

F8 Enterprises (Holdings) Group Limited

F8 企業(控股)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 : 8347

2020

ANNUAL REPORT

年報



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本報告乃遵照聯交所 GEM 證券上市規則(「GEM 上市規則」)的規定而提供有關 F8 企業(控股)集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之資料。本公司之董事(「董事」)願就本報告所載資料共同及個別承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，本報告無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Fong Chun Man (*Chairman*)
Ms. Lo Pui Yee (*Vice Chairlady*)
Mr. Chan Chi Fai (*Chief Executive Officer*)
Mr. Li Hok Yin (resigned on 21 February 2020)

Independent non-executive Directors

Mr. Chui Chi Yun, Robert
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

AUDIT COMMITTEE

Mr. Chui Chi Yun, Robert (*Chairman*)
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

REMUNERATION COMMITTEE

Mr. Wang Anyuan (*Chairman*)
Mr. Chui Chi Yun, Robert
Mr. Fong Chun Man

NOMINATION COMMITTEE

Mr. Kwong Yuk Lap (*Chairman*)
Mr. Chui Chi Yun, Robert
Mr. Fong Chun Man

AUTHORISED REPRESENTATIVES

Mr. Fong Chun Man
Ms. Lo Pui Yee

COMPLIANCE OFFICER

Mr. Fong Chun Man

COMPANY SECRETARY

Ms. Leung Yin Fai (*HKICPA, ACCA, CPA Australia*)

REGISTERED OFFICE

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

董事會

執行董事

方俊文先生 (*主席*)
勞佩儀女士 (*副主席*)
陳志輝先生 (*行政總裁*)
李學賢先生 (於2020年2月21日辭任)

獨立非執行董事

崔志仁先生
鄭旭立先生
王安元先生

審核委員會

崔志仁先生 (*主席*)
鄭旭立先生
王安元先生

薪酬委員會

王安元先生 (*主席*)
崔志仁先生
方俊文先生

提名委員會

鄭旭立先生 (*主席*)
崔志仁先生
方俊文先生

授權代表

方俊文先生
勞佩儀女士

合規主任

方俊文先生

公司秘書

梁燕輝女士 (*香港會計師公會、英國特許公認會計師公會、澳洲會計師公會*)

註冊辦事處

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

Corporate Information

公司資料

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3304, 33/F, Tower 1, Enterprise Square Five,
38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPLIANCE ADVISER

Guotai Junan Capital Limited

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

LEGAL ADVISER

D. S. Cheung & Co.

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

COMPANY WEBSITE

www.f8.com.hk

香港總部及主要營業地點

香港九龍九龍灣宏照道38號
企業廣場五期一座33樓3304室

香港股份過戶登記分處

寶德隆證券登記有限公司
香港北角電氣道148號21樓2103B室

開曼群島股份過戶登記總處

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

合規顧問

國泰君安融資有限公司

核數師

國衛會計師事務所有限公司
執業會計師

法律顧問

張岱樞律師事務所

主要往來銀行

香港上海滙豐銀行有限公司

公司網站

www.f8.com.hk

Chairman's Statement

主席報告書

To our Shareholders,

On behalf of the board of Directors (the "Board") of F8 Enterprises (Holdings) Group Limited (the "Company"), I am pleased to present the annual audited financial statements of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 March 2020.

The Group has recorded a revenue of approximately HK\$439.3 million for the year ended 31 March 2020, representing an increase of approximately HK\$209.6 million or 91.3% as compared to the year ended 31 March 2019. The Group's net profit for the year was approximately HK\$4.5 million and approximately HK\$0.8 million for the year ended 31 March 2020 and 2019, respectively, representing an increase of approximately HK\$3.7 million as compared with the year ended 31 March 2019. The increase in the net profit and net profit margin for the year ended 31 March 2020 was mainly due to increase sale and transportation of diesel oil business and the fair value change on contingent consideration payables of approximately HK\$3.6 million for the year ended 31 March 2020.

As at 31 March 2020, the Group had eight diesel tank wagons of various capacity to meet customers' requirement. In order to increase the total capacity of our fleet of diesel tank wagons to facilitate the increasing demand from customers, and further reduce the level of nitrogen dioxide and particulates to fulfill our social responsibility, the Group had acquired two new diesel tank wagons and replace two existing diesel tank wagons.

During the year ended 31 March 2020, the Group had a marine oil barge. Besides, the Group had carried out marketing and promotional activities and negotiated with potential customers to secure purchase orders for marine diesel oil.

各位股東：

本人謹代表F8企業(控股)集團有限公司(「本公司」)董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至2020年3月31日止年度的年度經審核財務報表。

截至2020年3月31日止年度，本集團已錄得收益約439.3百萬港元，較截至2019年3月31日止年度增加約209.6百萬港元或91.3%。本集團截至2020年及2019年3月31日止年度的年內純利分別為約4.5百萬港元及約0.8百萬港元，較截至2019年3月31日止年度增加約3.7百萬港元。截至2020年3月31日止年度純利及純利率增加主要由於截至2020年3月31日止年度柴油業務銷售及運輸增加及應付或然代價公平值變動約3.6百萬港元所致。

於2020年3月31日，本集團擁有八架不同容量的柴油貯槽車，以滿足客戶要求。為提高我們柴油貯槽車車隊的總容量以滿足客戶日益增長的需求，以及進一步減低二氧化氮及粒子水平以履行我們的社會責任，本集團已購買兩部新柴油貯槽車，以取代兩部現有的柴油貯槽車。

截至2020年3月31日止年度，本集團擁有一艘船用柴油駁船。此外，本集團已進行市場推廣活動，並與潛在客戶磋商以爭取船用柴油的採購訂單。

Chairman's Statement 主席報告書

Looking forward, the Group will strive to improve its operational efficiency and profitability of its businesses. Notwithstanding the adverse impact brought by the outbreak of COVID-19, we believe that market trend of sale of diesel oil and marine diesel oil market in Hong Kong remains optimistic mainly due to the stable and high level investment in public infrastructure including the railway network, development of marine construction projects including the Hong Kong International Airport's third runway project together with the recovery of logistics industry in Hong Kong.

The Board would like to extend its sincere thanks to our shareholders (the "Shareholders"), business partners and customers for their utmost support to the Group. We would also like to take this opportunity to thank all management members and staff for their hard work and dedication throughout the year.

FONG Chun Man
Chairman

Hong Kong, 26 June 2020

展望未來，本集團會致力於改善其運營效率，提高業務盈利能力。儘管新型冠狀病毒的爆發帶來不利影響，我們相信香港柴油及船用柴油銷售市場的市場趨勢仍樂觀，主要由於公共基建（包括鐵路網絡）的投資穩定維持於較高水平、海事工程項目（包括香港國際機場第三條跑道項目）的開發以及香港物流業的復甦所致。

董事會對股東（「股東」）、業務夥伴及客戶致以衷心的謝意，感謝他們對本集團的鼎力支持。我們亦藉此機會感謝所有管理層成員及員工在這一年的辛勤工作及奉獻。

方俊文
主席

香港，2020年6月26日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group principally carries on the business of sales and transportation of diesel oil and related products in Hong Kong. The Group also supplies marine diesel oil used for construction vessels and lubricant oil used for construction machinery and vehicles. Most of the Group's customers are construction companies which require diesel oil to operate their construction machinery and vehicles. The Group had a fleet of eight diesel tank wagons of various capacity and a marine oil barge as at 31 March 2020. The Group is also engaged in the business of manufacturing and sale of steel products in the People's Republic of China (the "PRC").

During the year ended 31 March 2019, the Company and Virtue Ever Limited entered into an acquisition agreement for the acquisition of 100% equity interest in China Forest Food Limited ("China Forest Food") which then became a wholly owned subsidiary of the Company and the financial statements of China Forest Food had consolidated into the consolidated financial statements of the Group. During the year ended 31 March 2020, the Company disposed of 90% of the equity interest in China Forest Food (the "Disposal"). Following completion of the Disposal, the financial results of China Forest Food were no longer consolidated into the consolidated financial statements of the Group.

The Group, together with 新余鋼鐵集團有限公司 (Xinyu Iron and Steel Corporation Ltd.*) and 新余市投資控股集團有限公司 (Xinyu Investment Holding Group Co., Ltd.*), established a joint venture company in the PRC which is principally engaged in the business of steel products processing, motor parts and finished products manufacturing and machining in the PRC during the year ended 31 March 2020. The registered capital of the joint venture company is RMB30.0 million, which is owned as to 55% by the Group.

Sale and transportation of diesel oil and related products business

The Group has recorded a revenue of approximately HK\$328.1 million from the sale and transportation of diesel oil and related products for the year ended 31 March 2020, representing approximately 74.7% of the Group's total revenue and an increase of approximately HK\$98.4 million or 42.8% as compared to the year ended 31 March 2019. The increase was mainly due to increase in demand from customers upon the commencement of an existing customer's project in October 2018 and the demand of marine diesel oil from three new customers.

業務回顧

本集團主要在香港進行柴油及相關產品的銷售及運輸業務。本集團亦提供用於工程船舶的船用柴油以及用於工程機器及汽車的潤滑油。本集團的客戶大多數為需要柴油以操作其工程機器及汽車的工程公司。本集團於2020年3月31日擁有八架不同容量的柴油貯槽車及一艘船用柴油駁船。本集團亦於中華人民共和國(「中國」)從事鋼產品的製造及銷售。

截至2019年3月31日止年度，本公司與永德有限公司就收購中國森林食品有限公司(「中國森林食品」)100%股權事項訂立收購協議，該公司其後已成為本公司全資附屬公司，且中國森林食品的財務報表已綜合計入本集團的綜合財務報表。截至2020年3月31日止年度，本公司出售中國森林食品90%股權(「出售事項」)。出售事項完成後，中國森林食品的財務業績不再綜合計入本集團的綜合財務報表。

截至2020年3月31日止年度，本集團與新余鋼鐵集團有限公司及新余市投資控股集團有限公司在中國成立合資公司，主要在中國從事鋼鐵產品加工、電機配件以及成品製造及加工業務。合資公司的註冊資本為人民幣30.0百萬元，由本集團擁有55%權益。

柴油及相關產品的銷售及運輸業務

截至2020年3月31日止年度，本集團錄得來自柴油及相關產品銷售及運輸的收益約328.1百萬港元，佔本集團總收益約74.7%，較截至2019年3月31日止年度增加約98.4百萬港元或42.8%。有關增加乃主要由於在一名現有客戶項目於2018年10月展開後客戶需求增加及三名新客戶對船用柴油的需求所致。

* The English translation of names for identification purpose only. The official names of these entities are in Chinese.

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Sale of steel product business

The Group recorded a revenue of approximately HK\$111.2 million from the sale of steel products for the year ended 31 March 2020, representing approximately 25.3% of the Group's total revenue.

Meanwhile, the Group has executed strict control on costs and expenses. The Group recorded a net profit of approximately HK\$4.5 million for the year ended 31 March 2020. The increase in profit was mainly attributable to the loss of discontinued operation of health food business of approximately HK\$4.5 million for the year ended 31 March 2019 but compensated by fair value change on contingent consideration payables arising from the disposal of a subsidiary of approximately HK\$3.6 million for the year ended 31 March 2020.

The profit attributable to the owners of the Company would have been approximately HK\$4.7 million and approximately HK\$0.8 million for the year ended 31 March 2020 and 2019, respectively, representing an increase of approximately HK\$3.9 million as compared to the year ended 31 March 2019.

INDUSTRY REVIEW

In 2019, international oil prices fluctuated with a wide range and dropped. The outbreak of epidemic brings uncertainties of international oil prices in short-term. Notwithstanding, the government has introduced massive emergency fiscal plans to support workers and businesses, there is clearly a long way to go before we can put the COVID-19 pandemic crisis behind us. We believe we could work together to meet this historic challenge.

FUTURE PROSPECTS

The outbreak of COVID-19 pandemic has brought adverse impact on the economic condition in an international and domestic context. The Directors will continue to observe closely and manage risks associated.

In view of the challenging business environment and keen competition in the diesel oil sales market in Hong Kong, the Group will deploy more resources on talent recruitment and strengthen the business development and marketing strategy on diesel oil guardedly and will also proactively seek potential business opportunities that will broaden our sources of income and enhance value to the Shareholders.

業務回顧(續)

鋼產品的銷售業務

截至2020年3月31日止年度，本集團錄得來自鋼產品銷售的收益約111.2百萬港元，佔本集團總收益約25.3%。

同時，本集團對各項成本及開支進行嚴格監控。截至2020年3月31日止年度，本集團錄得純利約4.5百萬港元。該溢利增加乃主要由於截至2019年3月31日止年度有關健康食品業務終止經營虧損約4.5百萬港元，但因截至2020年3月31日止年度出售一間附屬公司所產生的應付或然代價公平值變動約3.6百萬港元抵償所致。

截至2020年及2019年3月31日止年度本公司擁有人應佔溢利將分別為約4.7百萬港元及約0.8百萬港元，較2019年3月31日止年度增加約3.9百萬港元。

行業回顧

於2019年，國際油價大幅波動並回落。疫情爆發於短期內為國際油價帶來不確定性。儘管政府已推行大量緊急財政計劃以支援勞工及企業，惟對於我們遠離新型冠狀病毒疫情的危機顯然尚有漫漫長路。我們深信我們可共同努力應對此歷史性挑戰。

未來前景

新型冠狀病毒疫情的爆發給國際及國內經濟狀況帶來了不利影響。董事將繼續密切觀察並管理相關風險。

鑒於香港柴油銷售市場營商環境挑戰重重且競爭激烈，本集團將謹慎地投放更多資源於招募人才以及加強於柴油方面的業務發展及市場營銷策略，並將主動尋找可擴大本集團收入來源及增加股東價值的潛在商機。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$209.6 million or approximately 91.3% from approximately HK\$229.7 million for the year ended 31 March 2019 to approximately HK\$439.3 million for the year ended 31 March 2020.

