量受到負面影響，則金融資產出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- 發行人或對手方出現嚴重財務困難；
- 違約，例如違約或拖欠事件；
- 對手方的貸款人因與對手方出現財務困難相關經濟或合約理由授予對手方貸款人一般不會另行考慮的寬免；
- 對手方很可能將會破產或進行財務重組；或
- 有關金融資產的活躍市場因財務困難而消失。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Impairment of financial assets (continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4. 主要會計政策(續)

(u) 金融資產減值(續)

撤銷政策

如有資料顯示債務人出現嚴重財務困難且並無實際收回可能性(包括債務人被清盤或已進入破產程序,或如屬貿易應收款項,有關款項逾期超過兩年(以較早發生者為準)),則本集團撤銷該金融資產。已撤銷金融資產仍可面臨本集團收回款項程序的強制執行活動,包括尋求法律意見(如適用)。任何收回款項於損益確認。

預期信貸虧損的計量及確認

預期信貸虧損的計量是違約概率、違約損失(即倘發生違約時的損失程度)及違約風險的函數。違約概率及違約損失的評估基於如上述前瞻性資料調整的過往數據。對於違約風險,就金融資產而言,指為於報告日期的資產賬面總值;就財務擔保合約而言,風險承擔包括於報告日期提取的金額,以及根據過往趨勢確定的預期將於未來違約日期提取的任何額外金額,本集團對未來特定融資需求了解債務人及其他相關的前瞻性資料。

就金融資產而言,預期信貸虧損以根據合約中應付本集團的所有合約現金流量與本集團預期收取的所有現金流量之間的差額進行估算,並按初始實際利率貼現。

倘本集團已於過往報告期間就一項金融工具按與全期預期信貸虧損相等金額計算虧損撥備,惟於現行報告日期該金融工具不再符合全期預期信貸虧損的條件,則本集團於現行報告日期按與12個月預期信貸虧損相等金額計算虧損撥備,惟使用簡化法的資產除外。

本集團就所有金融工具於損益確認減值收益或虧損,並透過虧損撥備賬對其賬面值進行相應調整。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Impairment of financial assets (continued)

Prior to 1 April 2018

At the end of each reporting period, the Group assesses whether its financial assets (other than those at FVTPL) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

(v) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

4. 主要會計政策(續)

(u) 金融資產減值(續)

於2018年4月1日前

於各報告期末，本集團會根據客觀證據(即(一組)金融資產之估計未來現金流量由於初步確認後發生的一項或多項事件而受到影響)評估其金融資產(按公平值計入損益的金融資產除外)有否減值。

至於個別評估並無減值的貿易應收款項，本集團會根據本集團的過往收款經驗、投資組合內延遲還款之增加、與應收款項違約情況有關的經濟狀況出現可觀察變動，共同評估有否減值。

僅會就貿易應收款項之賬面值使用撥備賬扣減，而其後收回之前已撇銷之數額乃計入撥備賬。撥備賬之賬面值變動於損益內確認。

至於所有其他金融資產，賬面值會直接按減值虧損作出扣減。

就按攤銷成本計量的金融資產而言，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生的一項事件有關，則先前已確認的減值虧損透過損益撥回(直接或透過調整貿易應收款項之撥備賬)。然而，撥回不得導致該項金融資產於撥回減值當日之賬面值高於倘無確認減值之攤銷成本。

(v) 撥備及或然負債

當本集團因已發生的事件須承擔現有之法律或推定責任，而履行責任時有可能導致經濟利益流出時，並能可靠估計責任金額的情況下，須對該等在時間或金額之不確定負債確認撥備。倘金額之時間價值為重要因素，則撥備之金額乃按預期用於解除該責任之支出之現值列賬。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(w) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

Significant increase in credit risk

As explained in note 4, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

4. 主要會計政策(續)

(v) 撥備及或然負債(續)

倘經濟利益流出的機會不大，或其金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可能承擔之責任，即是否出現將取決於日後是否會發生一宗或多宗事件，除非經濟利益流出之可能性極低，否則該等責任亦披露為或然負債。

(w) 報告期間後事項

為本集團於報告期末之狀況提供額外資料或顯示持續經營假設並不適合之報告期間後事項均屬於調整事項，並於財務報表內反映。並非調整事項之重大報告期間後事項則於財務報表附註中披露。

5. 關鍵判斷及主要估計

應用會計政策時的關鍵判斷

董事在應用會計政策的過程中已作出以下對於綜合財務報表確認的金額產生最重大影響的判斷(涉及估計(見下文)的判斷除外)。

信貸風險顯著增加

誠如附註4所闡述，第一階段資產的預期信貸虧損按相等於12個月預期信貸虧損的撥備計量，或第二或第三階段的資產按相等於全期預期信貸虧損的撥備計量。倘一項資產自初步確認起其信貸風險顯著增加，則該資產轉移至第二階段。香港財務報告準則第9號並無對信貸風險顯著增加的構成要素進行定義。於評估一項資產的信貸風險是否顯著增加時，本集團會考慮合理及有依據的量化及質性前瞻性資料。

Notes to the Financial Statements

財務報表附註

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) *Useful lives and residual values of property, plant and equipment and intangible assets (other than goodwill)*

The Group determines the estimated useful lives, residual values and related depreciation/amortisation charges for the Group's property, plant and equipment and intangible assets. These estimates are based on the historical experience of the actual useful lives and residual values of property, plant and equipment and intangible assets of similar nature and functions. The Group will revise the depreciation/amortisation charges where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable/amortisable lives of the Group's property, plant and equipment and intangible assets and therefore depreciation/amortisation in the future periods.

The carrying amount of property, plant and equipment and intangible assets as at 31 March 2019 were approximately HK\$1,816,000 and HK\$119,000 (2018: HK\$1,036,000 and HK\$168,000) respectively.

(b) *Income taxes*

The Group is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

During the year, approximately HK\$259,000 (2018: HK\$3,222,000) of income tax was charged to profit or loss based on the estimated assessable profits.

5. 關鍵判斷及主要估計(續)

估計不確定因素的主要來源

下文討論有關未來的主要假設及於報告期末的其他估計不確定因素的主要來源，而該等假設及估計不確定因素存在導致下一財政年度的資產及負債賬面值須作出重大調整的重大風險。

(a) *物業、廠房及設備以及無形資產(商譽除外)的可使用年期及剩餘價值*

本集團為本集團物業、廠房及設備以及無形資產釐定估計可使用年期、剩餘價值及有關折舊／攤銷費用。該等估計以性質及功能相似的物業、廠房及設備以及無形資產的實際可使用年期及剩餘價值的過往經驗為基準。倘可使用年期及剩餘價值與先前估計不同，則本集團將修訂折舊／攤銷費用，或撤銷或撤減已廢棄的技術過時或非策略性資產。實際經濟年期可能有別於估計的可使用年期。定期檢討可使本集團的物業、廠房及設備以及無形資產可折舊／攤銷年期出現變動，因而未來期間的折舊／攤銷亦會出現變動。

於2019年3月31日，物業、廠房及設備以及無形資產的賬面值分別約為1,816,000港元及119,000港元(2018年：1,036,000港元及168,000港元)。

(b) *所得稅*

本集團在多個司法權區須繳付所得稅。於釐定所得稅撥備時須作出重大估計。日常業務過程中有大量交易及計算不能明確地作最終稅項釐定。倘該等事宜的最終評稅結果有別於初步記錄的數額，則有關差額會影響釐定有關數額期內的所得稅及遞延稅項撥備。

年內，所得稅約259,000港元(2018年：3,222,000港元)按估計應課稅溢利自損益扣除。

Notes to the Financial Statements

財務報表附註

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

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(c) Allowance for inventories

Allowance for inventories is made based on the ageing, change in the market conditions and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

During the year, allowance for inventories of approximately HK\$386,000 was charged to profit or loss (2018: reversal of allowance for inventories of approximately HK\$99,000).

(d) Allowance for trade and other receivables

Prior to the adoption of HKFRS 9 on 1 April 2018, the management of the Group assesses at the end of each reporting period whether there is any objective evidence that trade and other receivables are impaired. The provision policy for bad and doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of trade and other receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

As at 31 March 2018, the carrying amounts of trade and other receivables was approximately HK\$12,354,000 and HK\$2,444,000 respectively.

Since the adoption of HKFRS 9 on 1 April 2018, the management of the Group estimates the amount of impairment loss for ECL on trade and other receivables based on the credit risk of trade and other receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 March 2019, the carrying amounts of trade and other receivables was approximately HK\$9,691,000 (net of allowance for doubtful debts of approximately HK\$178,000) and HK\$2,706,000 respectively.