Revenue from the sale of diesel oil, marine diesel oil and lubricant oil accounted for approximately HK\$271.6 million, HK\$55.7 million and HK\$0.8 million, representing approximately 61.8%, 12.7% and 0.2%, respectively, of the Group's total revenue for the year ended 31 March 2020. For the year ended 31 March 2019, the revenue from the sale of diesel oil, marine diesel oil and lubricant oil accounted for approximately HK\$213.6 million, HK\$14.4 million and HK\$1.7 million, representing approximately 93.0%, 6.3% and 0.7%, respectively, of the Group's total revenue. Sale of diesel oil remained the largest contributor to the Group's revenue. The increase was mainly due to more demand from construction customers and logistic customers.

Revenue from sale of steel products business accounted for approximately HK\$111.2 million, representing 25.3% of the Group's total revenue (2019: Nil).

The increase in the Group's revenue was primarily due to the increase in the Group's sale of diesel oil and increase in sale of steel products. Increase in demand of marine diesel oil was attributable to the demand of three new customers during the year ended 31 March 2020.

Cost of sales

Cost of the sale and transportation of diesel oil and related products business primarily consists of diesel oil costs, marine diesel oil costs, lubricant oil costs, direct labour costs and depreciation. The purchase cost for the diesel oil, marine diesel oil costs and lubricant oil costs depends on the domestic purchase price offered by the Group's oil suppliers, with reference to the price indices such as Europe Brent spot crude price. Cost of the sale of steel product business mainly consists of raw material costs, direct labour costs and transportation costs. For the year ended 31 March 2020, the Group's cost of the sales was approximately HK\$415.5 million, representing an increase of approximately 99.8% from approximately HK\$208.0 million for the year ended 31 March 2019.

財務回顧

收益

本集團的收益由截至2019年3月31日止年度約229.7百萬港元增加約209.6百萬港元或約91.3%至截至2020年3月31日止年度約439.3百萬港元。

來自柴油、船用柴油及潤滑油銷售的收益分別約為271.6百萬港元、55.7百萬港元及0.8百萬港元，分別佔截至2020年3月31日止年度本集團的總收益約61.8%、12.7%及0.2%。截至2019年3月31日止年度，來自柴油、船用柴油及潤滑油銷售的收益分別約為213.6百萬港元、14.4百萬港元及1.7百萬港元，分別佔本集團的總收益約93.0%、6.3%及0.7%。柴油銷售依然為本集團收益的最大貢獻者。增加主要由於建築客戶及物流客戶需求增加所致。

鋼產品的銷售業務產生收益計及約111.2百萬港元，佔本集團收益總額約25.3%（2019年：無）。

本集團收益增加乃主要由於本集團柴油銷售增加及鋼產品銷售增加。船用柴油需求增加乃由於截至2020年3月31日止年度三名新客戶的需求所致。

銷售成本

柴油及相關產品銷售及運輸業務成本主要包括柴油成本、船用柴油成本、潤滑油成本、直接勞工成本及折舊。柴油、船用柴油及潤滑油的採購成本取決於本集團燃油供應商提供的當地採購價，並經參考歐洲布倫特原油現貨價格等價格指標。鋼產品業務的銷售成本主要分為原材料成本、直接勞工成本及運輸成本。截至2020年3月31日止年度，本集團的銷售成本約為415.5百萬港元，較截至2019年3月31日止年度約208.0百萬港元增加約99.8%。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross profit and gross profit margin

The gross profit represented the Group's revenue less cost of sales. The Group's gross profit slightly increased by approximately HK\$2.1 million from approximately HK\$21.7 million for the year ended 31 March 2019 to approximately HK\$23.8 million for the year ended 31 March 2020. The Group's gross profit margin decreased from approximately 9.5% for the year ended 31 March 2019 to approximately 5.4% for the year ended 31 March 2020. The increase in gross profit was mainly due to the bulk purchase discount given to a major customer for the year ended 31 March 2020.

Other gains or losses

The Group's other gains or losses decreased from the gains of approximately HK\$0.8 million for the year ended 31 March 2019 to the gains of approximately HK\$0.3 million for the year ended 31 March 2020 mainly due to the realised loss on financial assets at fair value through profit or loss of approximately HK\$0.4 million and the unrealised loss on financial assets at fair value through profit or loss of approximately HK\$0.5 million for the year ended 31 March 2020.

Profit for the year

As a result of the foregoing, the Group's net profit of approximately HK\$4.5 million and approximately HK\$0.8 million for the year ended 31 March 2020 and 2019, respectively, representing an increase of approximately HK\$3.7 million as compared with the year ended 31 March 2019, and the Group's net profit margin increased from approximately 0.4% to approximately 1.0% during the same periods. The increase in the net profit and net profit margin for the year ended 31 March 2020 was mainly due to increase sale and transportation of diesel oil business and the fair value change on contingent consideration payables of approximately HK\$3.6 million for the year ended 31 March 2020.

財務回顧(續)

毛利及毛利率

毛利指本集團的收益減去銷售成本。本集團的毛利由截至2019年3月31日止年度約21.7百萬港元輕微增加約2.1百萬港元至截至2020年3月31日止年度約23.8百萬港元。本集團的毛利率由截至2019年3月31日止年度約9.5%減少至截至2020年3月31日止年度約5.4%。毛利增加主要由於截至2020年3月31日止年度給予一名主要客戶的大量採購折扣所致。

其他收益或虧損

本集團的其他收益或虧損由截至2019年3月31日止年度收益約0.8百萬港元減少至截至2020年3月31日止年度收益約0.3百萬港元，主要由於截至2020年3月31日止年度按公平值計入損益的金融資產的已變現虧損約0.4百萬港元及按公平值計入損益的金融資產的未變現虧損約0.5百萬港元所致。

年內溢利

由於上述原因，本集團截至2020年及2019年3月31日止年度的純利分別為約4.5百萬港元及約0.8百萬港元，較截至2019年3月31日止年度增加約3.7百萬港元，而本集團的純利率於同期由約0.4%增加至約1.0%。截至2020年3月31日止年度純利及純利率增加主要由於柴油業務銷售及運輸增加及截至2020年3月31日止年度應付或然代價公平值變動約3.6百萬港元所致。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND CAPITAL RESOURCES

Financial Resources and Liquidity

The Group finances its operations through cash generated from capital contribution from non-controlling interest of a subsidiary and interest-bearing bank borrowings. The Group recorded net current assets of approximately HK\$82.0 million as at 31 March 2020.

As at 31 March 2020, the Group's current assets amounted to approximately HK\$118.7 million (2019: HK\$109.0 million) and the Group's current liabilities amounted to approximately HK\$36.8 million (2019: HK\$26.1 million). Current ratio was approximately 3.2 as at 31 March 2020 (2019: 4.2). Current ratio is calculated based on total current assets at the end of the year divided by total current liabilities at the end of the year.

GEARING RATIO

As at 31 March 2020, the maximum limit of the banking facilities available to the Group amounted to approximately HK\$65.0 million (2019: HK\$20.0 million) and approximately HK\$16.1 million (2019: HK\$4.2 million) of the banking facilities was utilised.

The bank borrowings were denominated in Hong Kong dollars with two banking facilities which respectively carried at variable interest rate of the range from 3.57% to 4.88% and 2.76% to 3.97% per annum for the year ended 31 March 2020. For the year ended 31 March 2019, all the bank borrowings were interest-bearing which carried variable interest rate ranging from 4.88% to 6.13% per annum. As at 31 March 2020, the bank borrowings of the Group were secured by the corporate guarantee, fixed deposits and life insurance policy of the Group.

Gearing ratio was approximately 23.6% as at 31 March 2020 which was calculated based on the total debt at the end of the year divided by total equity at the end of the year (2019: 3.4%).

流動資金及資本資源

財務資源及流動資金

本集團經營活動的資金來源為自一間附屬公司的非控股權益注資所產生的現金及計息銀行借款。於2020年3月31日，本集團錄得流動資產淨值約82.0百萬港元。

於2020年3月31日，本集團的流動資產約為118.7百萬港元(2019年：109.0百萬港元)，而本集團的流動負債則約為36.8百萬港元(2019年：26.1百萬港元)。於2020年3月31日，流動比率約為3.2倍(2019年：4.2倍)。流動比率乃根據年末的總流動資產除以年末的總流動負債計算。

資產負債比率

於2020年3月31日，本集團可用的銀行融資上限約為65.0百萬港元(2019年：20.0百萬港元)，而約16.1百萬港元(2019年：4.2百萬港元)銀行融資已獲動用。

截至2020年3月31日止年度，銀行借款以港元計值，兩項銀行融資分別按浮動年利率介乎3.57%至4.88%及2.76%至3.97%計息。截至2019年3月31日止年度，所有銀行借款均按浮動年利率介乎4.88%至6.13%計息。於2020年3月31日，本集團的銀行借款以本集團的公司擔保、定期存款及人壽保單作擔保。

於2020年3月31日，資產負債比率約為23.6%，乃按年末總債務除以年末總權益計算(2019年：3.4%)。

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE

For the year ended 31 March 2020, the capital structure of the Group consisted of equity attributable to the owners of the Company of approximately HK\$91.8 million (2019: HK\$88.6 million). The share capital of the Group only comprises of ordinary shares.

The Shares were listed on GEM of the Stock Exchange on 12 April 2017 (the “**Listing Date**”). There has been no change in the capital structure of the Group since then, save as disclosed below.

FOREIGN CURRENCY EXPOSURE RISKS

The Group operates mainly in Hong Kong and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the distribution of health food transactions settled in Renminbi and financial assets with Malaysian ringgit. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the group entities’ functional currency. The Group however did not engage in any derivatives agreements and did not commit to any financial instrument to hedge its foreign exchange exposure during the year ended 31 March 2020.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 March 2020. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group’s liquidity position to ensure that the liquidity structure of the Group’s assets, liabilities and other commitments can meet its funding requirements from time to time.

資本架構

截至2020年3月31日止年度，本集團的資本架構包括本公司擁有人應佔權益約為91.8百萬港元（2019年：88.6百萬港元）。本集團的股本僅包括普通股。

股份於2017年4月12日（「**上市日期**」）於聯交所GEM上市。除下文所披露者外，自此本集團資本架構概無發生變動。

外匯風險

本集團主要在香港經營，並面臨各種貨幣風險所引起的外匯風險，主要指以人民幣結算的健康食品分銷交易及以馬來西亞令吉結算的金融資產。當未來商業交易、已確認資產及負債以非集團實體功能貨幣計值時，則會出現外匯風險。然而，截至2020年3月31日止年度，本集團並未涉及任何衍生工具協議及概無訂立任何金融工具以對沖外匯風險。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故於截至2020年3月31日止整個年度內均得以維持穩健的流動資金狀況。本集團致力透過持續進行的信貸評估及評估其客戶的財務狀況以降低信貸風險。為管理流動資金風險，董事會密切監視本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可滿足其不時的資金要求。

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

On 27 June 2019, Eastern Champion Development Limited (“**Eastern Champion**”), an indirect wholly-owned subsidiary of the Company, 新余鋼鐵集團有限公司 (Xinyu Iron and Steel Corporation Ltd.*) and 新余市投資控股集團有限公司 (Xinyu Investment Holding Group Co., Ltd.*) entered into the joint venture agreement relating to the formation of the joint venture company in the PRC (the “**JV Company**”) for the purpose of engaging in, among other things, steel products processing, motor parts and finished products manufacturing and machining in the PRC. Pursuant to such joint venture agreement, the JV Company shall have a registered capital of RMB30,000,000 which is owned as to 55% to Eastern Champion, 35% by Xinyu Iron and Steel Corporation Ltd. and 10% by Xinyu Investment Holding Group Co., Ltd. respectively. For further details, please refer to the announcement of the Company dated 27 June 2019.

On 23 March 2020, the Company and Mr. Zhu Yixiang and Mr. Li Weinian (collectively, the “**Vendor**”) entered into the sale and purchase agreement (the “**SPA**”), pursuant to which the Vendor conditionally agreed to sell and the Company is conditionally agreed to purchase 51% equity interest in Meijia Shell (Global) Lubricant Technology Limited at an aggregate consideration of approximately HK\$16,380,000. The consideration was satisfied by the allotment and issuance of 78,000,000 Shares under general mandate (the “**Consideration Shares**”) at the issue price of HK\$0.21 by the Company to the Vendor. The acquisition was completed on 21 April 2020. Upon the completion, 78,000,000 new Shares, representing approximately 8.9% of the issued share capital of the Company as at 21 April 2020 (as enlarged by the issue of the Consideration Shares), have been duly allotted and issued as fully paid to the Vendor at the issue price of HK\$0.21 each under the general mandate. Accordingly, immediately after the completion, there are 878,000,000 Shares in issue. Please refer to the announcements of the Company dated 23 March 2020, 31 March 2020 and 21 April 2020, respectively for details.