5. 關鍵判斷及主要估計 (續)

估計不確定因素的主要來源 (續)

(c) 存貨撥備

存貨撥備乃基於賬齡、市況變動及存貨的估計可變現淨值作出。評估撥備金額涉及判斷及估計。倘日後實際結果與原有估計不同，有關差異將影響發生有關估計變更的期內存貨及撥備扣減/撥回之賬面值。

年內，存貨撥備約386,000港元已於損益扣除(2018年：存貨撥備撥回約99,000港元)。

(d) 貿易及其他應收款項撥備

於2018年4月1日採納香港財務報告準則第9號前，本集團管理層於各報告期末評估是否有任何客觀證據顯示貿易及其他應收款項出現減值。本集團有關呆壞賬的撥備政策乃基於收款機會評估、賬項的賬齡分析及管理層判斷而釐定。於評估最終變現貿易及其他應收款項時須作出大量判斷，包括各客戶的目前信用狀況及過往收款記錄。倘本集團客戶的財務狀況轉差導致其還款能力下跌，則可能須計提額外撥備。

於2018年3月31日，貿易及其他應收款項的賬面值分別約為12,354,000港元及2,444,000港元。

自2018年4月1日採納香港財務報告準則第9號起，本集團管理層乃根據貿易及其他應收款項的信貨風險估計貿易及其他應收款項的預期信貸虧損的減值虧損金額。基於預期信貸虧損模式的減值虧損金額乃按根據合約應付本集團的所有合約現金流量與本集團預期收取的所有現金流量計量，並按初步確認時釐定的實際利率貼現。倘未來現金流量少於預期，或因事實及情況變動而需下調，則可能產生重大減值虧損。

於2019年3月31日，貿易及其他應收款項的賬面值分別約為9,691,000港元(經扣除呆賬撥備約178,000港元)及2,706,000港元。

Notes to the Financial Statements

財務報表附註

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

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, interest rate risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The functional currency of the Group's entities are principally denominated in HK\$, Renminbi ("RMB") and Macau Pataca ("MOP"). The Group has certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than the functional currency of respective Group's entities such as United States dollars ("US\$") and RMB.

The directors of the Company is of the opinion that the HK\$ is pegged against the US\$ and MOP and the risk of movements in exchange rates between HK\$ and US\$; and HK\$ and MOP to be insignificant. Accordingly, no sensitivity analysis is performed on the movements in exchange rates between HK\$ and US\$; and HK\$ and MOP. Whilst, the sensitivity analysis of the Group's foreign currency risk exposure in respect of RMB is set out below:

Year ended 31 March 2018	截至2018年3月31日止年度
Year ended 31 March 2019	截至2019年3月31日止年度

Note: This is mainly a result of foreign exchange gain/(loss) on bank deposits, trade and other receivables, trade and other payables denominated in RMB.

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

6. 財務風險管理

本集團的業務須承受多項財務風險：外幣風險、信貸風險、利率風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，旨在盡可能減低對本集團財務表現構成的潛在不利影響。

(a) 外幣風險

本集團各實體的功能貨幣主要以港元、人民幣（「人民幣」）及澳門幣（「澳門幣」）計值。由於本集團的部分業務交易、資產及負債乃以本集團實體各自的功能貨幣以外的貨幣（如美元（「美元」）及人民幣）為單位，故本集團須面對若干外幣風險。

本公司董事認為，港元與美元及澳門幣掛鉤，而港元兌美元及港元兌澳門幣的匯率變動風險甚微。因此，並無對港元兌美元及港元兌澳門幣的匯率變動進行敏感度分析。同時，本集團就人民幣而面對的外幣風險的敏感度分析載列如下：

Functional currency strengthened/ (weakened) by 功能貨幣 升值/ (貶值)	(Decrease)/ increase in consolidated (loss)/ profit after tax 除稅後綜合 (虧損)/溢利 (減少)/增加 HK\$'000 千港元
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5%/(5%)	7/(7) ^(Note) (附註)
5%/(5%)	(11)/11^(Note) (附註)

附註：此乃主要由於以人民幣計值的銀行存款、貿易及其他應收款項以及貿易及其他應付款項所產生的匯兌收益/(虧損)。

本集團目前並無就外幣交易、資產及負債制訂任何外幣對沖政策。本集團密切監察其外幣風險，並於有需要時考慮對沖重大外幣風險。

Notes to the Financial Statements

財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

The carrying amounts of trade receivables, deposits and bank balances included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group has no concentration of credit risk.

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history. The credit quality of the counterparties in respect of trade and other receivables is assessed by taking into account their financial position, credit history and other factors. Given the constant repayment history, the directors are of the opinion that the risk of default by these counterparties is low.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 90 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade and other receivables at an amount equal to lifetime ECL, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

For other receivables, the directors of the Group make periodic collectively assessments as well as individual assessment on the recoverability of other receivables. The Group has assessed that the ECL of other receivables is insignificant as at 31 March 2019 under 12-month ECL model and therefore no loss allowance provision was recognised.

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

6. 財務風險管理(續)

(b) 信貸風險

本集團計入綜合財務狀況表的貿易應收款項、存款及銀行結餘的賬面值，乃指本集團就其金融資產承擔的最高信貸風險。

本集團並無集中信貸風險。

本集團已制訂政策以確保銷售乃向擁有適當信貸記錄之客戶作出。貿易及其他應收款項的對手方的信貸質素乃經考慮其財務狀況、信貸記錄及其他因素而予以評估。鑑於持續的還款記錄，董事認為該等對手方的違約風險偏低。

各業務單位在本集團既有關於客戶信貸風險管理的政策、程序及監控規限下，管理客戶信貸風險。所有超出若干信貸金額的客戶需要進行個別信貸評估。該等評估集中於客戶過往到期付款的記錄及現時的付款能力，並考慮客戶特有的資料以及客戶營運所在經濟環境的相關資料。貿易應收款項由發票日期起計90天內到期。結餘已逾期一個月以上的債務人須清償所有未償還結餘後方可再獲授任何信貸。一般而言，本集團不會要求客戶交出抵押品。

本集團按相當於全期預期信貸虧損的金額計量貿易及其他應收款項的虧損撥備，有關金額採用撥備矩陣計算。由於本集團的過往信貸虧損經驗並無顯示不同客戶分部的虧損模式存在重大差別，故本集團並無進一步區分其不同客戶群之間按逾期狀況釐定的虧損撥備。

就其他應收款項而言，本集團董事定期就其他應收款項的可收回性進行集體評估及個別評估。於2019年3月31日，本集團已根據12個月預期信貸虧損模式評估其他應收款項的預期信貸虧損為微不足道，故概無確認任何虧損撥備。

銀行結餘的信貸風險有限，原因是對手方均為獲國際信貸評級機構給予高度信貸評級的銀行。

Notes to the Financial Statements

財務報表附註

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

6. FINANCIAL RISK MANAGEMENT (continued)

(c) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits and borrowings. These bank deposits and borrowings bear interests at floating rates varied with the then prevailing market condition.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

As at the end of the reporting period, the maturity of the Group's financial liabilities are on demand or due within one year.

(e) Categories of financial instruments at 31 March

Financial assets:	金融資產：
Financial assets at amortised costs	按攤銷成本列賬的金融資產
Financial liabilities:	金融負債：
Financial liabilities at amortised costs	按攤銷成本列賬的金融負債

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 財務風險管理(續)

(c) 利率風險

本集團面臨的利率風險來自銀行存款及借款。該等銀行存款及借款按隨當時現行市況變化的浮動利率計息。

除上述者外，本集團於報告期末並無其他重大計息資產及負債，其收入及經營現金流量大致上獨立於市場利率的變動。

(d) 流動資金風險

本集團的政策為定期監察現時及預期的流動資金需要，以確保其維持足以應付短期及較長期流動資金需求的現金儲備。

於報告期末，本集團金融負債的到期情況為按要求或於一年內到期。

(e) 於3月31日的金融工具類別

2019	2018
2019年	2018年
HK\$'000	HK\$'000
千港元	千港元
80,595	89,556
5,897	6,664

(f) 公平值

本集團的金融資產及金融負債於綜合財務狀況表反映的賬面值與其各自的公平值相若。

Notes to the Financial Statements

財務報表附註

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

7. SEGMENT INFORMATION

The Group has two reportable segments as follows:

- Sales of biometrics identification devices, security products and other accessories
- Provision of auxiliary and other services includes (i) maintenance, installation and solution services; and (ii) software licensing.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include other income, finance costs, unallocated costs, which comprise selling and distribution expenses, corporate administrative and other operating expenses, and income tax expense.

Segment assets and liabilities are not presented in the consolidated financial statements as they are not regularly reviewed by the Group's directors.