重大投資、重大收購及出售

於2019年6月27日，本公司間接全資附屬公司冠東發展有限公司(「冠東」)、新余鋼鐵集團有限公司及新余市投資控股集團有限公司訂立合資協議，內容有關於中國成立合資公司(「合資公司」)，以於中國從事(其中包括)鋼產品加工、電機配件及成品製造及加工。根據有關合資協議，合資公司的註冊資本為人民幣30,000,000元，將由冠東、新余鋼鐵集團有限公司及新余市投資控股集團有限公司分別擁有55%、35%及10%權益。有關進一步詳情，請參閱本公司日期為2019年6月27日的公告。

於2020年3月23日，本公司與朱益祥先生及黎偉念先生(統稱「賣方」)訂立銷售及買賣協議(「買賣協議」)，據此，賣方已有條件同意出售，而本公司已有條件同意購買美嘉殼(環球)潤滑科技有限公司51%股權，總代價為約16,380,000港元。代價以本公司根據一般授權按發行價0.21港元向賣方配發及發行78,000,000股股份(「代價股份」)結算。收購事項於2020年4月21日完成。於完成後，根據一般授權按每股發行價0.21港元向賣方正式配發及發行入賬列為繳足之78,000,000股新股份(相當於本公司於2020年4月21日經發行代價股份擴大後已發行股本約8.9%)。因此，緊隨完成後，本公司有878,000,000股已發行股份。有關詳情請參閱本公司日期分別為2020年3月23日、2020年3月31日及2020年4月21日的公告。

* for identification purpose only

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS (Continued)

During the year ended 31 March 2020, the Group did not have any significant investment, material acquisitions nor disposals of subsidiaries and affiliated companies, save as disclosed from above of this report.

FINANCIAL ASSETS THROUGH PROFIT AND LOSS

As at 31 March 2020, the Group had invested a total amount of approximately HK\$0.8 million in a company listed in Bursa Malaysia Berhad and HK\$4.7 million of key management personnel life insurance with an insurance company. As at 31 March 2020, this investment was reflected at fair value, and a net unrealised gain of approximately HK\$0.5 million and a realised loss of approximately HK\$0.4 million were recorded.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2020, save as disclosed below in the section headed "Use of Proceeds" in this report, the Group did not have any other material capital commitments or any material contingent liabilities (2019: Nil).

DIVIDENDS

The Directors do not recommend a payment of any dividend for the year ended 31 March 2020.

PLEDGE OF ASSETS

As at 31 March 2020, the Group's pledged short-term bank deposits in the amount of HK\$12.0 million and life insurance policy in the amount of HK\$4.7 million were pledged as security for the Group's banking facilities.

重大投資、重大收購及出售(續)

截至2020年3月31日止年度，除本報告上文所披露者外，本集團並無任何重大投資、重大收購或出售附屬公司及聯屬公司。

透過損益計算金融資產

於2020年3月31日，本集團已合共於一間在馬來西亞交易所上市的公司投資約0.8百萬港元及向一間保險公司投保主要管理人員人壽保險約4.7百萬港元。於2020年3月31日，此項投資已於公平值反映，並錄得未變現收益淨額約0.5百萬港元及已變現虧損約0.4百萬港元。

資本承擔及或然負債

於2020年3月31日，除本報告下文「所得款項用途」一節所披露者外，本集團概無任何其他重大資本承擔或任何重大或然負債(2019年：無)。

股息

董事不建議就截至2020年3月31日止年度派付任何股息。

資產抵押

於2020年3月31日，本集團的已抵押短期銀行存款12.0百萬港元及金額為4.7百萬港元的人壽保單已抵押，以作為本集團銀行融資的抵押品。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS

業務策略推行計劃與實際推行進度的比較

The following is a comparison of the Group's implementation plans for its business strategies up to 31 March 2020 as set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 29 March 2017 (the "Prospectus") with the Group's actual implementation progress:

以下為本公司日期為2017年3月29日的招股章程(「招股章程」)「未來計劃及所得款項用途」一節所載本集團直至2020年3月31日的業務策略推行計劃與本集團實際推行進度的比較：

Business strategy 業務策略	Implementation plan from 1 April 2017 to 31 March 2020 2017年4月1日至2020年3月31日 的推行計劃	Actual implementation progress up to 31 March 2020 直至2020年3月31日的 實際推行進度
Expansion and enhancement of our fleet of diesel tank wagons 擴充及改善柴油貯槽車車隊	<ul style="list-style-type: none"> • Purchase three new diesel tank wagons • Replace three existing diesel tank wagons • Continue to evaluate the effectiveness and operating efficiency of new diesel tank wagons and assess our need for additional diesel tank wagons in view of our business development • 購買三部新柴油貯槽車 • 取代三部現有的柴油貯槽車 • 繼續評估新柴油貯槽車的有效性與運行效率，並評估我們因應業務發展對更多柴油貯槽車的需要 	<ul style="list-style-type: none"> • Two new diesel tank wagons had been purchased and two existing diesel tank wagons had been replaced. The delivery of the rest of new diesel tank wagon will be completed at the end of March 2022. • The effectiveness and operating efficiency of new diesel tank wagons has been closely evaluated. • 已購買兩部新柴油貯槽車及已取代兩部現有的柴油貯槽車。餘下的新柴油貯槽車將於2022年3月底完成交付。 • 已密切評估新柴油貯槽車的有效性與運行效率。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS (Continued)

業務策略推行計劃與實際推行進度的比較(續)

Business strategy 業務策略	Implementation plan from 1 April 2017 to 31 March 2020 2017年4月1日至2020年3月31日的推行計劃	Actual implementation progress up to 31 March 2020 直至2020年3月31日的實際推行進度
Development and expansion of our marine bunkering business	<ul style="list-style-type: none"> Commence trial and full operation of the marine diesel oil barge Carry out marketing and promotional activities and negotiate with potential customers to secure purchase orders for marine diesel oil Evaluate the effectiveness and operating efficiency of the marine diesel oil barge 	<ul style="list-style-type: none"> The Group had obtained all the licences and permits and commenced trial operation of the marine diesel oil barge in April 2018 and commenced full operation in July 2018. The Group had carried out marketing and promotional activities and negotiated with potential customers to secure purchase orders for marine diesel oil. The effectiveness and operating efficiency of the marine diesel oil barge had been evaluated from time to time.
發展及擴充海上供油業務	<ul style="list-style-type: none"> 開展船用柴油駁船的全面試運行 進行市場推廣及宣傳活動，並與潛在客戶進行磋商以獲得船用柴油的採購訂單 評估船用柴油駁船的有效性及運行效率 	<ul style="list-style-type: none"> 本集團已取得所有牌照及許可證，並於2018年4月開展船用柴油駁船的試運行並於2018年7月開始全面運行。 本集團已進行市場推廣及宣傳活動，並與潛在客戶進行磋商以獲得船用柴油的採購訂單。 已不時評估船用柴油駁船的有效性及運行效率。
Upgrading our information technology and systems	<ul style="list-style-type: none"> Purchase and upgrade new office administrative information technology systems Continue to review and maintain the performance of the information technology systems 	<ul style="list-style-type: none"> Minor upgrade of information technology systems had been done. The Group was still in negotiation with the potential suppliers on the requirements and specification of the new office administrative information technology systems. The Group closely monitors and maintains the performance of the information technology systems.
提升資訊科技及系統	<ul style="list-style-type: none"> 購買及更新新辦公室行政與資訊科技系統 繼續審閱及維持資訊科技系統的表現 	<ul style="list-style-type: none"> 已完成資訊科技系統的次要升級。本集團仍就新辦公室行政資訊科技系統的要求及規格與潛在供應商進行磋商。 本集團密切監控及維持資訊科技系統的表現。

Management Discussion and Analysis

管理層討論及分析

COMPARISON OF IMPLEMENTATION PLANS FOR BUSINESS STRATEGIES WITH ACTUAL IMPLEMENTATION PROGRESS (Continued)

業務策略推行計劃與實際推行進度的比較(續)

Business strategy 業務策略	Implementation plan from 1 April 2017 to 31 March 2020 2017年4月1日至2020年3月31日 的推行計劃	Actual implementation progress up to 31 March 2020 直至2020年3月31日的 實際推行進度
Strengthening our manpower	<ul style="list-style-type: none"> Recruit three drivers and three logistics assistants to strengthen our workforce required for our fleet of diesel tank wagons Recruit one safety supervisor to enhance our occupational safety management Recruit (i) seafarers including two coxswains, two technical operators, four sailors, (ii) one administration staff, (iii) one operation manager and (iv) one independent consultant to cope with our marine bunkering business Evaluate the performance of the newly recruited staff and assess our need to recruit additional staff in view of our business development Provide training to our existing and newly recruited staff and/or sponsor our staff to attend training courses on occupational health and safety 	<ul style="list-style-type: none"> One logistics assistant was hired, it is expected that the rest of staff will be hired around March 2022. Safety supervisor was hired through job reallocation. The Group contracted with a service company to operate the marine bunkering business. The Group evaluates and assesses the performance of our manpower continuously so as to facilitate the Group's business development. Training courses and on-the-job training have been provided to staff.
加強我們的人手	<ul style="list-style-type: none"> 聘請三名司機及三名物流助理，以加強我們柴油貯槽車車隊所需的人手 聘請一名安全監工，以加強職業安全管理 為配合海上供油業務而聘請(i)海員，包括兩名舵手、兩名技術操作員、四名水手；(ii)一名行政人員；(iii)一名操作經理；及(iv)一名獨立顧問 評估新入職員工的表現，並評估我們因應業務發展對招聘更多員工的需要 為現有及新入職員工提供培訓及／或資助員工參加職業健康與安全的培訓課程 	<ul style="list-style-type: none"> 已聘請一名物流助理，預期其他員工將於2022年3月前後左右招聘。 安全監工已透過職位重新分配聘請。 本集團與服務公司訂立合約以經營海上供油業務。 本集團持續評估及評價人手的表現，以促進本集團業務發展。 已向員工提供培訓課程及在職培訓。

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEEDS

As disclosed in the annual report of the Company issued in 2019, the actual net proceeds (the “**Net Proceeds**”) from the Share Offer (after deduction of the underwriting commission and Listing related expenses) were approximately HK\$45.1 million, which was less than the estimated Net Proceeds of approximately HK\$50.9 million as set out in the Prospectus and the allotment results announcement of the Company dated 11 April 2017.

Set out below is the actual use of the Net Proceeds up to 31 March 2020:

所得款項用途

誠如本公司於2019年刊發的年報所披露，股份發售實際所得款項淨額（「**所得款項淨額**」）（經扣除包銷佣金及上市相關開支後）約為45.1百萬港元，低於招股章程及本公司日期為2017年4月11日的配售結果公佈所載估計所得款項淨額約50.9百萬港元。

以下載列直至2020年3月31日的所得款項淨額的實際用途：

		Planned use of total Net Proceeds	Approximate percentage of total Net Proceeds	Actual use of Net Proceeds up to 31 March 2020	Unused total Net Proceeds up to 31 March 2020	Expected timeframe for the remaining utilising net proceeds (Note 6)
		總所得款項淨額計劃用途 HK\$ million 百萬港元	佔總所得款項淨額概約百分比 %	直至2020年3月31日的所得款項淨額實際用途 HK\$ million 百萬港元	直至2020年3月31日的尚未使用總所得款項淨額 HK\$ million 百萬港元	剩餘可動用所得款項淨額預期時間表 (附註6)
Purchase of diesel tank wagons (Note 1)	購買柴油貯槽車 (附註1)	7.8	17.3%	3.9	3.9	By 31 March 2022 於2022年3月31日之前
Purchase of marine diesel oil barge (Note 2)	購買船用柴油駁船 (附註2)	14.0	31.0%	8.5	5.5	By 31 March 2022 於2022年3月31日之前
Further strengthen our manpower (Note 3)	進一步加強人手 (附註3)	6.1	13.6%	2.1	4.0	By 31 March 2022 於2022年3月31日之前
Upgrade of our information technology systems (Note 4)	提升資訊科技及系統 (附註4)	3.6	7.9%	0.1	3.5	By 31 March 2022 於2022年3月31日之前
Working capital necessary for the operation of the new diesel tank wagons and marine bunkering business (Note 5)	營運新柴油貯槽車及海上供油業務所需的營運資金(附註5)	9.1	20.2%	6.7	2.4	By 31 March 2022 於2022年3月31日之前
Working capital	營運資金	4.5	10.0%	4.5	-	
Total	合計	45.1	100.0%	25.8	19.3	

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEEDS (Continued)

Note:

- 1 Two new diesel tank wagons had been purchased and two existing diesel tank wagons had been replaced up to 31 March 2020.
- 2 Marine diesel oil barge has been delivered in November 2017 and had commenced full operation in July 2018.
- 3 The Group has been actively involved in the recruitment and selection of suitable candidates through various means including job advertisements in major newspapers.
- 4 The Group was still in negotiation with the potential suppliers on the requirements and specification of the new office administrative information technology systems.
- 5 The Group contracted with a service company to operate the marine bunkering business.
- 6 The expected timeline for utilising the remaining proceeds is based on the best estimation of the future market condition made by the Group. It will be subject to change based on current and future development of market conditions.

Save as disclosed above, the Group will apply the net proceeds received from the Share Offer in the manners consistent with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The implantation plans for business strategies and use of Net Proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus. The Group will continue to implement its business strategies and apply the Net Proceeds based on the actual development of the Group's business and industry, as well as market conditions.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2020, the Group had a total of 53 employees (22 employees as at 31 March 2019) including the Directors. For the year ended 31 March 2020, total staff costs amounted to approximately HK\$10.3 million (year ended 31 March 2019: approximately HK\$4.7 million). Remuneration (including employees' benefits) is maintained within the market level and reviewed on a periodic basis. Employees' salary and relevant benefits are determined on the basis of performance, qualification, experience, positions and the Group's business performance.

所得款項用途(續)

附註：

- 1 直至2020年3月31日，已購買兩部新柴油貯槽車及兩部現有的柴油貯槽車已被取代。
- 2 船用柴油駁船已於2017年11月交付並於2018年7月開始全面運行。
- 3 本集團透過多種方式(包括在各大報章刊登招聘廣告)積極招聘及甄選合適人選。
- 4 本集團仍就新辦公室行政資訊科技系統的要求及規格與潛在供應商進行磋商。
- 5 本集團與服務公司訂立合約以經營海上供油業務。
- 6 可動用剩餘所得款項的預期時間表乃按本集團對未來市況的最佳估計為基礎。其將可根據當前及未來市況發展而產生變化。

除上文所披露者外，本集團將按照與招股章程「未來計劃及所得款項用途」一節所載的擬定用途一致的方式應用從股份發售所收取的所得款項淨額。招股章程所載的業務策略實施計劃及所得款項淨額用途乃基於本集團於編製招股章程時對未來市況作出的最佳估計及假設。本集團將根據本集團業務及行業的實際發展以及市況繼續推行其業務策略及應用所得款項淨額。

僱員及薪酬政策

於2020年3月31日，連董事在內，本集團共有53名僱員(2019年3月31日：22名僱員)。截至2020年3月31日止年度，總員工成本約10.3百萬港元(2019年3月31日止年度：約4.7百萬港元)。薪酬待遇(包括員工福利)維持於市場水平，並會定期檢討。僱員薪酬及相關福利乃按其表現、資歷、經驗、職位以及本集團業務表現而釐定。

Management Discussion and Analysis

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

On 23 March 2020, the Company and the Vendor entered into the SPA, pursuant to which the Vendor has conditionally agreed to sell and the Company has conditionally agreed to purchase 51% equity interest in the Meijia Shell (Global) Lubricant Technology Limited at an aggregate consideration of approximately HK\$16,380,000. The consideration was satisfied by the allotment and issuance of 78,000,000 Consideration Shares under general mandate at the Issue Price of HK\$0.21 by the Company to the Vendor. The acquisition was completed on 21 April 2020. Upon the completion, 78,000,000 new Shares, representing approximately 8.9% of the issued share capital of the Company as at 21 April 2020 (as enlarged by the issue of the Consideration Shares), have been duly allotted and issued as fully paid to the Vendor at the issue price of HK\$0.21 each under the general mandate. Accordingly, immediately after the completion, there are 878,000,000 Shares in issue. Please refer to the announcements of the Company dated 23 March 2020, 31 March 2020 and 21 April 2020, respectively for details.

報告期後事項

於2020年3月23日，本公司與賣方訂立買賣協議，據此，賣方已有條件同意出售，而本公司已有條件同意購買美嘉殼(環球)潤滑科技有限公司51%股權，總代價為約16,380,000港元。代價以本公司根據一般授權按發行價0.21港元向賣方配發及發行78,000,000股代價股份結算。收購事項於2020年4月21日完成。於完成後，根據一般授權按每股發行價0.21港元向賣方正式配發及發行入賬列為繳足之78,000,000股新股份(相當於本公司於2020年4月21日經發行代價股份擴大後已發行股本約8.9%)。因此，緊隨完成後，本公司有878,000,000股已發行股份。有關詳情請參閱本公司日期分別為2020年3月23日、2020年3月31日及2020年4月21日的公告。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICE

The Board is committed to establishing and ensuring high standards of corporate governance and adopt sound corporate governance practices. The Company's corporate governance practices are based on the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 15 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules"). The Directors strongly believe that reasonable and sound corporate governance practices are essential for the growth of the Group and for safeguarding and enhancing shareholders' interests.

The Directors consider that throughout the year ended 31 March 2020, the Company has complied with all the applicable code provisions set out in the CG Code.

BOARD OF DIRECTORS

The key responsibilities of the Board include formulation of the Group's overall strategies, the setting of management targets and supervision of management performance. The management is delegated with the authority and responsibility by the Board for the management and administration of the Group. In addition, the Board has also delegated various responsibilities to the board committees of the Company. Further details of the board committees of the Company are set out below in this report.

The Board is entrusted with the overall responsibility for promoting the success of the Group by the direction and supervision of the Group's business and affairs and the ultimate responsibility for day to day management of the Group which is delegated to the management. To this end, monthly financial and operational information are provided to the Board for assessing the performance of the Company and its subsidiaries. For significant matters that are specifically delegated by the Board, the management must report back to and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

The Board is responsible for, among others, performing the corporate governance duties as set out in the code provision D.3.1 of the CG Code, which include:

- (a) to develop and review the Group's policies and practices on corporate governance and make recommendations;
- (b) to review and monitor the training and continuous professional development of the Directors and senior management;

企業管治常規

董事會致力建立並維持高標準的企業管治並採取穩健的企業管治常規。本公司的企業管治常規乃基於聯交所GEM證券上市規則(「GEM上市規則」)附錄十五所載企業管治守則及企業管治報告(「企業管治守則」)。董事深信合理及穩健之企業管治常規對於促進本集團增長以及保障與提升股東利益至為重要。

董事認為，於截至2020年3月31日止整個年度，本公司已遵守企業管治守則所載一切適用守則條文。

董事會

董事會的主要職責包括制訂本集團的整體策略、訂立管理目標，以及監察管理層的表現。管理層獲董事會轉授有關本集團管理及行政的授權及責任。此外，董事會亦已將各職責轉授予本公司董事委員會。有關本公司董事委員會的進一步詳情載於本報告下文。

董事會整體上負責指揮及監督本集團的業務及事務，藉此推動本集團邁向成功，而本集團日常管理的最終責任則指派予管理層。就此而言，董事會將每月獲提供財務及營運資料以評估本公司及其附屬公司的表現。就董事會特別委派的重大事項而言，管理層須向董事會匯報及取得董事會批准後方可代表本公司作出決策或訂立任何承諾。

董事會負責(其中包括)履行企業管治守則第D.3.1條守則條文所載的企業管治職責，包括：

- (a) 制定及檢討本集團的企業管治政策及常規，並提出建議；
- (b) 檢討及監察董事及高級管理層的培訓及持續專業發展；

Corporate Governance Report

企業管治報告

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| (c) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements; | (c) 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； |
| (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and employees; and | (d) 制定、檢討及監察適用於董事及僱員的操守準則及合規手冊(如有)；及 |
| (e) to review the Group's compliance with the CG Code and disclosure in the corporate governance report. | (e) 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。 |

Board Composition

Details of the composition of the Directors of the Company during the year and up to the date of this report by category are as follows:

Executive Directors

Mr. Fong Chun Man (*Chairman*)
Ms. Lo Pui Yee
Mr. Chan Chi Fai
Mr. Li Hok Yin (resigned on 21 February 2020)

Independent Non-executive Directors

Mr. Chui Chi Yun, Robert
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

All Directors have appropriate professional qualification or substantive experience and industry knowledge. The Board as a whole has achieved an appropriate balance of skills and experience. The composition of the Board is in accordance with the requirements of Rules 5.05 and 5.05A of the GEM Listing Rules. There are three independent non-executive Directors and one of them has account professional qualification. More than one-third of the members of the Board are independent non-executive Directors, which brings a fairly strong independence element in its composition.

The participation of independent non-executive Directors in the Board brings a diverse range of expertise, skills and independent judgment on issues relating to the Group's strategies, performance, conflicts of interests and management process to ensure that the interests of all Shareholders of the Company have been duly considered.

The details of Directors are set out in the section headed "Biographies of Board of Directors and Senior Management" on pages 85 to 89 of this report. Other than that Ms. Lo Pui Yee who is the wife of Mr. Fong Chun Man, there are no family or other material relationships among members of the Board.

董事會組成

年內及直至本報告日期，按類別劃分的本公司董事組合詳情如下：

執行董事

方俊文先生(主席)
勞佩儀女士
陳志輝先生
李學賢先生(於2020年2月21日辭任)

獨立非執行董事

崔志仁先生
鄭旭立先生
王安元先生

全體董事均擁有適當的專業資格或實質經驗及行業知識。董事會整體在技能與經驗上已達到適當的平衡。董事會乃根據GEM上市規則第5.05及5.05A條的規定組成。有三名獨立非執行董事，其中一名擁有會計專業資格。董事會有超逾三分之一的成員為獨立非執行董事，其組成體現充分的獨立性。

獨立非執行董事加入董事會能為有關本集團策略、表現、利益衝突及管理過程的事宜帶來多元化的專業知識、技能及獨立判斷，確保本公司全體股東的權益均得到充分考慮。

董事之詳情載於本報告第85至89頁「董事會及高級管理層履歷」一節。除勞佩儀女士為方俊文先生之妻子以外，董事會成員之間概無家屬或其他重大關係。

Corporate Governance Report

企業管治報告

The Company is governed by the Board which has the responsibility for leadership and monitoring of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs.

The Board sets strategies and directions for the Group's activities with a view to developing its business and enhancing shareholders' value. The Board has delegated the daily operation and day-to-day management of the Group as well as the implementation of the Board's policies and strategies to the executive Directors and management of the Group.

Number of Meetings and Directors' Attendance

The Board has established three committees, including the audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee") and nomination committee (the "Nomination Committee"), on 23 March 2017 with delegated powers for overseeing particular aspects of the Company's affair. Each of the committees of the Board has been established with written terms of reference, in which the terms of reference of Audit Committee and Nomination Committee were amended and restated with effect from 1 January 2019.

The Board will conduct at least four regular meetings a year. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association (the "Articles"). The Chairman also meets with the independent non-executive Directors at least once a year without the presence of other executive Directors. Notices and agendas of regular Board meetings are served to all Directors at least 14 days before convening the Board meeting. For all other Board and committee meetings, reasonable notice is generally given. All other schedules and the relevant information of each Board and committee meeting are generally made available to Directors or committee members at least three days in advance. The Board and each Director also have separate and independent access to the management whenever necessary.

本公司由董事會管治，董事會有責任領導及監察本公司。各董事透過指導及監督本集團事務，共同負責推動本集團創造佳績。

董事會制訂本集團之業務策略及方針，旨在發展其業務及提升股東價值。董事會已委託本集團執行董事及管理層處理本集團日常營運及日常管理，並執行董事會之政策及策略。

會議次數及董事出席情況

董事會已於2017年3月23日成立三個委員會，包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」），各自擁有指定權限以監察本公司不同層面的事務。董事會各委員會於成立之時已書面訂明其職權範圍，其中審核委員會及提名委員會的職權範圍自2019年1月1日起經修訂及重列。

董事會將於每年舉行至少四次定期會議。董事可親身出席或按本公司章程細則（「章程細則」）所提及的電子方式出席。主席亦與獨立非執行董事每年舉行至少一次會議，概無其他執行董事出席。常規董事會會議的通告及議程會於董事會會議舉行前最少14日給予全體董事。對於所有其他董事會及委員會會議，一般會給予合理的通知。各董事會及委員會會議的所有其他計劃及相關資料一般最少會提前三日送交董事或委員會成員。如有需要，董事會及各董事均可獨自與管理人員聯絡。

Corporate Governance Report

企業管治報告

The attendance of each of the Directors at the Annual General Meeting, Board Meeting and meetings of the Audit Committee, Remuneration Committee and Nomination Committee held during the year is set out below:

每名董事於年內舉行之股東週年大會、董事會會議、審核委員會會議、薪酬委員會會議以及提名委員會會議之出席次數如下：

Name of Directors 董事姓名	General Meeting 股東大會	Attendance/Number of meetings 出席次數/會議舉行次數				Nomination Committee 提名委員會
		¹ Board Meeting ¹ 董事會會議	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會		
Executive Directors: 執行董事：						
Mr. Fong Chun Man (Chairman)	方俊文先生(主席)	1/1	7/7	-	1/1	1/1
Ms. Lo Pui Yee	勞佩儀女士	0/1	7/7	-	-	-
Mr. Chan Chi Fai	陳志輝先生	1/1	7/7	-	-	-
Mr. Li Hok Yin ⁽²⁾	李學賢先生 ⁽²⁾	0/1	5/6	-	-	-
Independent Non-executive Directors: 獨立非執行董事：						
Mr. Chui Chi Yun, Robert	崔志仁先生	1/1	7/7	5/5	1/1	1/1
Mr. Kwong Yuk Lap	鄭旭立先生	1/1	7/7	5/5	-	1/1
Mr. Wang Anyuan	王安元先生	0/1	7/7	5/5	1/1	-

Note:

1. Include a Board meeting where the Chairman met the independent non-executive Directors in the absence of the executive Directors and management.
2. Mr. Li Hok Yin was resigned as an executive Director on 21 February 2020.

附註：

1. 包括董事會會議，主席於該會議上在執行董事及管理層缺席的情況下會見獨立非執行董事。
2. 於2020年2月21日，李學賢先生提呈辭任為執行董事。

The company secretary of the Company (“Company Secretary”) attended all the scheduled Board meetings to report matters arising from corporate governance, risk management, statutory compliance, accounting and finance.

本公司公司秘書(「公司秘書」)出席了所有預定董事會會議，以報告有關企業管治、風險管理、法例遵守、會計及財務方面的事宜。

Practice and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to Directors in advance. At least 14 days’ notice should be given for a regular Board meeting. For other Board and committee meetings, reasonable notices are generally given.

會議常規及進程

全年會議時間表及每次會議草擬議程一般會事先向董事提供。常規董事會會議通告最少於會議日期14日前發出。其他董事會及委員會會議，則一般給予合理時間之通知。

Minutes of all Board meetings recording sufficient details of matters considered and decisions reached are duly kept by the Company Secretary at the meetings and open for inspection by the Directors.