(a) Operating segment of the Group

Information about reportable segment profit or loss:

7. 分部資料

本集團的兩個可呈報分部如下：

- 銷售生物特徵識別裝置、保安產品及其他配件
- 提供配套及其他服務，包括(i)維護、安裝及解決方案服務；及(ii)軟件許可。

本集團的可呈報分部乃為提供不同產品及服務的策略性業務單位。由於各業務要求不同技術及營銷策略，故各呈報分部乃個別管理。

經營分部的會計政策與綜合財務報表附註4所述者相同。分部溢利或虧損不包括其他收入、財務成本、未分配成本(其中包括銷售及分銷開支、企業行政及其他經營開支以及所得稅開支)。

分部資產及負債未在綜合財務報表中呈列，乃因為其並不定期由本集團董事審閱。

(a) 本集團經營分部

有關可呈報分部損益的資料：

		Sales of biometrics identification devices, security products and other accessories 銷售生物特徵識別裝置、保安產品及其他配件 HK\$'000 千港元	Provision of auxiliary and other services 提供配套及其他服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 March 2019	截至2019年3月31日止年度			
Revenue from external customers	來自外部客戶的收益	34,811	16,067	50,878
Segment profit	分部溢利	16,080	9,744	25,824
Year ended 31 March 2018	截至2018年3月31日止年度			
Revenue from external customers	來自外部客戶的收益	47,912	23,151	71,063
Segment profit	分部溢利	26,495	15,552	42,047
<i>Other segment information:</i>	<i>其他分部資料：</i>			
Depreciation	折舊	-	61	61

Notes to the Financial Statements

財務報表附註

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

7. SEGMENT INFORMATION (continued)

(a) Operating segment of the Group (continued)

Reconciliations of reportable segment and profit or loss:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit or loss:	損益：		
Total profit of reportable segments	可呈報分部的溢利總額	25,824	42,047
Other income	其他收入	702	230
Selling and distribution costs	銷售及分銷成本	(5,749)	(5,121)
Corporate administrative and other operating expenses	企業行政及其他經營開支	(21,976)	(29,645)
Finance costs	財務成本	(28)	(75)
Income tax expense	所得稅開支	(259)	(3,222)
Consolidated (loss)/profit for the year	年內綜合(虧損)/溢利	(1,486)	4,214

(b) Geographical information

Information about the Group's non-current assets based on the geographical location is presented as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Hong Kong	香港	1,682	1,198
PRC	中國	253	6
Consolidated total	綜合總計	1,935	1,204

Non-current assets include property, plant and equipment and intangible assets.

7. 分部資料(續)

(a) 本集團經營分部(續)

可呈報分部與損益的對賬：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Profit or loss:	損益：		
Total profit of reportable segments	可呈報分部的溢利總額	25,824	42,047
Other income	其他收入	702	230
Selling and distribution costs	銷售及分銷成本	(5,749)	(5,121)
Corporate administrative and other operating expenses	企業行政及其他經營開支	(21,976)	(29,645)
Finance costs	財務成本	(28)	(75)
Income tax expense	所得稅開支	(259)	(3,222)
Consolidated (loss)/profit for the year	年內綜合(虧損)/溢利	(1,486)	4,214

(b) 地區資料

有關本集團按所處地區位置之非流動資產資料呈列如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Hong Kong	香港	1,682	1,198
PRC	中國	253	6
Consolidated total	綜合總計	1,935	1,204

非流動資產包括物業、廠房及設備以及無形資產。

Notes to the Financial Statements

財務報表附註

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

7. SEGMENT INFORMATION (continued)

(b) Geographical information (continued)

Information about the Group's revenue from external customers presented based on the geographical location where the Group operates is as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Hong Kong	香港	38,432	56,930
PRC	中國	7,847	7,405
Macau	澳門	4,599	6,728
Consolidated total	綜合總計	50,878	71,063

(c) Information about major customers

During the year, no transaction with a single customer amounts to 10% or more of the Group's revenue (2018: Nil). Accordingly, no major customer is presented.

8. REVENUE

Revenue represents the invoiced values of goods sold and service rendered, after allowances for returns and discounts. An analysis of the Group's revenue for the year is as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Sales of biometrics identification devices, security products and other accessories	銷售生物特徵識別裝置、保安產品及其他配件	34,811	47,912
Provision of auxiliary and other services	提供配套及其他服務	16,067	23,151
		50,878	71,063
Timing for revenue recognition		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Products and services transferred at a point of time	於某一時間點轉移的產品及服務	36,478	60,731
Services transferred over time	隨時間轉移的服務	14,400	10,332
		50,878	71,063

7. 分部資料(續)

(b) 地區資料(續)

有關本集團按經營所處地區位置之來自外部客戶收益的資料呈列如下：

(c) 有關主要客戶的資料

年內，並無與單一客戶進行的交易佔本集團收益10%或以上(2018年：零)。因此，並無呈列主要客戶。

8. 收益

收益指所售商品及提供服務經扣除退貨及折扣後的發票值。本集團年內收益的分析如下：

Notes to the Financial Statements

財務報表附註

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

8. REVENUE (continued)

The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 and HKAS 11.

9. OTHER INCOME

8. 收益(續)

本集團採用累計影響法初步應用香港財務報告準則第15號。根據此方法，比較資料並無重列，其根據香港會計準則第18號及香港會計準則第11號編製。

9. 其他收入

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest income	利息收入	636	4
Gain on disposals of property, plant and equipment	出售物業、廠房及設備收益	29	212
Others	其他	37	14
		702	230

10. FINANCE COSTS

10. 財務成本

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Interest on import/export loans	進／出口貸款利息	28	75

Notes to the Financial Statements

財務報表附註

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

11. (LOSS)/PROFIT BEFORE TAX

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

			2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Amortisation of intangible assets (note 18)	無形資產攤銷(附註18)		49	48
Depreciation of property, plant and equipment (note 17)	物業、廠房及設備折舊(附註17)	(a)	957	589
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	(b)		
— Salaries, bonus, allowances and other benefits in kind	— 薪金、花紅、津貼及其他實物利益	(c)	21,014	18,201
— Commission	— 佣金		673	1,183
— Retirement benefits scheme contributions	— 退休福利計劃供款		1,165	1,074
			22,852	20,458
Write off of property, plant and equipment	撇銷物業、廠房及設備		1	-
Gain on disposals of property, plant and equipment	出售物業、廠房及設備收益		(29)	(212)
Cost of inventories sold	已售存貨成本		17,815	22,613
Foreign exchange losses, net	匯兌虧損淨額		252	121
Listing expenses	上市開支		-	12,238
Operating lease charges in respect of premises	物業之經營租賃支出	(c)	2,002	1,787
Auditors' remuneration	核數師酬金		504	300
Impairment loss on trade receivables	貿易應收款項減值虧損		178	-
Allowance for inventories/ (reversal of allowance)	存貨撥備/(撥備撥回)		386	(99)

Notes:

- (a) Depreciation of property, plant and equipment of HK\$Nil (2018: approximately HK\$61,000) for the year ended 31 March 2019 is included in cost of sales.
- (b) Included in staff cost approximately HK\$5,409,000 for the year ended 31 March 2019 (2018: HK\$4,311,000) is included in cost of sales.
- (c) Included in operating lease charges in respect of premises of approximately HK\$498,000 for the year ended 31 March 2019 (2018: HK\$360,000) is included in salaries, bonus, allowances and other benefits in kind of staff costs.

11. 除稅前(虧損)/溢利

本集團除稅前(虧損)/溢利乃經扣除/(計入)以下各項後列賬：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
		49	48
	(a)	957	589
	(b)		
	(c)	21,014	18,201
		673	1,183
		1,165	1,074
		22,852	20,458
		1	-
		(29)	(212)
		17,815	22,613
		252	121
		-	12,238
	(c)	2,002	1,787
		504	300
		178	-
		386	(99)

附註：

- (a) 截至2019年3月31日止年度，物業、廠房及設備折舊為零港元(2018年：約61,000港元)計入銷售成本。
- (b) 截至2019年3月31日止年度，員工成本所包含約5,409,000港元(2018年：4,311,000港元)計入銷售成本。
- (c) 截至2019年3月31日止年度，物業之經營租賃支出約498,000港元(2018年：360,000港元)計入員工成本內薪金、花紅、津貼及其他實物利益。

Notes to the Financial Statements

財務報表附註

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

12. INCOME TAX EXPENSE

Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅
Provision for the year	年內撥備
Over-provision in prior years	過往年度超額撥備
Macao Complementary Tax	澳門所得補充稅
Provision for the year	年內撥備
Over-provision in prior years	過往年度超額撥備
Total tax charge for the year	年內稅務費用總額

The Group is not subject to taxation in the Cayman Islands and the British Virgin Islands.

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 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million 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%.

Accordingly, starting from the current year, one of the subsidiaries of the Company is subject to Hong Kong Profits Tax at the rate of 8.25% for the first HK\$2 million of estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. Other subsidiaries of the Company are subjected to Hong Kong Profits Tax at the rate of 16.5% for the year ended 31 March 2019.

For the Group’s subsidiary established and operated in the PRC is subject to PRC Enterprise Income Tax at the rate of 25% (2018: 25%) during the year. No PRC Enterprise Income Tax has been provided as the Group’s PRC subsidiary either did not generate any assessable profits or has sufficient tax losses brought forward to offset against its assessable profits generated during the years ended 31 March 2019 and 2018.