公司秘書已妥善保管記錄有所考慮事宜詳情及所達成之決定之董事會會議記錄，該等記錄可供董事查閱。

The Articles contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

章程細則規定，有關董事於批准彼等或其任何聯繫人擁有重大利益的交易時放棄投票且並不計入會議法定人數。

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Board papers together with all appropriate, complete and reliable information are sent to all Directors at least three days before each Board meeting or Audit Committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

Appointment and Re-election of Directors

The Articles provide that at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation and that every Director shall be subject to retirement at an annual general meeting at least once every three years.

The non-executive Directors should be appointed for a specific term and subject to re-election. Each of the non-executive Director and independent non-executive Directors has entered into an appointment letter with the Company. The appointment letter of each of the non-executive Director and independent non-executive Directors is for a term of three years, which may be terminated by not less than three months' notice in writing served by either party on the other. The aforesaid appointment letters are subject to termination provisions therein and the retirement and re-election provisions in the Articles. Details of the appointment letters are summarised in the Report of the Board of Directors on page 70 of this report.

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company recommends Directors to participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the Reporting Period and up to the date of this report, all Directors have participated in continuous professional development by attending training course or reading relevant materials on the topics related to corporate governance and regulations. Records of the training received by the respective Directors are kept and updated by the Company Secretary of the Company.

董事會文件連同所有合適、完整及可靠資料，最少於各董事會會議或審核委員會會議三日前送交全體董事，以便董事知悉本公司最新發展及財務狀況以作出知情決定。

委任及重選董事

章程細則規定，在每屆股東週年大會上，當時為數三分之一的董事（或如董事人數並非三（3）的倍數，則為最接近但不少於三分之一之人數）須輪值退任，而每名董事須至少每三年在股東週年大會上退任一次。

非執行董事有特定委任年期，並須接受重新選舉。各非執行董事及獨立非執行董事與本公司已訂立委任函。各非執行董事及獨立非執行董事之委任函為期三年，可由一方向另一方發出不少於三個月的書面通知予以終止。上述委任函乃受其所載之終止條款以及章程細則的退任及重選連任條文規限。委任函詳情概述於本報告第70頁董事會報告。

董事之持續培訓及專業發展

為協助董事的持續專業發展，本公司建議董事參與持續專業發展以發展及更新彼等之知識及技能。有關規定旨在確保各董事在知情情況下向董事會作出適切的貢獻。於報告期間及截至本報告日期，全體董事已通過出席培訓課程或閱覽有關企業管治及規例之資料參與持續專業發展。各董事的培訓記錄由本公司之公司秘書保管及更新。

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The record of continuous professional development relating to directors' duties and regulatory and business development that have been received by the Directors during the year ended 31 March 2020 are summarised as follows:

董事於截至2020年3月31日止年度接受的董事職責及規定及業務發展相關持續專業發展記錄概要如下：

Directors	董事	Type of training 培訓種類 (Note) (附註)
Executive Director		
Mr. Fong Chun Man (Chairman)	方俊文先生(主席)	B
Ms. Lo Pui Yee	勞佩儀女士	B
Mr. Chan Chi Fai	陳志輝先生	B
Mr. Li Hok Yin (resigned on 21 February 2020)	李學賢先生(於2020年2月21日辭任)	B
Independent Non-executive Director		
Mr. Chui Chi Yun, Robert	崔志仁先生	A, B
Mr. Kwong Yuk Lap	鄺旭立先生	B
Mr. Wang Anyuan	王安元先生	B

Notes:

附註：

Types of training

培訓種類

A: Attending training sessions, including but not limited to, briefing, seminars, conferences, forums and workshops

A: 出席培訓，包括但不限於簡介會、研討會、會議、論壇及工作坊

B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications relating to the latest development of the GEM Listing Rules, other applicable regulatory requirements and directors' duties and responsibilities

B: 閱讀相關新聞、報紙、期刊、雜誌及GEM上市規則最新發展、其他適用監管規定及董事職責相關刊物

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Independent Non-executive Directors

Mr. Chui Chi Yun, Robert, Mr. Kwong Yuk Lap and Mr. Wang Anyuan were appointed as the independent non-executive Directors with effect from 23 March 2017.

The independent non-executive Directors are experienced professionals with expertise in respective areas of accounting, finance, industry knowledge and expertise. With their professional knowledge and experience, the independent non-executive Directors serve an important function of advising the senior management on strategy development and ensure that the Board maintains high standards in financial and other mandatory reporting as well as providing adequate checks and balances for safeguarding the interests of the Shareholders and the Company as a whole; and participate in the Company's various committees including Audit Committee, Remuneration Committee and Nomination Committee.

The Company has received from each of its independent non-executive Directors the written confirmation of his independence. The Company considers the independent non-executive Directors to be independent in accordance with Rule 5.09 of the GEM Listing Rules.

Chairman and Chief Executive Officer

Mr. Fong Chun Man was appointed as the Chairman of the Board and an executive Director of the Company on 23 March 2017. Mr. Chan Chi Fai was appointed as the Chief Executive Officer and an executive Director of the Company on 23 March 2017.

The Chairman of the Board provides leadership to the Board and is also responsible for the effective functioning of the Board in accordance with good corporate governance practice and is responsible for the overall corporate management of the business development strategies of the Group. The Chief Executive Officer is responsible for the implementation of the business strategies, policies and objectives set out by the Board and is accountable to the Board for the overall operations of the Group. These functions and responsibilities are currently being shared by the management team.

獨立非執行董事

崔志仁先生、鄭旭立先生及王安元先生獲委任為獨立非執行董事，自2017年3月23日起生效。

各獨立非執行董事均為經驗豐富的專業人士，彼等具備會計、金融各個領域的專業技能以及行業知識與專長。憑藉彼等的專業知識及經驗，獨立非執行董事在就策略發展向高級管理層提供意見方面扮演重要角色，確保董事會維持高標準的財務及其他強制申報以及提供充足檢查進行充分制衡，以保障股東及本公司的整體利益；及參與包括審核委員會、薪酬委員會及提名委員會在內的公司各個委員會。

本公司已收訖各獨立非執行董事發出的獨立性確認函，本公司亦根據GEM上市規則第5.09條規定確認獨立非執行董事為獨立人士。

主席及行政總裁

方俊文先生於2017年3月23日獲委任為本公司董事會主席兼執行董事。陳志輝先生於2017年3月23日獲委任為本公司行政總裁兼執行董事。

董事會主席負責領導董事會，並負責確保董事會根據良好企業管治常規有效運作並負責本集團業務發展策略的整體企業管理。行政總裁負責實施董事會所制定的業務策略、政策及目標，並就本集團整體營運向董事會負責。該等職能及職責現由管理團隊分擔。

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企業管治報告

BOARD COMMITTEE

Audit Committee

The Company has established the Audit Committee on 23 March 2017 in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and with written terms of reference amended and restated with effect from 1 January 2019 in compliance with the Corporate Governance Code set out in Appendix 15 of the GEM Listing Rules. The full terms of reference setting out details of the authority, duties and responsibilities of the Audit Committee is available on both the GEM website and the Company's website.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Chui Chi Yun, Robert, Mr. Kwong Yuk Lap and Mr. Wang Anyuan meanwhile Mr. Chui Chi Yun, Robert, is the Chairman of the Audit Committee.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the Company's internal control and risk management system, overseeing the balance, transparency and integrity of the Company's financial statements and the application of financial reporting principles, reviewing the relationship with the external auditor and its independence assessment and the adequacy of resources, qualifications and experience of the Company's accounting staff, their training programs and budget.

The Audit Committee is satisfied with their review of the auditors' remuneration, the independence of the auditors, HLB Hodgson Impey Cheng Limited (the "HLB"), and recommended the Board to reappoint HLB as the Company's auditors for the year ending 31 March 2021, which is subject to the approval of Shareholders at the forthcoming AGM. The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 March 2020.

According to the current terms of reference, meetings of the Audit Committee shall be held not less than twice a year and the external auditor may request a meeting if they consider that one is necessary.

Details of the number of Audit Committee meetings held and Directors attendance are set out in the section headed "Number of Meetings and Directors' Attendance" on pages 22 to 23 in this report.

董事委員會

審核委員會

本公司於2017年3月23日根據GEM上市規則第5.28至5.29條成立審核委員會，並根據GEM上市規則附錄十五所載的企業管治守則自2019年1月1日起修訂及重列書面職權範圍。載有審核委員會的職權、職責及責任詳情的全部職權範圍可於GEM網站及本公司網站查閱。

審核委員會由三名獨立非執行董事崔志仁先生、鄺旭立先生及王安元先生組成，崔志仁先生同時為審核委員會主席。

審核委員會的主要職責為透過就以下事項向董事會提供獨立意見，為董事會提供協助：本公司內部監控及風險管理系統的成效，監督本公司財務報表的收支、透明度及完整性以及財務報告原則的應用、審閱與外部核數師的關係及其獨立性評估以及本公司會計人員的資源、資格和經驗的充足性、其培訓計劃及預算。

審核委員會信納核數師薪酬及核數師國衛會計師事務所有限公司(「國衛」)獨立性的審閱結果，並向董事會建議續聘國衛為本公司截至2021年3月31日止年度的核數師，惟須於應屆股東週年大會上經股東批准後方可作實。審核委員會已審閱本集團截至2020年3月31日止年度的綜合財務報表。

根據目前的職權範圍，每年舉行的審核委員會會議應不少於兩次及外聘核數師在其認為必要情況下可能要求召開一次會議。

已舉行審核委員會會議次數及出席董事的詳情乃列載於本報告第22至23頁所載「會議次數及董事出席情況」一節。

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Remuneration Committee

The Company established a remuneration committee (the “**Remuneration Committee**”) on 23 March 2017 in compliance with Appendix 15 of the GEM Listing Rules, which comprised two independent non-executive Directors, namely Mr. Wang Anyuan and Mr. Chui Chi Yun, Robert together with Mr. Fong Chun Man. Mr. Wang Anyuan is the Chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review and approve the management’s remuneration proposals, and ensure none of the Directors determine their own remuneration.

The full terms of reference setting out details of duties of the Remuneration Committee is available on both the GEM website and the Company’s website.

The Remuneration Committee determines Directors’ remuneration by reference to the benchmarking of the market. The Company also looks into individual Director’s competence, duties, responsibilities, performance and the results of the Group in determining the exact level of remuneration for each Director.

Pursuant to the terms of reference of the Remuneration Committee, meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

Details of the number of Remuneration Committee meeting held and Directors attendance are set out in the section headed “Number of Meetings and Directors’ Attendance” on pages 22 to 23 in this report.

Senior Management’s remuneration

HK\$ 港元		Number of individuals 人數
Nil to HK\$1,000,000	0至1,000,000港元	2

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

薪酬委員會

本公司於2017年3月23日根據GEM上市規則附錄十五成立薪酬委員會(「**薪酬委員會**」)，由兩名獨立非執行董事王安元先生及崔志仁先生連同方俊文先生組成。王安元先生為薪酬委員會主席。

薪酬委員會的主要職責為就本集團全體董事及高級管理層的整體薪酬政策及架構向董事會作出推薦意見；審閱及批准管理層薪酬建議；及確保董事概無自行釐定薪酬。

載列薪酬委員會職責詳情的全部職權範圍詳情可於GEM網站及本公司網站查閱。

薪酬委員會透過參考市場基準釐定董事薪酬，本公司亦考慮董事個人能力、職責、責任、表現及本集團之業績釐定各董事之確切薪酬水平。

根據薪酬委員會的職權範圍，每年應至少舉行一次會議，並應按委員會的要求舉行其他會議。

已舉行薪酬委員會會議次數及出席董事的詳情乃列載於本報告第22至23頁所載「會議次數及董事出席情況」一節。

高級管理層的薪酬

董事及五名最高薪酬人士之薪酬詳情乃載於綜合財務報表附註13及14。

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企業管治報告

Remuneration policy

The remuneration policy of the Group for the Directors and senior management members was based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the performance of the Group and the individual performance of the Directors and senior management members.

Nomination Committee

The Company established a nomination committee (the “**Nomination Committee**”) on 23 March 2017 which comprised Mr. Fong Chun Man and two independent non-executive Directors, namely Mr. Kwong Yuk Lap and Mr. Chui Chi Yun, Robert. Mr. Kwong Yuk Lap is the Chairman of the Nomination Committee. The written terms of reference are amended and restated with effect from 1 January 2019.

The primary function of the Nomination Committee is to review the policy concerning diversity of board members and the structure, size and composition of the Board on regular basis and disclose such policy, including any measurable objectives that the Committee has set for implementing the policy and progress on achieving those objectives, pursuant to the GEM Listing Rules (including disclosure in the Company’s corporate governance report as appropriate); identify individuals suitably qualified to become Board members; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors. The full terms of reference setting out details of the authority, duties and responsibilities of the Nomination Committee is available on both the GEM website and the Company’s website.

Pursuant to the terms of reference of the Nomination Committee, meeting shall be held at least once a year and additional meetings should be held if the committee shall so request.

The Nomination Committee has reviewed the structure, size and composition of the Board and the Policy as well as discussing matters regarding the retirement and re-election of Directors.

Details of the number of Nomination Committee meeting held and Directors attendance are set out in the section headed “Number of Meetings and Directors’ Attendance” on pages 22 to 23 in this report.