12. 所得稅開支

2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
390	3,138
(77)	(71)
313	3,067
83	155
(137)	—
(54)	155
259	3,222

本集團毋須繳納開曼群島及英屬處女群島的稅項。

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(「**條例草案**」)，其引入兩級制利得稅率制度。條例草案於2018年3月28日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體的首2百萬港元溢利將按8.25%的稅率徵稅，而超過2百萬港元的溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度資格的集團實體的溢利將繼續按16.5%的劃一稅率繳納稅項。

因此，由本年度起，本公司其中一間附屬公司須就估計應課稅溢利的首2百萬港元按8.25%稅率繳納香港利得稅，並就超過2百萬港元的估計應課稅溢利按16.5%的稅率繳納香港利得稅。截至2019年3月31日止年度，本公司其他附屬公司須按16.5%的稅率繳納香港利得稅。

年內，本集團在中國成立及經營的附屬公司須按稅率25%(2018年：25%)繳納中國企業所得稅。概無計提中國企業所得稅，原因乃本集團的中國附屬公司於截至2019年及2018年3月31日止年度並無產生任何應課稅溢利，亦無結轉足夠稅項虧損以抵銷所產生應課稅溢利。

Notes to the Financial Statements

財務報表附註

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

12. INCOME TAX EXPENSE (continued)

For the Group's subsidiary established and operated in Macau is subject to Macao Complementary Tax, under which taxable income of up to MOP600,000 (2018: MOP600,000) is exempted from taxation with taxable income beyond this amount to be taxed at the rate of 12% (2018: 12%) for the years ended 31 March 2019 and 2018.

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

12. 所得稅開支(續)

本集團在澳門成立及經營的附屬公司須繳納澳門所得補充稅，截至2019年及2018年3月31日止年度，應課稅收入最高600,000澳門幣(2018年：600,000澳門幣)豁免納稅，超出該金額的應課稅收入按12%(2018年：12%)的稅率納稅。

所得稅開支與除稅前(虧損)/溢利乘以本集團香港利得稅率所得出之數額的對賬如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss)/profit before tax	除稅前(虧損)/溢利	(1,227)	7,436
Tax at the domestic tax rate of 16.5% (2018: 16.5%)	按本地稅率 16.5% (2018年：16.5%) 計算的稅項	(202)	1,227
Tax effect of income that is not taxable	不課稅收入的稅務影響	(201)	(96)
Tax effect of expenses that are not deductible	不獲扣減開支的稅務影響	925	2,240
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	64	(16)
Tax effect of utilisation of tax losses not previously recognised	動用過往未確認稅務虧損的稅務影響	(55)	(32)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	-	42
Over-provision in prior years	過往年度超額撥備	(214)	(71)
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	(3)	(72)
Tax effect of preferential tax rate	優惠稅率的稅務影響	(55)	-
Income tax expense for the year	年內所得稅開支	259	3,222

Notes to the Financial Statements

財務報表附註

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

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable in respect a person's services as a director, whether of the Company, or its subsidiaries undertaking were as follows:

For the year ended 31 March 2019

13. 董事及僱員酬金

(a) 董事酬金

已付或應付就出任本公司或其附屬公司業務之董事之人士之酬金如下：

截至2019年3月31日止年度

		Salaries and allowances	Discretionary bonus	Other benefits in kind 其他 實物利益	Retirement benefits scheme contributions 退休福利 計劃供款	Total	
	袍金	薪金及津貼	酌情花紅	其他 實物利益	退休福利 計劃供款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	
Executive directors	執行董事						
Mr. Yuen Kwok Wai, Tony ("Mr. Tony Yuen")	阮國偉先生 (「阮國偉先生」)	-	1,060	555	498	18	2,131
Ms. Yuen Mei Ling, Pauline ("Ms. Pauline Yuen")	阮美玲女士 (「阮美玲女士」)	-	1,030	454	-	18	1,502
Ms. Sun Ngai Chu, Danielle	孫毅珠女士	-	330	300	-	15	645
Non-executive directors	非執行董事						
Mr. Yam Chiu Fan, Joseph	任超凡先生	240	-	-	-	12	252
Independent non-executive directors	獨立非執行董事						
Mr. Hui Man Ho	許文浩先生	120	-	-	-	-	120
Mr. Chung Billy	鍾定鏞先生	120	-	-	-	-	120
Mr. Mui Pak Kuen	梅栢權先生	120	-	-	-	-	120
		600	2,420	1,309	498	63	4,890

Notes to the Financial Statements

財務報表附註

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

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(a) Directors' emoluments (continued) For the year ended 31 March 2018

		Fees	Salaries and allowances	Discretionary bonus	Other benefits in kind	Retirement benefits scheme contributions	Total
		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	其他 實物福利 HK\$'000 千港元	退休福利 計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors	執行董事						
Mr. Tony Yuen	阮國偉先生	-	660	232	361	18	1,271
Ms. Pauline Yuen	阮美玲女士	-	804	145	-	18	967
Ms. Sun Ngai Chu, Danielle	孫毅珠女士	-	240	-	-	12	252
Non-executive directors	非執行董事						
Mr. Yam Chiu Fan, Joseph (i)	任超凡先生 (i)	240	-	-	-	12	252
Independent non-executive directors	獨立非執行董事						
Mr. Hui Man Ho (ii)	許文浩先生 (ii)	15	-	-	-	-	15
Mr. Chung Billy (ii)	鍾定鏞先生 (ii)	15	-	-	-	-	15
Mr. Mui Pak Kuen (ii)	梅栢權先生 (ii)	15	-	-	-	-	15
		285	1,704	377	361	60	2,787

Notes:

(i) Redesignated as non-executive director from executive director on 1 April 2017

(ii) Appointed on 18 January 2018

There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 March 2019 and 2018.

13. 董事及僱員酬金 (續)

(a) 董事酬金 (續) 截至2018年3月31日止年度

附註：

(i) 於2017年4月1日從執行董事獲調任為非執行董事

(ii) 於2018年1月18日獲委任

於截至2019年及2018年3月31日止年度，並無董事放棄或同意放棄任何酬金的安排。

Notes to the Financial Statements

財務報表附註

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

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(b) Five highest paid individuals

The five highest paid individuals in the Group during the year ended 31 March 2019 included 2 (2018: 2) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining 3 (2018: 3) individuals are set out below:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	2,526	2,876
Performance bonus	表現花紅	494	142
Retirement benefits scheme contributions	退休福利計劃供款	51	54
		3,071	3,072

The emoluments fell within the following band:

		Number of individuals 人數	
		2019 2019年	2018 2018年
Nil to HK\$1,000,000	零至1,000,000港元	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
		3	3

During the years ended 31 March 2019 and 2018, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 董事及僱員酬金(續)

(b) 五位最高薪酬人士

截至2019年3月31日止年度，本集團五位最高薪酬人士分別包括2名(2018年：2名)董事，其酬金在上述呈列的分析中反映。其餘3名(2018年：3名)人士的酬金載列如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	2,526	2,876
Performance bonus	表現花紅	494	142
Retirement benefits scheme contributions	退休福利計劃供款	51	54
		3,071	3,072

屬於下列幅度的酬金：

		Number of individuals 人數	
		2019 2019年	2018 2018年
Nil to HK\$1,000,000	零至1,000,000港元	2	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
		3	3

截至2019年及2018年3月31日止年度，本集團概無向任何董事或最高薪酬人士支付任何酬金作為加盟或加盟本集團後的獎勵或作為離職補償。

Notes to the Financial Statements

財務報表附註

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

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(c) Senior management's emoluments

Senior management represents the executive directors. The emoluments paid or payable to senior management during the years have been set out in the analysis presented above.

(d) Directors' material interests in transactions, arrangements or contracts

Save for disclosed in note 36 to the consolidated financial statements, no significant transaction, arrangement and contract in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

14. DIVIDENDS

No dividend had been paid or declared by the Company during the year (2018: Nil).

15. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY OWNERS OF THE COMPANY

(a) Basic (loss)/earnings per share

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

(Loss)/earnings	(虧損)/盈利
(Loss)/earnings for the purpose of calculating basic earnings per share	計算每股基本盈利的(虧損)/盈利

13. 董事及僱員酬金(續)

(c) 高級管理層酬金

高級管理層指執行董事。年內已付或應付高級管理層的酬金已載於上文呈列的分析。

(d) 董事於交易、安排或合約中的重大權益

除綜合財務報表附註36所披露者外，概無本公司為訂約方且本公司董事及董事關連方直接或間接於當中擁有重大權益而與本集團業務有關的重大交易、安排及合約於年末或年內任何時間仍然存續。

14. 股息

本公司於年內並無支付或宣派任何股息(2018年：零)。

15. 本公司權益擁有人應佔每股(虧損)/盈利

(a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃基於下列各項計算：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
(Loss)/earnings	(1,486)	4,214

Notes to the Financial Statements

財務報表附註

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

15. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY OWNERS OF THE COMPANY (continued)

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

		2019 2019年	2018 2018年
<i>Number of shares</i>	<i>股份數目</i>		
Issued ordinary shares at the beginning of year (note)	年初已發行普通股(附註)	800,000,000	600,000,000
Effect of issue of new shares under the share offer (note 28(c))	根據股份發售發行新股份的影響(附註28(c))	-	25,205,479
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	計算每股基本(虧損)/盈利的普通股加權平均數	800,000,000	625,205,479

Note: Issued ordinary shares of the Company as at 1 April 2017 is on the assumption that 600,000,000 ordinary shares, being the number of shares in issue immediately after the completion of share capitalisation as detailed in note 28(b) to the consolidated financial statements, deemed to have been issued since 1 April 2017.