薪酬政策

本集團董事及高級管理層成員的薪酬政策乃根據其經驗、職責及一般市況而釐定。任何酌情花紅及其他酬金付款均與本集團業績以及董事及高級管理層成員的個別表現掛鈎。

提名委員會

本公司於2017年3月23日成立提名委員會（「**提名委員會**」），由方俊文先生以及兩名獨立非執行董事鄭旭立先生及崔志仁先生組成。鄭旭立先生為提名委員會主席。書面職權範圍自2019年1月1日起經修訂及重列。

提名委員會的主要職責為定期檢討有關董事會成員組合多元化以及董事會架構、規模及組成的政策，並根據GEM上市規則披露該政策（包括適時在本公司的企業管治報告內披露資料），當中包括委員會為落實該政策而制定的任何可衡量目標及達致該等目標的進度；物色適合且合資格成為董事會成員人選；評核獨立非執行董事的獨立性；以及就有關董事委聘或續聘的相關事宜向董事會提供推薦意見。載列提名委員會的職權、職責及責任詳情的全部職權範圍詳情可於GEM網站及本公司網站查閱。

根據提名委員會的職權範圍，每年應至少舉行一次會議，並應按委員會的要求舉行其他會議。

提名委員會已檢討董事會架構、規模及組成以及政策，並討論有關董事退任及重選的事宜。

已舉行提名委員會會議次數及出席董事的詳情乃列載於本報告第22至23頁所載「會議次數及董事出席情況」一節。

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ACCOUNTABILITY AND AUDIT

Directors' and auditor's responsibilities for the consolidated financial statements

All Directors understand and acknowledge their responsibility for ensuring that the Group's consolidated financial statements for each financial year are prepared to give a true and fair view of the state of affairs, the financial results and cash flows of the Group in accordance with the disclosure requirements of the Hong Kong Companies Ordinance. In preparing the consolidated financial statements for the year ended 31 March 2020, the Board has adopted appropriate and consistent accounting policies and made prudent, fair and reasonable judgments and estimates. The Directors are responsible for maintaining proper accounting records which reflect with reasonable accuracy the state of affairs, operating results, cash flows and equity movement of the Group at any time. The Directors confirm that the preparation of the financial statements of the Group is in accordance with statutory requirements and applicable accounting standards.

The Directors also confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The statement of auditor about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report.

The reporting responsibilities of the Company's auditor, are set out in the Independent Auditor's Report on pages 90 to 96 of this report.

AUDITORS' REMUNERATION

During the year ended 31 March 2020, the remuneration for the audit and non-audit services provided by the Company's auditor to the Group was as follows:

Services rendered 提供服務		HK\$ 港元
Annual audit service for the year ended 31 March 2020	截至2020年3月31日止年度的年度審計服務	700,000
Non-audit services for the year ended 31 March 2020	截至2020年3月31日止年度的非審計服務	120,000

問責性及審核

董事及核數師對綜合財務報表的責任

所有董事理解及承認其確保本集團各財政年度的綜合財務報表均根據香港公司條例的披露要求編製以真實公平地反映本集團事務、財務業績及現金流量狀況的責任。於編製截至2020年3月31日止年度的綜合財務報表時，董事會已採納合適及一致的會計政策，並作出謹慎及公平合理的判斷及估計。董事負責維持適當的會計記錄，以合理準確地反映本集團於任何時間的事務狀況、經營業績、現金流量及股權變動情況。董事確認本集團財務報表的編製乃符合法例規定及適用的會計準則。

董事亦確認，就彼等在作出一切合理查詢後所知、所悉及所信，彼等並不知悉可能導致本公司持續經營能力受重大質疑的事件或情況的任何重大不確定因素。

董事負責採取所有合理必要步驟保障本集團的資產，以及避免和偵測欺詐及其他違規行為。有關核數師對綜合財務報表的申報責任的聲明載於獨立核數師報告。

本公司核數師的申報責任載於本報告第90至96頁的獨立核數師報告。

核數師酬金

於截至2020年3月31日止年度，本公司核數師向本集團提供審計及非審計服務的酬金如下：

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CORPORATE GOVERNANCE FUNCTIONS

No corporate governance committee has been established and the Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of the directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, etc.

The Directors will review the Group's corporate governance policies and compliance with the CG Code each financial year and comply with the "comply or explain" principle in the corporate governance report which will be included in the annual reports upon the Listing.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy in accordance with the requirement as set out in the CG Code, which is summarised as below:

The policy of the Company specifies that in designing the composition the Board, Board diversity shall be considered from a number of aspects, including but not limited to age, cultural and educational background, professional experience, skills and knowledge. All Board members' appointment will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board. Selection of candidates for the Board will be based on a range of diversity perspectives, including but not limited to gender, age, culture, ethnicity and educational background, professional experience, knowledge and skills.

The Nomination Committee will disclose the composition of the Board in Corporate Governance Report every year and supervise the implementation of the Policy. The Nomination Committee will discuss any revision that may be required, and recommend any such revision to the Board for consideration and approval.

企業管治職能

由於本公司並無成立企業管治委員會，董事會負責執行企業管治職能，如制定及檢討本公司企業管治的政策及常規、為董事及高級管理層提供培訓及持續專業發展、確保本公司政策及常規符合法律及監管規定等。

董事將於各財政年度檢討本集團的企業管治政策及企業管治守則的合規情況，並遵守將於上市後載入年報的企業管治報告中所載的「不遵守就解釋」原則。

董事會成員多元化政策

本公司已根據企業管治守則所載規定採納董事會成員多元化政策，政策摘要如下：

本公司政策確定在設定董事會成員組合時會從多個方面考慮董事會成員多元化，包括但不限於年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件顧及董事會成員多元化的益處。甄選董事會人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、知識及技能。

提名委員會將每年在企業管治報告中披露董事會組成，並監察政策的執行。提名委員會將會討論任何或需作出的修訂，再向董事會提出任何有關修訂建議以供其審批。

Corporate Governance Report

企業管治報告

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct (“**Code of Conduct**”) regarding securities transactions by the Directors. The Company has confirmed, having made specific enquiry of the Directors, that all the Directors have complied with the Code of Conduct throughout the year ended 31 March 2020 and up to the date of this report.

COMMUNICATION WITH SHAREHOLDERS

The Company endeavors to maintain an on-going dialogue with the shareholders and in particular, through annual general meetings or other general meetings to communicate with the shareholders and encourage their participation.

The Company will ensure that there are separate resolutions for separate issues proposed at the general meetings. All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each shareholder meeting.

The Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on the Group’s business in a timely manner, subject to relevant regulatory requirements.

Significant Changes in the Constitutional Documents

During the year ended 31 March 2020 and up to the date of this report, there has been no significant changes in the constitutional documents of the Company. The Articles are available on the websites of the Stock Exchange and the Company.

General Meetings with Shareholders

The Company’s annual general meeting will be held on Thursday, 6 August 2020.

董事進行證券交易

本公司已採納GEM上市規則第5.48條至第5.67條作為其本身有關董事進行證券交易之操守準則(「**操守準則**」)。經向董事作出特定查詢後，本公司已確認全體董事已於截至2020年3月31日止整個年度及直至本報告日期一直遵守操守準則。

與股東溝通

本公司致力與股東保持持續溝通，特別是透過股東週年大會或其他股東大會與股東溝通，並鼓勵股東參與其中。

本公司將確保就於股東大會提議的各事項作出各決議案。根據GEM上市規則，所有於股東大會上提呈的決議案將以投票方式進行表決。投票結果將於各股東大會後適時刊登於本公司及聯交所網站。

本公司將繼續維持公開及有效的投資者溝通政策，並在相關監管規定限制下適時向投資者提供有關本集團業務的最新相關資料。

章程文件的重大變動

於截至2020年3月31日止年度及直至本報告日期，本公司章程文件並無重大變動。有關章程細則可在聯交所及本公司網站查閱。

與股東的股東大會

本公司的股東週年大會將於2020年8月6日(星期四)舉行。

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SHAREHOLDERS' RIGHTS

(a) Convening of an extraordinary general meeting on requisition by shareholders

Pursuant to Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company. Shareholders also have the right to propose a person for election as a Director, the procedures are available on the websites of the Company and the Stock Exchange.

(b) Procedures for putting forward proposals at shareholders' meetings

Shareholders are welcomed to put forward proposals relating to the operations and management of the Group to be discussed at shareholders' meetings. The proposals shall be sent to the company secretary of the Company by a written requisition. Shareholders who wish to put forward a proposal should convene an extraordinary general meeting by following the procedures set out in "Convening of an extraordinary general meeting on requisition by shareholders" above.

(c) Enquiries to the Board

Shareholders may put forward enquiries to the Board to the extent such information is publicly available to the Company Secretary who is responsible for forwarding communications relating to matters within the Board and communication relating to ordinary business matters, such as suggestions, inquiries and consumer complaints, to the Chief Executive Officer, in writing to the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the enquiries.

股東權利

(a) 按股東要求召開股東特別大會

根據章程細則，任何於遞呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會上表決的權利)十分之一的任何一名或以上的股東，於任何時候均有權透過向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘於有關遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行召開大會，遞呈要求人士由於董事會未能召開大會而產生的所有合理費用將由本公司報銷。股東亦有權提名一名人士膺選董事，有關程序可於本公司及聯交所網站查閱。

(b) 於股東大會提呈建議之程序

本公司歡迎股東提呈有關本集團業務及管理的建議於股東大會上討論。有關建議須透過書面要求寄交予本公司的公司秘書。擬提呈建議的股東應遵照上文「按股東要求召開股東特別大會」所載的程序召開股東特別大會。

(c) 向董事會作出查詢

股東有權以書面形式向董事會查詢本公司的公開資料(公司秘書負責將有關董事會職責範圍內的事宜的通訊以及有關日常業務事宜的通訊轉交行政總裁，例如建議、查詢及顧客投訴)，有關查詢須提交至本公司於香港之主要辦事處或倘本公司不再設有該主要辦事處，則提交至註冊辦事處，須註明查詢事項。

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INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investment public. The Company updates its shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports. The corporate website of the Company (<http://www.f8.com.hk>) has provided an effective communication platform to the public and the shareholders.

COMPANY SECRETARY

The Company engages an external service provider, Ms. Leung Yin Fai, as its Company Secretary, Mr. Cheung Lee Kwok, the chief operation officer of the Group, is the primary contact person when Ms. Leung Yin Fai can contract.

Ms. Leung Yin Fai, the Company Secretary, is responsible for advising the Board on corporate governance matters and ensuring that the Board policy and procedures, and the applicable laws, rules and regulations are followed. All Directors have access to the advice and services of the Company Secretary to ensure that the Board procedures and all applicable laws are followed. Moreover, the Company Secretary is responsible for facilitating communications among Directors as well as with management.

During the year ended 31 March 2020, the Company Secretary has undertaken more than 15 hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules.

DIVIDEND POLICY

The Company has adopted a dividend policy on 31 December 2018 which sets out the principles and measures on how the Company may propose a dividend.

投資者關係

本公司相信，維持高透明度是提升投資者關係的關鍵，並致力保持向其股東及投資大眾公開及適時披露公司資料的政策。本公司透過年度、中期及季度報告向股東更新其最新業務發展及財務表現。本公司的公司網站 (<http://www.f8.com.hk>) 已為公眾人士及股東提供一個有效的溝通平台。

公司秘書

本公司已委聘外部服務提供者梁燕輝女士作為公司秘書。本集團營運總監張利國先生為梁燕輝女士可聯絡的主要聯絡人士。

公司秘書梁燕輝女士負責就企業管治事宜向董事會提供意見並確保遵守董事會政策及程序、適用法例、規則及規例。所有董事均可獲得公司秘書的建議及服務以確保董事會進行議事程序及所有適用法律獲得遵守。此外，公司秘書負責促進董事之間以及管理層之間的溝通。

於截至2020年3月31日止年度，公司秘書已遵照GEM上市規則第5.15條的規定參與逾15小時的相關專業培訓。

股息政策

本公司已於2018年12月31日採納股息政策，當中載列有關本公司如何建議派付股息的原則及計量方法。

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The Board will take into account the following factors when considering the payment of dividends:

- i The general financial condition of the Group;
- ii The actual and future operations and liquidity positions of the Group;
- iii The future cash requirements and availability;
- iv Any restrictions on payments of dividends that may be imposed by the Group's lenders;
- v The general market conditions; and
- vi Any other factor that the Board deems appropriate.

Any declaration and payment of future dividends under the dividend policy will be subject to the Board's determination that the same would be in the best interests of the Group and the Shareholders of the Company as a whole. In addition, the declaration and payment of dividends may be subject to legal restrictions or any applicable laws, rules and regulations and the Articles of Association of the Company.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for establishing and maintaining appropriate and effective risk management and internal control systems of the Group. The Group's systems of risk management and internal control include a defined management structure with limits of authority, is designed to help achieve business objectives, safeguard assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant legislation and regulations. The systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

An organisational structure with operating policies and procedures, lines of responsibility and delegated authority has been established. The division/department head of each core business segment is accountable for the conduct and performance of such segment within the agreed strategies, which are set by themselves and the Board together, and reports directly to the Board.