(b) Diluted (loss)/earnings per share

No diluted (loss)/earnings per share are presented as the Company did not have any dilutive potential ordinary shares outstanding during the years ended 31 March 2019 and 2018.

16. RETIREMENT BENEFIT SCHEMES

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,500 (2018: HK\$1,500) per employee and vest fully with employees when contributed into the MPF Scheme.

As stipulated under the relevant rules and regulations in the PRC, the employees of a Group's subsidiary established in the PRC is a member of a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of this subsidiary. The only obligation of this subsidiary with respect to the central pension scheme is to meet the required contributions under the scheme.

There was no forfeited contribution in respect of the defined contribution plan available at 31 March 2019 and 2018.

15. 本公司權益擁有人應佔每股(虧損)/盈利(續)

(a) 每股基本(虧損)/盈利(續)

	2019 2019年	2018 2018年
<i>Number of shares</i>		
Issued ordinary shares at the beginning of year (note)	800,000,000	600,000,000
Effect of issue of new shares under the share offer (note 28(c))	-	25,205,479
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	800,000,000	625,205,479

附註：本公司於2017年4月1日的已發行普通股乃假設600,000,000股普通股(即緊隨綜合財務報表附註28(b)詳述的股份資本化完成後的已發行股份數目)被視為自2017年4月1日起已經發行。

(b) 攤薄每股(虧損)/盈利

概無呈列攤薄每股(虧損)/盈利，因為本公司於截至2019年及2018年3月31日止年度並無發行在外的任何攤薄潛在普通股。

16. 退休福利計劃

本集團根據香港強制性公積金計劃條例為香港所有合資格僱員運作強制性公積金計劃(「強積金計劃」)。本集團對強積金計劃之供款按薪金及工資的5%計算，惟每名僱員每月最高金額為1,500港元(2018年：1,500港元)及在向強積金計劃供款時全部歸屬於僱員。

根據中國相關規則及法規，本集團在中國成立的附屬公司的僱員參加地方市政府運作的中央退休金計劃。該附屬公司須向中央退休金計劃按僱員基本薪金及工資的若干百分比供款，以為退休福利提供資金。地方市政府承諾承擔該附屬公司所有現有及未來退休僱員的退休福利責任。該附屬公司就中央退休金計劃的唯一責任為償付計劃項下規定的供款。

於2019年及2018年3月31日並無定額供款計劃的已沒收供款可予使用。

Notes to the Financial Statements

財務報表附註

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

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Furniture and fixtures	Biometrics identification devices	Motor vehicles	Computer equipment	Total
		傢俬及裝置	生物特徵 識別裝置	汽車	電腦設備	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
Cost	成本					
At 1 April 2017	於2017年4月1日	149	313	1,853	507	2,822
Additions	添置	50	-	466	171	687
Disposals	出售	-	-	(720)	-	(720)
Exchange realignment	匯兌調整	3	-	-	15	18
		202	313	1,599	693	2,807
At 31 March 2018 and 1 April 2018	於2018年3月31日及 2018年4月1日					
Additions	添置	716	-	808	200	1,724
Disposals	出售	-	-	(161)	-	(161)
Write off	撇銷	(10)	-	-	(12)	(22)
Exchange realignment	匯兌調整	16	-	-	(1)	15
		924	313	2,246	880	4,363
At 31 March 2019	於2019年3月31日					
Accumulated depreciation	累計折舊					
At 1 April 2017	於2017年4月1日	126	252	1,152	355	1,885
Charge for the year	年內支出	15	61	369	144	589
Disposals	出售	-	-	(720)	-	(720)
Exchange realignment	匯兌調整	3	-	-	14	17
		144	313	801	513	1,771
At 31 March 2018 and 1 April 2018	於2018年3月31日及 2018年4月1日					
Charge for the year	年內支出	130	-	625	202	957
Disposals	出售	-	-	(161)	-	(161)
Write off	撇銷	(10)	-	-	(11)	(21)
Exchange realignment	匯兌調整	2	-	-	(1)	1
		266	313	1,265	703	2,547
At 31 March 2019	於2019年3月31日					
Carrying amount	賬面值					
At 31 March 2019	於2019年3月31日	658	-	981	177	1,816
At 31 March 2018	於2018年3月31日	58	-	798	180	1,036

Notes to the Financial Statements

財務報表附註

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

18. INTANGIBLE ASSETS

18. 無形資產

		HK\$'000 千港元
Cost	成本	
At 1 April 2017, 31 March 2018, 1 April 2018 and 31 March 2019	於2017年4月1日、2018年3月31日、2018年4月1日及2019年3月31日	1,850
Accumulated amortisation	累計攤銷	
At 1 April 2017	於2017年4月1日	1,634
Charge for the year	年內支出	48
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	1,682
Charge for the year	年內支出	49
At 31 March 2019	於2019年3月31日	1,731
Carrying amount	賬面值	
At 31 March 2019	於2019年3月31日	119
At 31 March 2018	於2018年3月31日	168

Intangible assets represent internally generated capitalised software development costs. Such intangible assets have definite useful life and are amortised on a straight-line basis over 5 years.

無形資產指內部產生之資本化軟件開發成本。該無形資產具有有限可使用年期並按直線法於5年內攤銷。

19. INVENTORIES

19. 存貨

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Merchandises	商品	21,393	18,919

At the end of reporting period, the Group's inventories are stated at cost less allowance for inventories.

於報告期末，本集團存貨按成本減存貨撥備列值。

During the year, allowance for inventories of approximately HK\$386,000 was charged to profit or loss (2018: reversal of allowance for inventories of approximately HK\$99,000).

年內，存貨撥備約386,000港元已於損益扣除(2018年：存貨撥備撥回約99,000港元)。

Notes to the Financial Statements

財務報表附註

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

20. TRADE RECEIVABLES

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
From third parties	來自第三方	9,869	12,342
Less: allowance for doubtful debts	減：呆賬撥備	(178)	-
		9,691	12,342
From a related party	來自一名關聯方	-	12
		9,691	12,354

Analysis of trade receivables due from a related party:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Long Yield Company Limited ("Long Yield")	隆逸有限公司(「隆逸」)	-	12

Long Yield, a company incorporated in Hong Kong, in which Mr. Tony Yuen and Ms. Pauline Yuen are directors.

The Group's trading terms with customers are mainly on credit. The credit period granted to the customers generally range from 30 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

An ageing analysis of the Group's trade receivables, net of allowance for doubtful debts and based on the invoice date is as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
0-90 days	0至90天	5,629	9,518
91-180 days	91至180天	2,091	2,021
181-365 days	181至365天	1,709	667
Over 365 days	365天以上	262	148
		9,691	12,354

20. 貿易應收款項

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
From third parties	9,869	12,342
Less: allowance for doubtful debts	(178)	-
	9,691	12,342
From a related party	-	12
	9,691	12,354

應收一名關聯方的貿易應收款項分析：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Long Yield Company Limited ("Long Yield")	-	12

隆逸為一間在香港註冊成立的公司，其中阮國偉先生及阮美玲女士為董事。

本集團與客戶的貿易條款主要為賒賬。向客戶授出的信貸期一般介乎30至90日。本集團設法對其未償還應收款項進行嚴格控制。逾期結餘由董事定期審閱。

本集團按發票日期計算的貿易應收款項(扣除呆賬撥備)的賬齡分析如下：

	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
0-90 days	5,629	9,518
91-180 days	2,091	2,021
181-365 days	1,709	667
Over 365 days	262	148
	9,691	12,354

Notes to the Financial Statements

財務報表附註

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

20. TRADE RECEIVABLES (continued)

As of 31 March 2019, trade receivables of approximately HK\$7,817,000 (2018: HK\$5,608,000) were past due but not impaired. These trade receivables related to customers for whom there was no recent history of default. The ageing analysis of these trade receivables, net of allowance for doubtful debts and based on due date, is as follows:

Within 90 days	90天內
90–180 days	90至180天
Over 180 days	180天以上

The Group does not charge interest or hold any collateral over these balances.

The Group applied simplified approach to provide the ECL as prescribed by HKFRS 9. The impairment methodology is set out in notes 4(u) and 6(b) to the consolidated financial statements.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Details of the credit risk assessment are included in note 6(b) to the consolidated financial statements.

20. 貿易應收款項(續)

截至2019年3月31日，貿易應收款項約7,817,000港元(2018年：5,608,000港元)已逾期但未減值。該等貿易應收款項與並無近期違約記錄的客戶有關。該等貿易應收款項(扣除呆賬撥備)按到期日計算的賬齡分析如下：

2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
4,305	4,190
2,464	855
1,048	563
7,817	5,608

本集團並無就該等結餘收取利息或持有任何抵押品。

本集團應用簡化法按香港財務報告準則第9號的規定計提預期信貸虧損。減值方法載於綜合財務報表附註4(u)及6(b)。

作為本集團信貸風險管理的一部分，本集團根據不同但有共同風險特徵的客戶群評估客戶減值，有關特徵代表客戶按照合約條款支付所有到期款項的能力。有關信貸風險評估的詳情載於綜合財務報表附註6(b)。

Notes to the Financial Statements

財務報表附註

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

20. TRADE RECEIVABLES (continued)

Lifetime ECL that has been recognised in accordance with simplified approach set out in HKFRS 9 is as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
At beginning of the year	於年初	-	-
Allowance for the year	年內撥備	178	-
At end of the year	於年末	178	-

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECL also incorporate forward looking information.

20. 貿易應收款項(續)

根據香港財務報告準則第9號所載的簡化法確認的全期預期信貸虧損如下：

為計量預期信貸虧損，貿易應收款項乃按共同信貸風險特徵及逾期日期分組。預期信貸虧損亦包括前瞻性資料。

	Current 即期	Up to 3 months past due 逾期 3個月內	3 to 6 months past due 逾期3 至6個月	Over 6 months past due 逾期 6個月以上	Total 總計
At 31 March 2019					
Weighted average expected loss rate	-	-	0.4%	13.9%	
Receivable amount (HK\$'000)	1,874	4,305	2,473	1,217	9,869
Loss allowance (HK\$'000)	-	-	(9)	(169)	(178)

Notes to the Financial Statements

財務報表附註

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

20. TRADE RECEIVABLES (continued)

The carrying amounts of the Group's trade receivables at the end of reporting period, net of allowance for doubtful debts, are denominated in the following currencies:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$	港元	8,014	11,420
RMB	人民幣	330	356
MOP	澳門幣	1,347	578
		9,691	12,354

21. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Deposits	按金	1,765	915
Prepayments	預付款項	749	1,299
Value added tax receivables	應收增值稅	158	180
Others	其他	34	50
		2,706	2,444

Neither of the above assets is past due nor impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

20. 貿易應收款項(續)

於報告期末，本集團貿易應收款項(扣除呆賬撥備)的賬面值以下列貨幣計值：

21. 其他應收款項、預付款項及按金

上述資產並未逾期或減值。計入上述結餘的金融資產乃與並無近期拖欠記錄的應收款項有關。

Notes to the Financial Statements

財務報表附註

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

22. CASH AND BANK BALANCES

At the end of reporting period, the cash and bank balances of the Group are denominated in the following currencies:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$	港元	67,329	75,052
RMB	人民幣	1,536	1,107
MOP	澳門幣	627	108
US\$	美元	842	570
		70,334	76,837

The RMB is not free convertible into other currencies. However, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

23. TRADE PAYABLES

An ageing analysis of the Group's trade payables at the end of reporting period, based on the invoice date is as follows:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
0-30 days	0至30天	1,977	2,226
31-60 days	31至60天	939	104
Over 60 days	60天以上	6	47
		2,922	2,377

The carrying amounts of the Group's trade payables at the end of reporting period are denominated in the following currencies:

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$	港元	1,827	1,547
RMB	人民幣	54	215
US\$	美元	934	615
European dollar	歐元	107	-
		2,922	2,377

22. 現金及銀行結餘

於報告期末，本集團的現金及銀行結餘按下列貨幣計值：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$	港元	67,329	75,052
RMB	人民幣	1,536	1,107
MOP	澳門幣	627	108
US\$	美元	842	570
		70,334	76,837

人民幣不可自由兌換為其他貨幣。然而，根據中華人民共和國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

23. 貿易應付款項

於報告期末，按發票日期計算的本集團貿易應付款項的賬齡分析如下：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
0-30 days	0至30天	1,977	2,226
31-60 days	31至60天	939	104
Over 60 days	60天以上	6	47
		2,922	2,377

於報告期末，本集團貿易應付款項的賬面值以下列貨幣計值：

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
HK\$	港元	1,827	1,547
RMB	人民幣	54	215
US\$	美元	934	615
European dollar	歐元	107	-
		2,922	2,377

Notes to the Financial Statements

財務報表附註

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

24. OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED EXPENSES

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Deposits received from customers	已收客戶按金	2,563	1,376
Accruals for operations	經營應計費用	2,971	4,236
Others	其他	4	51
		5,538	5,663

24. 其他應付款項、已收按金及應計費用

25. CONTRACT LIABILITIES (2018: DEFERRED INCOME)

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Contract liabilities/deferred revenue	合約負債／遞延收益	5,168	3,729

25. 合約負債(2018年: 遞延收入)

The amounts represent the receipts from sales of maintenance and warranty services exceed the revenue recognised on straight-line basis over the respective terms of contract.

金額為維護及保修服務銷售收入超過按直線法於相關合約期所確認收益的部分。

Movement in contract liabilities/deferred revenue:

合約負債／遞延收益的變動：

		2019 2019年 HK\$'000 千港元
Balance at 31 March 2018	於2018年3月31日的結餘	3,729
Impact of initial adoption of HKFRS 15	初步採納香港財務報告準則第15號的影響	2,588
Balance at 1 April 2018	於2018年4月1日的結餘	6,317
Decrease in contract liabilities as a result of recognising revenue during the year was included in the contract liabilities as at 1 April 2018	因年內確認收益(計入於2018年4月1日的合約負債)而導致的合約負債減少	(6,183)
Increase in contract liabilities as a result of billing in advance of maintenance/warranty services	因就維護／保修服務提前開出單據而導致的合約負債增加	5,034
Balance at 31 March 2019	於2019年3月31日的結餘	5,168

Notes to the Financial Statements

財務報表附註

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

25. CONTRACT LIABILITIES (2018: DEFERRED INCOME) (continued)

At the end of reporting period, contract liabilities were classified in accordance with the expiry date of the maintenance and warranty service contracts entered into.

Analysed for reporting purpose:	作報告用途之分析：
Current liabilities	流動負債
Non-current liabilities	非流動負債

25. 合約負債(2018年：遞延收入)(續)

於報告期末，合約負債乃按照所簽訂維護及保質服務合約的屆滿日期而分類。

2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
5,066	3,595
102	134
5,168	3,729

26. BANK BORROWINGS

The Group had obtained banking facilities in respect of import/export loans from a bank in Hong Kong. The bank borrowings raised during the years ended 31 March 2018 and 2019 were fully repaid as at the end of each reporting period.

The bank borrowings of the Group are arranged at floating rates, thus exposing the Group to cash flow interest rate risk. The average interest rate of the Group's bank borrowings during the reporting period are as follows:

Import/export loans	進／出口貸款
---------------------	--------

During the reporting periods, the Group's import/export loans were due within one year and contain a repayment on demand clause.

The Group's banking facilities are secured by:

- An unlimited guarantee issued by certain subsidiaries within the Group for the Group's banking facilities as at 31 March 2018 and 31 March 2019; and
- Registered security over deposits of the Company and certain subsidiaries within the Group to the extent of borrowing drawdown by the Group as at 31 March 2018 and 31 March 2019.

As at 31 March 2019, the Group had undrawn facilities amounted to approximately HK\$5,000,000 (2018: HK\$5,000,000).

26. 銀行借款

本集團已從一間香港的銀行取得有關進／出口貸款的銀行融資。截至2018年及2019年3月31日止年度的已籌得銀行借款已於各報告期末悉數償還。

本集團的銀行借款按浮息釐定，因而令本集團面臨現金流量利率風險。本集團於報告期間的銀行借款的平均利率如下：

2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
5%	5%

於報告期間，本集團的進／出口貸款於一年內到期償還及含按要求償還條款。

本集團的銀行融資由下列各項抵押：

- 於2018年3月31日及2019年3月31日，本集團內若干附屬公司就本集團銀行融資發出的無限額擔保；及
- 於2018年3月31日及2019年3月31日，就本公司及本集團內若干附屬公司存款的註冊抵押，以本集團提取的借款為限。

於2019年3月31日，本集團未提取的融資約為5,000,000港元(2018年：5,000,000港元)。

Notes to the Financial Statements

財務報表附註

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

27. DEFERRED TAXATION

At the end of the reporting period, the Group has unused tax losses of approximately HK\$698,000 (2018: HK\$988,000) that are available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses due to unpredictability of future profit streams. Included in unrecognised tax losses are losses HK\$698,000 (2018: HK\$988,000) that will expire in 5 years for offsetting against future taxable profits. Other tax losses may be carried forward indefinitely.