考慮派付股息時，董事會將考慮以下因素：

- i 本集團的一般財務狀況；
- ii 本集團的實際及未來營運以及流動資金狀況；
- iii 未來現金需要及可動用程度；
- iv 本集團貸款人可能對派付股息施加的任何限制；
- v 整體市況；及
- vi 董事會認為適當的任何其他因素。

根據股息政策宣派及派付未來股息須由董事會確定其是否符合本集團及本公司股東的整體最佳利益後方可作實。此外，宣派及派付股息或會受法律限制或任何適用法律、規則及法規以及本公司組織章程細則所規限。

風險管理及內部監控

董事會全面負責建立及維持本集團適當而有效的風險管理及內部監控系統。本集團的風險管理及內部監控系統包括一個具有職權限制的界定管理架構，旨在協助達成業務目標、保障資產不被擅自使用或處置、確保備存適當的會計記錄以提供可供內部使用或供發佈的可靠財務資料，以及確保遵守相關法律及法規。系統旨在為防範重大失實陳述或損失提供合理（但非絕對）的保證，並管理（而非消除）營運系統失靈及本集團未能達成目標的風險。

本集團已建立一套組織架構，訂明相關的營運政策及程序、職責及權限。各核心業務分部的分部／部門主管根據彼等與董事會共同制定的協定策略，對該分部的運作及表現負責，並直接向董事會報告。

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In the course of conducting the business of the Group, it is exposed to various types of risks. During the year ended 31 March 2020, the following principal risks of the Group were identified and classified into strategic risks, operational risks, financial risks and compliance risks.

在開展本集團業務過程中，其面臨各種風險。於截至2020年3月31日止年度，本集團將下列主要風險識別及分類為戰略風險、營運風險、財務風險及合規風險。

Risk Areas 風險領域	Principal Risks 主要風險
Strategic Risks 戰略風險	Sensitivity to government policies; keeping up with new technologies and customers' taste; market competition risk, reputation risk 對政府政策的敏感性、保持新技術及客戶品味、市場競爭風險、聲譽風險
Operational Risks 營運風險	Insufficient labour supply; workplace injury; disruption of IT system 勞動力供給不足、工傷、資訊科技系統中斷
Financial Risks 財務風險	Liquidity risk, credit risk, interest rate risk, foreign exchange risk, inflation risk 流動資金風險、信用風險、利率風險、外匯風險、通脹風險
Compliance Risks 合規風險	Risk related to occupation safety and health; risk of non-compliance with ordinances related to employment; change of GEM Listing Rules and relevant company regulations and ordinances 與職業安全和健康有關的風險、不遵守與就業有關的法例的風險、GEM上市規則及相關公司規例及條例更改

The Board is ultimately responsible for the risk management of the Group and it has delegated to executive management to carry out the risk identification and monitoring procedures. The objectives of the risk management are to enhance the governance and corporate management processes as well as to safeguard the Group against unacceptable levels of risks and losses.

董事會最終負責本集團的風險管理，且其已授權最高行政管理層進行風險識別及監控程序。風險管理的目標是增強管治及企業管理程序，並保障本集團免遭不能接受的風險及損失。

The risk management process of the Group will involve, among others, (i) an annual risk identification and analysis exercise which involves assessment of the consequence and likelihood of risks and the development of risk management plans for mitigating such risks; and (ii) an annual review of the implementation of the risk management plans and fine tuning of the implementation plan when necessary.

本集團的風險管理程序將涉及(其中包括)(i)年度風險識別及分析，包括評估發生風險的後果及可能性以及制定降低相關風險的風險管理計劃；及(ii)年度審閱風險管理計劃的執行情況及必要時完善執行方案。

During the Reporting Period and up to the date of this report, the Board, through the Audit Committee, has conducted review of both design and implementation effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. In this respect, the Audit Committee communicates any material issues to the Board.

於報告期間及直至本報告日期，董事會透過審核委員會，檢討本集團風險管理及內部監控系統的設計及實施成效，涵蓋所有重大監控措施，包括財務、營運及合規控制，以確保本集團的會計、內部審核及財務報告職能均具備充足的資源、員工資歷及經驗、培訓項目及預算。在此方面，審核委員會向董事會通報任何重大事項。

Although the Group does not maintain an internal audit function, the Board has overall responsibility for the risk management and internal control systems and for reviewing its effectiveness.

儘管本集團並無設立內部審核職能，董事會全面負責風險管理及內部監控系統及其成效檢討。

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The Company will continue to engage external independent professionals to review the Group's system of internal controls and risk management annually and further enhance the Group's internal control and risk management systems as appropriate.

There is currently no internal audit function within the Group. The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. Nevertheless, the Directors will continue to review at least annually the need for an internal audit function.

Internal control on connected transaction

As a general control, the Group maintained a list of connected persons and entities for the monitoring and identification of connected transaction. The risk management and internal control of the Group were reviewed by the Board and the Audit Committee for the year ended 31 March 2020.

The Board and the Audit Committee considered that (i) the risk management and internal control system of the Company was adequate and efficient; and (ii) the resources allocated, staff qualifications and experience in respect of the accounting, internal auditing and financial reporting functions of the Company as well as training programs and budget were adequate and sufficient.

Independent non-executive Directors' view on internal control for connected transactions

The management and independent non-executive Directors will continue monitor connected transactions of the Company. The management and independent non-executive Directors consider that information provided by the Company's management to assist independent non-executive Directors in their annual review of connected transaction are fair and sufficient. The independent non-executive Directors also made regular enquiries upon whether there is any continuing connected transaction exceeding the proposed annual caps to ensure that continuing connected transaction was identified timely. The independent non-executive Directors have not encountered any challenges or difficulties in their annual review of connected transaction of the Company save as disclosed in this report.

LOOKING FORWARD

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure compliance with the required practices and standards including the provisions of the CG Code.

本公司將繼續聘請外部獨立專業人士每年審閱本集團的內部監控及風險管理情況，進一步加強本集團的內部監控及風險管理系統(如適用)。

本集團目前尚無內部審核職能。董事已檢討內部審核職能的需要，並認為鑑於本集團業務規模、性質及複雜程度，任命外部獨立專業人士執行內部審核職能將更具成本效益以滿足本集團需求。然而，董事會將每年至少檢討一次內部審核職能的需要。

關連交易的內部控制

作為一般控制，本集團已存置關連人士及實體清單，以監控及識別關連交易。截至2020年3月31日止年度，本集團的風險管理及內部控制已由董事會及審核委員會審閱。

董事會及審核委員會認為(i)本公司的風險管理及內部控制系統屬足夠及有效；及(ii)本公司就會計、內部審核及財務報告職能所分配的資源、員工資歷及經驗，以及培訓計劃及預算均屬足夠及充分。

獨立非執行董事對關連交易內部控制的看法

管理層及獨立非執行董事將持續監管本公司的關連交易。管理層及獨立非執行董事認為由本公司管理層提供以協助獨立非執行董事就關連交易進行年度審閱的資料屬公平及充分。獨立非執行董事亦定期查詢是否有超出建議年度上限的任何持續關連交易，以確保及時識別持續關連交易。除本報告所披露者外，獨立非執行董事於進行本公司關連交易的年度審閱時未有遇到任何挑戰或困難。

展望未來

本集團將繼續及時審閱其企業管治標準，而董事會將竭力採取必要措施，以確保符合規定常規及標準，包括企業管治守則的條文。

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

F8 Enterprises (Holdings) Group Limited (“**F8 Enterprises**”, “**Company**”, “**we**” and “**our**”), with its subsidiaries (collectively, the “**Group**”), was principally engaged in the provision of the business of sale and transportation of diesel oil and related products in Hong Kong.

This Environmental, Social and Governance (“**ESG**”) Report (the “**ESG Report**”) summarises the environmental, social and governance initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

Our Business

F8 Enterprise was listed on GEM of the Stock Exchange of Hong Kong Limited with the stock code of 8347. The principal operating activity of the Group is sale and transportation of diesel oil and related products in Hong Kong, and also supply of marine diesel oil for construction vessels and lubricant oil for construction machinery and vehicles. With the competitive advantage of economies of scale, with our experienced management, our own diesel tank wagons and marine diesel oil barge, the Group enjoys a competitive edge in the diesel oil industry in Hong Kong.

Our Vision

To maintain the leading position in the industry in order to provide high quality products and services in Hong Kong.

Our Mission

To provide the best quality and safe products and services to meet customers’ demands and create value to the shareholders and investors.

前言、環境、社會及管治報告

F8企業(控股)集團有限公司(「**F8企業**」、「**本公司**」及「**我們**」)及其附屬公司(統稱「**本集團**」)主要在香港從事提供柴油及相關產品的銷售及運輸業務。

本環境、社會及管治(「**環境、社會及管治**」)報告(「**環境、社會及管治報告**」)概述本集團的環境、社會及管治措施、計劃及表現並展示其對可持續發展的承諾。

業務

F8企業於香港聯合交易所有限公司GEM上市，股份代號為8347。本集團主要經營的業務為在香港銷售及運送柴油及相關產品與工程船舶的船用柴油以及工程機器及汽車的潤滑油供應。憑藉規模經濟帶來的競爭優勢、我們管理層的豐富經驗、本身的柴油貯槽車及船用柴油駁船，本集團在香港的柴油業享有競爭優勢。

願景

維持行業領先地位，以便在香港提供優質的產品及服務。

使命

提供最優質及安全的產品及服務，以滿足客戶需求，為股東及投資者締造價值。

Environmental, Social and Governance Report

環境、社會及管治報告

Board of Directors

董事會

Executive Directors 執行董事	Independent Non-executive Directors 獨立非執行董事
Mr. Fong Chun Man (Chairman) 方俊文先生(主席)	Mr. Chui Chi Yun, Robert 崔志仁先生
Ms. Lo Pui Yee 勞佩儀女士	Mr. Kwong Yuk Lap 鄺旭立先生
Mr. Chan Chi Fai 陳志輝先生	Mr. Wang Anyuan 王安元先生

The ESG Governance Structure

The Group has set up an ESG working taskforce (the “**Taskforce**”), composed of staff from relevant departments, in which, full-time staff has been assigned to collect the data relevant to ESG and compile the ESG Report. The Taskforce would periodically report to the board of directors of the Company (the “**Board**”), assisting in the assessment and identification of risk management of the Group on ESG aspects and whether its internal control system is appropriate and effective. The Taskforce reviews the ESG performance of the Group, including environmental, labour practices, and other ESG aspects. The Board sets the tone at the top for its ESG strategies and is responsible for ensuring effective risk management and internal controls. The detail of the ESG strategy is stated below.

ESG 管治架構

本集團已成立由相關部門員工組成的環境、社會及管治工作專責小組(「**專責小組**」)，其中已指派全職員工收集有關環境、社會及管治的數據並編製環境、社會及管治報告。專責小組定期向本公司董事會(「**董事會**」)報告，以協助評估及識別本集團在環境、社會及管治方面的風險管理以及其內部監控系統是否適當及有效。專責小組負責審查本集團的環境、社會及管治績效，當中包括環境、勞工常規以及其他環境、社會及管治範疇。董事會將其環境、社會及管治策略置於首位，並負責確保風險管理及內部監控措施有效。環境、社會及管治策略的詳情載如下。

Environmental, Social and Governance Report

環境、社會及管治報告

Detail of the ESG Strategy

We established an ESG management system with clarified management functions and responsibilities at all levels. We carry out specific work through the Taskforce and help the Board understand our ESG risks and performance in a timely manner, so as to better incorporate ESG factors into company planning and daily operations.

- The Board is responsible for:
 - assessing and determining the Group's ESG risks
 - ensuring the establishment of appropriate and effective ESG risk management and internal control system
 - developing ESG strategies, action plans and objectives
 - monitoring the progress and performance of ESG work
 - reviewing and approving annual ESG reports
- The management is responsible for:
 - reporting ESG-related risks and opportunities to the Board
 - implementing ESG risk management and internal control systems
 - informing the Board of the effectiveness of ESG risk management and internal control systems
 - arranging work in accordance with the ESG strategies, action plans and objectives developed by the Board
 - reporting to the Board on the progress and performance of ESG work
 - reviewing and submitting annual ESG report to the Board for approval

ESG 策略詳情

我們已建立一套環境、社會及管治管理系統，闡明各級管理職能及職責。我們透過專責小組開展特定工作，並協助董事會及時了解我們的環境、社會及管治風險及績效，以便將環境、社會及管治因素更妥善納入公司規劃及日常營運。

- 董事會負責：
 - 評估及釐定本集團的環境、社會及管治風險
 - 確保建立適當且有效的環境、社會及管治風險管理及內部監控系統
 - 制定環境、社會及管治策略、行動計畫及目標
 - 監測環境、社會及管治工作的進度及績效
 - 審閱及批准年度環境、社會及管治報告
- 管理層負責：
 - 向董事會報告環境、社會及管治相關風險及機會
 - 實施環境、社會及管治風險管理及內部監控系統
 - 通知董事會環境、社會及管治風險管理及內部監控系統是否有效
 - 根據董事會制定的環境、社會及管治策略、行動計畫及目標安排工作
 - 向董事會報告環境、社會及管治工作的進度及績效
 - 審閱並向董事會提交年度環境、社會及管治報告以供批准

Environmental, Social and Governance Report

環境、社會及管治報告

- The Taskforce is responsible for:
 - carrying out specific ESG work
 - reporting to the management on the progress of the work
 - collecting information and data
 - preparing annual ESG reports and reporting to the management

SCOPE OF REPORTING

This ESG Report covers the Group's business activities of offices in Hong Kong and the People's Republic of China (the "PRC"), which represent the Group's major sources of revenue. The ESG key performance indicator ("KPI") data is gathered and included subsidiaries under the Group's direct control. The Group will extend the scope of disclosures when and where applicable. The KPIs are shown in the ESG Report as well as supplemented by explanatory notes to establish benchmarks.