27. 遞延稅項

於報告期末，本集團的未動用稅項虧損約為698,000港元(2018年：988,000港元)，可用作抵銷未來應課稅溢利。就該等虧損並無確認遞延稅項資產，乃由於未來溢利來源的不可預測性。未確認稅項虧損698,000港元(2018年：988,000港元)將於五年內屆滿，可用作抵銷未來應課稅溢利。其他稅項虧損可無限期結轉。

28. SHARE CAPITAL

28. 股本

			Number of shares 股份數目	Amount 金額 HK\$'000 千港元
		Note 附註		
Authorised:	法定：			
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		38,000,000	380
At 1 April 2017	於2017年4月1日			
Increase in authorised share capital	法定股本增加	(a)	4,962,000,000	49,620
			<hr/>	<hr/>
At 31 March 2018, 1 April 2018 and 31 March 2019	於2018年3月31日、 2018年4月1日及 2019年3月31日		5,000,000,000	50,000
			<hr/>	<hr/>
			Number of shares 股份數目	Amount 金額 HK\$'000 千港元
		Note 附註		
Issued and fully paid:	已發行及繳足：			
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		2,000	—*
At 1 April 2017	於2017年4月1日			
Share capitalisation	股份資本化	(b)	599,998,000	6,000
Issue of new shares under the share offer	根據股份發售發行新股份	(c)	200,000,000	2,000
			<hr/>	<hr/>
At 31 March 2018, 1 April 2018 and 31 March 2019	於2018年3月31日、 2018年4月1日及 2019年3月31日		800,000,000	8,000
			<hr/>	<hr/>

* Represent amount less than HK\$1,000

* 指金額少於1,000港元

Notes to the Financial Statements

財務報表附註

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

28. SHARE CAPITAL (continued)

Notes:

- (a) On 18 January 2018, written resolutions of the shareholders of the Company were passed to approve the increase in authorised share capital of the Company from HK\$380,000 to HK\$50,000,000 by the creation of an additional 4,962,000,000 shares of HK\$0.01 each.
- (b) Pursuant to written resolutions passed by shareholders of the Company on 18 January 2018, conditional on the share premium account of the Company being credited as a result of the Listing; the directors of the Company were authorised to capitalise the sum of HK\$5,699,980 standing to the credit of the share premium account of the Company by issuing 599,998,000 shares of HK\$0.01 each, credited as fully paid at par.
- (c) On 14 February 2018, the Company issued 200,000,000 new shares of HK\$0.01 each at a price of HK\$0.35 in relation to the Listing, the premium on the issue of shares, amounting to approximately HK\$68,000,000 was credited to the Company's share premium account. These new shares rank pari passu with the existing shares in all respects.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The capital structure of the Group comprises all components of shareholders' equity.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 2018.

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares. The Group receives a report from the share registrars weekly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit from the date of the Listing. As of 31 March 2019, 41.75% (2018: 25%) of the shares were in public hands.

28. 股本(續)

附註：

- (a) 於2018年1月18日，本公司股東書面決議案獲通過，以批准藉增設每股面值0.01港元的額外4,962,000,000股股份將本公司的法定股本由380,000港元增加至50,000,000港元。
- (b) 根據本公司股東於2018年1月18日通過的書面決議案，待本公司股份溢價賬上市錄得進賬後，授權本公司董事透過發行599,998,000股每股面值0.01港元按面值入賬列作繳足的股份將本公司進賬金額5,699,980港元撥充資本。
- (c) 於2018年2月14日，本公司就上市按價格0.35港元發行200,000,000股每股面值0.01港元的新股份，股份發行的溢價約68,000,000港元計入本公司股份溢價賬。該等新股份在各方面與現有股份享有同等地位。

本集團管理資本的目標為保障本集團持續經營的能力及透過優化債務及股本結餘而為股東謀求最大回報。本集團的資本架構包括股東權益的所有組成元素。

本集團透過考慮資本成本及與每類資本相關的風險而經常審查資本架構。本集團將會透過派付股息、發行新股及股份購回以及發行新債務、贖回現有債務或出售資產以減少債務等方式平衡其整個資本架構。於截至2019年及2018年3月31日止年度，資本管理的目標、政策或流程概無作出變動。

唯一外在資本規定為本集團股份須有至少25%公眾持股量以維持其於聯交所的上市地位。本集團每週獲取股份過戶登記處發出列示非公眾持股量的重大股份權益的報告，其顯示本集團自上市日期起持續遵守25%的限額。截至2019年3月31日，41.75% (2018年：25%) 的股份由公眾人士持有。

Notes to the Financial Statements

財務報表附註

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

29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

29. 本公司的財務狀況表

		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	22,558	22,458
Current assets	流動資產		
Prepayments	預付款項	225	709
Amounts due from subsidiaries	應收附屬公司款項	1,864	92
Bank and cash balances	銀行及現金結餘	50,439	56,386
		52,528	57,187
Current liabilities	流動負債		
Accrued expenses	應計費用	11	628
Amounts due to subsidiaries	應付附屬公司款項	3,731	3,302
		3,742	3,930
Net current assets	流動資產淨額	48,786	53,257
NET ASSETS	資產淨值	71,344	75,715
Capital and reserves	資本及儲備		
Share capital	股本	8,000	8,000
Reserves	儲備	63,344	67,715
TOTAL EQUITY	總權益	71,344	75,715

Approved and authorised for issue by the Board of Directors on 21 June 2019.

於2019年6月21日經董事會批准及授權刊發。

Yuen Kwok Wai, Tony
阮國偉

Yuen Mei Ling, Pauline
阮美玲

Notes to the Financial Statements

財務報表附註

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

30. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Company

30. 儲備

(a) 本集團

本集團儲備的金額及其中的變動在綜合損益及其他全面收益表及綜合權益變動表內呈列。

(b) 本公司

		Share premium 股份溢價 (note 31(c)(i)) (附註31(c)(i)) HK\$'000 千港元	Contributed surplus 繳入盈餘 (note 31(c)(v)) (附註31(c)(v)) HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於2017年4月1日	-	22,458	(179)	22,279
Share capitalisation (note 28(b))	股份資本化(附註28(b))	(6,000)	-	-	(6,000)
Issue of new shares under the share offer (note 28(c))	根據股份發售發行新股份(附註28(c))	68,000	-	-	68,000
Cost of issuing new shares under the share offer	根據股份發售發行新股份的成本	(10,318)	-	-	(10,318)
Total comprehensive income for the year	年內全面收益總額	-	-	(6,246)	(6,246)
Changes in equity for the year	年內權益變動	51,682	-	(6,246)	45,436
At 31 March 2018 and 1 April 2018	於2018年3月31日及2018年4月1日	51,682	22,458	(6,425)	67,715
Total comprehensive income for the year	年內全面收益總額	-	-	(4,371)	(4,371)
At 31 March 2019	於2019年3月31日	51,682	22,458	(10,796)	63,344

Notes to the Financial Statements

財務報表附註

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

30. RESERVES (continued)

(c) Nature and purpose of reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and after deduction of capitalisation issue and issuance costs of shares.

(ii) Merger reserve

Merger reserve represents the difference between the aggregated amount of share capital, share premium and capital reserve of subsidiaries comprising the Group at the date on which Power Truth Holdings Limited (“**Power Truth**”), the then holding company of the subsidiaries comprising the Group, was acquired by the Company, over the nominal value of 2,000 shares issued by the Company pursuant to the group reorganisation on 10 November 2015.

(iii) Legal reserve

The Macao Commercial Code number 377 requires that companies incorporated in Macau should set aside a minimum of 25% of their respective profit after income tax to the legal reserve until the balance of the reserve reaches a level equivalent to 50% of their capital.

(iv) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(b)(iii) to the consolidated financial statements.

(v) Contributed surplus

The contributed surplus arose from the excess of the consideration over the nominal value of the 1,000 shares issued by the Company pursuant to the group reorganisation on 10 November 2015. The consideration represented the net asset value of Power Truth as at 30 September 2015.

30. 儲備(續)

(c) 儲備的性質及宗旨

(i) 股份溢價

根據開曼群島公司法，本公司股份溢價賬的資金可供分派予本公司股東，惟緊隨建議分派股息當日後，本公司須有能力付清於日常業務過程中到期的債務。

股份溢價指以高於每股股份面值的價格發行股份所產生的溢價，並已經扣除資本化發行及股份發行的成本。

(ii) 合併儲備

合併儲備指本集團旗下附屬公司於本公司收購本集團旗下附屬公司的當時控股公司誠威控股有限公司(「誠威」)當日之股本、股份溢價及資本儲備總額，與本公司根據2015年11月10日的集團重組的2,000股已發行股份面值之間的差額。

(iii) 法定儲備

澳門商法典第377號規定，在澳門註冊成立的公司須將各自除所得稅後溢利最少25%撥入法定儲備，直至儲備結餘達致相等於其股本50%的水平為止。

(iv) 外幣換算儲備

外幣換算儲備包括因換算海外業務財務報表而產生的所有匯兌差額。儲備按照綜合財務報表附註4(b)(iii)所載的會計政策處理。

(v) 繳入盈餘

繳入盈餘產生自代價超出本公司根據集團重組於2015年11月10日的1,000股已發行股份面值之餘額。代價指誠威於2015年9月30日的資產淨值。

Notes to the Financial Statements

財務報表附註

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

31. SHARE OPTION SCHEME

On 18 January 2018, written resolution of the shareholders of the Company was passed to conditionally approve and adopt a share option scheme (“Share Option Scheme”) to recognise and motivate the contributions that eligible participants have made or may make to the Group.

The Share Option Scheme adopted by the Company on 18 January 2018 will remain in force for a period of ten years from its effective date to 17 January 2028. Particulars of the Share Option Scheme of the Company are set out in Appendix IV to the Company’s prospectus dated 30 January 2018.

No share option has been granted by the Company under the Share Option Scheme since its effective date and up to the end of the reporting period.

32. SUBSIDIARIES

Particulars of the Company’s subsidiaries as at 31 March 2019 are set out below:

Name 名稱	Place/date of incorporation/ establishment 註冊成立/成立地點/日期	Registered and paid up capital 已註冊及繳足股本	Percentage of ownership interest 所有權權益百分比		Principal activities and place of operation 主要活動及營業地點
			Direct 直接	Indirect 間接	
Power Truth 誠威	British Virgin Islands 28 August 2014 英屬處女群島 2014年8月28日	1,000 ordinary shares of US\$1 each 1,000股每股面值 1美元的普通股	100%	-	Investment holding, Hong Kong 投資控股，香港
Prime Intelligence Management Company Limited 匯安智能管理有限公司	Hong Kong 24 April 2018 香港 2018年4月24日	HK\$100,000 100,000港元	100%	-	Inactive, Hong Kong 無營業，香港
Solution Expert Technology Limited 專訊科技有限公司	Hong Kong 7 June 1999 香港 1999年6月7日	HK\$1,500,000 1,500,000港元	-	100%	Sales of biometrics identification devices and security products; and provision of application software, Hong Kong 銷售生物特徵識別裝置及保安產品； 及提供應用程式，香港
Solution Expert Engineering Limited 專訊工程有限公司	Hong Kong 9 April 2001 香港 2001年4月9日	HK\$10,000 10,000港元	-	100%	Sales of biometrics identification devices and security products; and provision of system installation, application software and repair and maintenance services, Hong Kong 銷售生物特徵識別裝置及保安產品； 及提供系統安裝、應用程式以及修理 及維護服務，香港

31. 購股權計劃

2018年1月18日，本公司股東書面決議案獲通過以有條件批准及採納購股權計劃（「購股權計劃」）以表揚及激勵合資格參與者對本集團已作出或可能作出的貢獻。

本公司於2018年1月18日採納的購股權計劃自其生效日期至2028年1月17日止的十年期間維持有效。本公司購股權計劃的詳情載於本公司日期為2018年1月30日的招股章程附錄四。

自生效日期起及直至報告期末，本公司概無根據購股權計劃授出任何購股權。

32. 附屬公司

本公司附屬公司於2019年3月31日的詳情載列如下：

Notes to the Financial Statements

財務報表附註

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

32. SUBSIDIARIES (continued)

32. 附屬公司(續)

Name 名稱	Place/date of incorporation/ establishment 註冊成立/成立地點/日期	Registered and paid up capital 已註冊及繳足股本	Percentage of ownership interest 所有權權益百分比		Principal activities and place of operation 主要活動及營業地點
			Direct 直接	Indirect 間接	
Solution Expert Technology (R&D) Limited	Hong Kong 30 May 2003	HK\$1,000,000	-	100%	Investment holding; sales of biometrics identification devices and security products; and provision of application software, Hong Kong
專訊科技研究發展 有限公司	香港 2003年5月30日	1,000,000港元	-	100%	投資控股；銷售生物特徵識別裝置及 保安產品；及提供應用程式，香港
Solution Expert Technology (Macau) Limited	Macau 13 September 2004	MOP25,000	-	100%	Sales and provision of installation and maintenance of security and information technology system, Macau
專訊科技(澳門)有限公司	澳門 2004年9月13日	25,000澳門幣	-	100%	銷售及提供安全及資訊科技系統的安裝及 維護，澳門
專訊科技(深圳)有限公司 ("SE Shenzhen")	PRC, 22 October 2003	Registered and paid up capital of HK\$10,000,000	-	100%	Sales of biometrics identification devices; and provision of application software and related after-sale services, PRC
專訊科技(深圳)有限公司 ("專訊深圳")	中國， 2003年10月22日	已註冊及繳足股本 10,000,000港元	-	100%	銷售生物特徵識別裝置；及提供應用程式 軟件及相關售後服務，中國

Note: SE Shenzhen is a wholly-foreign owned enterprise established in the PRC.

附註：專訊深圳為一間在中國成立的外商獨資企業。

Notes to the Financial Statements

財務報表附註

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

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table set forth below is the detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		1 April 2018 2018年4月1日 HK\$'000 千港元	Cash flows 現金流量 HK\$'000 千港元	Interest charges 利息費用 HK\$'000 千港元	31 March 2019 2019年3月31日 HK\$'000 千港元
Bank borrowings (note 26)	銀行借款(附註26)	-	(28)	28	-
		1 April 2017 2017年4月1日 HK\$'000 千港元	Cash flows 現金流量 HK\$'000 千港元	Interest charges 利息費用 HK\$'000 千港元	31 March 2018 2018年3月31日 HK\$'000 千港元
Bank borrowings (note 26)	銀行借款(附註26)	1,450	(1,525)	75	-
Finance lease payables	應付融資租賃	44	(44)	-	-
		1,494	(1,569)	75	-

34. CAPITAL COMMITMENTS

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

35. CONTINGENT LIABILITIES

Save for disclosed elsewhere in these consolidated financial statements, the Group did not have any contingent liabilities at the end of the reporting period (2018: Nil).

33. 綜合現金流量表附註

融資活動所產生負債之對賬

下表載列本集團融資活動所產生負債之詳細變動，包括現金及非現金變動。融資活動所產生之負債乃本集團綜合現金流量表將現金流量或未來現金流量分類為融資活動所得現金流量之負債。

34. 資本承擔

截至2019年及2018年3月31日，本集團並無任何資本承擔。

35. 或然負債

除該等綜合財務報表其他章節所披露者外，本集團於報告期末並無任何或然負債(2018年：零)。

Notes to the Financial Statements

財務報表附註

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

37. LEASE COMMITMENTS

At 31 March 2019, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within one year	一年內
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)

During the year, operating lease payments represent rentals payable by the Group for certain of its offices and staff quarters. For the year ended 31 March 2019, leases are negotiated for an average term of 3 years (2018: 3 years) and rentals are fixed over the lease terms and do not include contingent rentals.

38. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 21 June 2019.

37. 租賃承擔

於2019年3月31日，根據不可註銷經營租賃應付的未來最低租賃款項總額如下：

2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元
1,930	985
2,601	2,518
4,531	3,503

年內，經營租賃款項指本集團就其若干辦公室及員工宿舍應付的租金。截至2019年3月31日止年度，租賃的平均租期為3年(2018年：3年)，租期內的租金為固定且不包括或然租金。

38. 批准財務報表

綜合財務報表已於2019年6月21日經董事會批准及授權刊發。

Four Year Financial Summary

四年財務概要

		Year ended/As at 31 March 截至三月三十一日止年度／於三月三十一日			
		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
OPERATING RESULT	經營業績				
Revenue	收益	50,878	71,063	63,522	59,065
Cost of sales	銷售成本	(25,054)	(29,016)	(25,505)	(23,377)
Gross profit	毛利	25,824	42,047	38,017	35,688
Other income	其他收入	702	230	94	56
Selling and distribution costs	銷售及分銷成本	(5,749)	(5,121)	(4,826)	(3,937)
Administrative and other operating expenses	行政及其他經營開支	(21,976)	(29,645)	(16,715)	(15,990)
Profit/(loss) from operation	經營溢利／(虧損)	(1,199)	7,511	16,715	15,817
Finance costs	財務成本	(28)	(75)	(142)	(165)
Profit/(loss) before tax	除稅前溢利／(虧損)	(1,227)	7,436	16,428	15,652
Income tax expense	所得稅開支	(259)	(3,222)	(2,904)	(2,603)
Profit/(loss) for the year	年內溢利／(虧損)	(1,486)	4,214	13,524	13,049
Other comprehensive income for the year, net of tax:	年內其他全面收益，扣除稅項：				
Items that may be reclassified to profit or loss:	可能重新分類至損益的項目：				
Exchange differences on translating foreign operations	換算海外業務時之匯兌差額	(273)	690	(400)	(214)
Total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔年內全面收益總額	(1,759)	4,904	13,124	12,835
ASSETS AND LIABILITIES	資產及負債				
Total assets	總資產	108,590	111,758	46,871	47,095
Total liabilities	總負債	(13,695)	(12,943)	(12,642)	(17,990)
Net assets	資產淨值	94,895	98,815	34,229	29,105
Equity attributable to owners of the Company	本公司擁有人應佔權益	94,895	98,815	34,229	29,105

Prime Intelligence Solutions Group Limited
匯安智能科技集團有限公司