REPORTING FRAMEWORK

The ESG Report has been prepared in accordance with the "Environmental, Social and Governance Reporting Guide" (the "ESG Reporting Guide") as set out in the Appendix 20 of the Rules (the "GEM Listing Rules") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). This report complies with the "comply or explain" principle and represents the disclosure or explanation of the Company's sustainable operation activities for the year ended 31 March 2020 with reference to the Company's actual situation. Information relating to the corporate governance practices of the Group has been set out in the Corporate Governance Report on page 20 to page 37 of this annual report of the Company for the year ended 31 March 2020.

REPORTING PERIOD

The ESG Report describes the ESG activities, challenges and measures taken by the Group from 1 April 2019 to 31 March 2020 (the "Reporting Period").

- 專責小組負責：
 - 進行特定環境、社會及管治工作
 - 向管理層報告工作進度
 - 收集資料及數據
 - 編製年度環境、社會及管治報告並向管理層呈報

報告範圍

本環境、社會及管治報告涵蓋本集團於香港及中華人民共和國(「中國」)辦事處的業務活動，該等業務活動乃本集團的主要收益來源。環境、社會及管治關鍵績效指標(「關鍵績效指標」)數據已收集並已計入本集團直接控制附屬公司。本集團將於適當情況下擴大披露範圍。關鍵績效指標載於環境、社會及管治報告，並經註釋補充，以建立基準。

報告框架

本環境、社會及管治報告按照香港聯合交易所有限公司(「聯交所」)GEM證券上市規則(「GEM上市規則」)附錄二十所載的《環境、社會及管治報告指引》(「環境、社會及管治報告指引」)編製。本報告遵照「不遵守就解釋」原則，並參照本公司的實際情況提呈本公司截至2020年3月31日止年度可持續經營活動的披露或說明文件。有關本集團企業管治常規的資料已載於截至2020年3月31日止年度的本公司本年報第20至37頁的企業管治報告。

報告期

本環境、社會及管治報告闡述本集團自2019年4月1日至2020年3月31日期間(「報告期間」)所進行環境、社會及管治活動、所面臨挑戰及所採取措施。

Environmental, Social and Governance Report

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT

We value our stakeholders and their feedback regarding our businesses and ESG aspects. In order to understand and address their key concerns, we have maintained close communication with our key stakeholders, including but not limited to the Stock Exchange, government, suppliers, investors, media & public, customers, employees, as well as society.

We take stakeholders' expectations into consideration in formulating our businesses and ESG strategies by utilising diversified engagement methods and communication channels, shown as below.

權益人參與

我們重視權益人以及其對我們業務及環境、社會及管治方面的反饋意見。為了解及處理其主要關注事宜，我們一直與主要權益人保持密切溝通，包括但不限於聯交所、政府、供應商、投資者、傳媒與公眾人士、客戶、僱員以及社會。

我們於制定業務以及環境、社會及管治策略時將，透過利用下文所示各種不同的參與方式及溝通渠道計及權益人的期望。

Stakeholders 權益人	Expectations and Requirements 期望及要求	Means of Communication 溝通方式
The Stock Exchange 聯交所	<ul style="list-style-type: none"> Compliance with GEM Listing Rules 遵守GEM上市規則 	<ul style="list-style-type: none"> Routine meetings, website updates and announcements 例行會議、網站更新及公告
Government 政府	<ul style="list-style-type: none"> Observance of laws and disciplines and payment of tax according to laws 遵守法律及紀律並依法納稅 	<ul style="list-style-type: none"> Compliance checks in cooperation with government and regulatory authorities Periodic filings workshops/seminars 配合政府及各監管機構執行各項合規檢查 定期申報參與宣導會／研討會
Suppliers 供應商	<ul style="list-style-type: none"> Fair competition/quality and price Stable payment terms 公平競爭／質素及價格 穩定還款期 	<ul style="list-style-type: none"> Business communication/procurement contract/e-mail and telephone contact Fair competition 業務溝通／採購合約／電子郵件及電話聯繫 公平競爭
Shareholders/ Investors 股東及投資者	<ul style="list-style-type: none"> Financial performance Corporate governance Market image 財務業績 企業管治 市場形象 	<ul style="list-style-type: none"> Information published on websites of the Company/the Stock Exchange (e.g. announcements, circulars, quarterly results reports, interim reports, annual reports, etc.) 於本公司／聯交所網站公佈訊息(例如公告、通函、季度業績報告、中期報告、年報等)
Media & Public 傳媒與公眾	<ul style="list-style-type: none"> Corporate governance, environmental protection, and human rights 企業管治、環境保護及人權 	<ul style="list-style-type: none"> Explanation on key issues/press releases 關切議題溝通說明文件／新聞稿

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Stakeholders 權益人	Expectations and Requirements 期望及要求	Means of Communication 溝通方式
Customers	<ul style="list-style-type: none"> Product quality Prohibited/restricted substance management Environmental, safety and health management performance Implementation performance of the code of conduct (labour relations/labour rights/compliance with laws and regulations) Transparency and reliability of information disclosure 	<ul style="list-style-type: none"> Setting up a variety of communication channels to understand customers' needs by email, phone call and client questionnaire Audit feedback/self-managed performance feedback
客戶	<ul style="list-style-type: none"> 產品品質 禁用／限用物質管理 環境、安全及衛生管理績效 行為準則執行績效(勞資關係／勞工權利／法律及規例合規度) 資訊披露透明度與可靠性 	<ul style="list-style-type: none"> 建立各種溝通渠道，通過電郵、電話及客戶調查表了解客戶需求 稽核回饋／自主管理績效回饋
Employees	<ul style="list-style-type: none"> Good salary and benefits Fair promotion and career development Good and safe working environment 	<ul style="list-style-type: none"> The Company's internal website/e-mail/ employee suggestion box/discussion between employees and executives/ surveys (irregular) Strengthening communications with employees to provide fair promotion and establishing training system to equip employees with adequate working skills
僱員	<ul style="list-style-type: none"> 良好的薪酬及福利 公平的晉升及職業發展 良好安全的工作環境 	<ul style="list-style-type: none"> 本公司內部網站／電子郵件／僱員意見箱／僱員幹部座談／問卷調查(不定期) 加強與員工溝通，提供公平的晉升機會及建立培訓制度，使員工具備足夠的工作技能。
Society	<ul style="list-style-type: none"> Environmental issues/compliance with laws Transportation Employment opportunities/community/public welfare Corporate responsibility 	<ul style="list-style-type: none"> Sponsoring community public welfare activities/community visits/corporate website Environmental protection
社會	<ul style="list-style-type: none"> 環境事宜／遵守法律 運輸 就業機會／社區／大眾福利 企業責任 	<ul style="list-style-type: none"> 贊助社區公益活動／社區訪問／公司網站 環境保護

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環境、社會及管治報告

We aim to collaborate with our stakeholders to improve our ESG performance and create greater value for the wider community on a continuous basis.

MATERIALITY ASSESSMENT

The management and staff of the Group's respective major operations have participated in the preparation of the ESG Report to assist the Group in reviewing our operations and identifying relevant ESG issues and assess the importance of related matters to our businesses and stakeholders. Based on the assessed significant ESG issues, a data collection questionnaire was prepared to collect information from relevant departments and business units of the Group.

The following is a summary of the Group's material ESG issues included in this ESG Report:

Material ESG aspects of the Group

- Greenhouse Gas ("GHG") Emissions
- Energy Consumption
- Paperless Office
- Recruitment, Remuneration, Promotion and Dismissal
- Customer Privacy Protection
- Customer Services

During the Reporting Period, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the "ESG Reporting Guide".

CONTACT US

We welcome stakeholders to provide their opinions and suggestions. You can provide valuable advices in respect of the ESG Report or our performances in sustainable development by sending your feedback and enquires to our Customer Service Manager at cs@f8.com.hk.

我們旨在與權益人合作，持續改善我們的環境、社會及管治績效並為更廣泛社區創造更大價值。

重要性評估

本集團各主要業務的管理層及員工均曾參與本環境、社會及管治報告的編製工作，以協助本集團檢討營運過程及識別相關環境、社會及管治議題，並評估相關事宜對本集團業務及權益人的重要性。我們已根據經評估重大環境、社會及管治議題，編製數據收集問卷，向本集團相關部門及業務單位收集資訊。

以下為本環境、社會及管治報告所載本集團重大環境、社會及管治議題的概要：

本集團的重大環境、社會及管治層面

- 溫室氣體（「溫室氣體」）排放
- 能源消耗
- 無紙辦公室
- 招聘、薪酬、晉升及解僱
- 客戶隱私保護
- 客戶服務

於報告期間，本集團確認其已就環境、社會及管治議題建立適當且有效的管理政策及內部監控系統，並確認所披露的內容符合「環境、社會及管治報告指引」的規定。

聯絡我們

我們歡迎權益人提供其意見及建議。閣下如欲就環境、社會及管治報告或我們在可持續發展方面的表現提供寶貴建議，請透過向客戶服務經理發出電郵(cs@f8.com.hk)提供反饋意見及作出查詢。

Environmental, Social and Governance Report

環境、社會及管治報告

CARING FOR THE ENVIRONMENT AND NATURAL RESOURCES

A. ENVIRONMENTAL

A1 Emissions

Governance on Air Pollutants, Greenhouse Gas (the "GHG") Emissions and Waste Management

The Group is strongly committed to the long-term sustainability of the environment and communities in which we operate. As such, the Group has established relevant procedures to detect and prevent any possible pollution incidents which affect the surrounding environment that may occur in the course of our business operations. During the Reporting Period, we measured and managed our environmental performance in several aspects throughout our operations.

In terms of the Group's sale, supply and transportation of diesel oil and related products businesses in Hong Kong, we understand there are environmental emissions such as air emissions, GHG emissions, wastewater discharges, general waste, and hazardous waste disposals. During the Reporting Period, the emissions and waste were produced from the operations of eight diesel oil tank wagons, two private vehicles and one marine diesel oil barge. By integrating environmental consideration into our decision-making processes, we embrace our responsibilities to create an environmentally sustainable business. We are also committed to raising our employees' environmental awareness and complying with relevant environmental laws and regulations.

To enhance our environmental governance practice and mitigate the environmental impacts produced by our operations, we have implemented relevant environmental protection policies and communicated such policies to our employees. These policies encourage our staff to contribute towards sustainability by adopting environmentally friendly operation methods. In the long run, we will continue to enhance our environmental management strategies in monitoring and minimising the environmental impacts brought by our businesses regularly in the coming years.

關愛環境與天然資源

A. 環境

A1 排放

空氣污染物、溫室氣體(「溫室氣體」)排放及廢棄物管理方面的管治

本集團堅定承諾發展業務所在環境及社區的長期可持續發展能力。因此，本集團已制定有關程序，以檢測及預防業務營運過程中可能會出現並會影響周邊環境的污染事件。報告期間，我們已於營運過程中就多個層面衡量及管理環保表現。

就本集團於香港進行的柴油及相關產品銷售、供應及運輸業務而言，本公司明白存在環境污染排放，例如空氣污染排放物、溫室氣體排放、廢水排放、一般廢物及危險廢物棄置。於報告期間，排放物及廢物自八部柴油貯槽車、兩部私家車及一艘船用柴油駁船的營運過程中產生。透過將環境考慮因素納入我們的決策過程，我們承擔創建環保可持續發展事業的責任。我們亦致力於提高僱員的環保意識，並遵守相關的環保法律法規。

為改善我們的環境治理常規，減輕業務對環境造成的影響，我們已實施相關環境保護政策，並將該等政策傳達僱員。該等政策鼓勵僱員採用環保的操作方法，為可持續發展作出貢獻。長遠而言，我們將繼續加強環境管理策略，並於未來數年定期監察及盡量減少業務對環境造成的影響。

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Air Pollutants Emissions

The total air emission produced by the Group during the Reporting Period amounted to approximately 2,955 kg, which increased by approximately 7.47% compared to last financial year. The emission intensity was approximately 296 kg per vehicles (2019: 250 kg per vehicles). The increased air pollutant emissions were mainly attributable to the rising demand of diesel oil and related products leading to the increased usage of vehicles for transportation. The Group strives to save energy and reduce waste as much as possible in its daily work, thereby reducing air pollutants emissions. Through different environmental protection measures, employees' awareness of reducing exhaust gas emissions has been raised. The Group's air emissions during the Reporting Period were as follows:

空氣污染物排放

於報告期間，本集團產生的空氣排放物總量約為2,955千克，較上個財政年度增加約7.47%。每輛汽車的排放強度約為296千克(2019年：每輛汽車250千克)。空氣污染物排放增加主要歸因於柴油及相關產品日益上升的需求導致增加使用汽車作運輸用途。本集團致力於日常工作中盡量節約能源及減少浪費，從而減少空氣污染物排放。透過不同的環保措施，僱員對減少廢氣排放的意識得以提升。於報告期間，本集團的空氣污染排放物如下：

Air Pollutants Emission 空氣污染物排放	Unit 單位	2018/2019 2018/2019年	2019/2020 2019/2020年	% Change 百分比變動
Nitrogen oxides ("NOx") 氮氧化物(「氮氧化物」)	KG 千克	2,562.78	2,754.09	↑ 7.46%
Sulphur oxides ("SOx") 硫氧化物(「硫氧化物」)	KG 千克	2.36	2.54	↑ 7.63%
Particulate matters ("PM") 可吸入懸浮微粒(「可吸入懸浮微粒」)	KG 千克	184.27	198.03	↑ 7.47%
Total 總量		2,749.41	2,954.66	↑ 7.47%

Greenhouse Gas Emissions and Energy Conservation

The GHG emissions generated by the Group are summarised below in direct and indirect section respectively. The direct emissions are from the Group's vehicles' consumption of fuels while the indirect emissions are via using energy and paper disposal at landfills.

溫室氣體排放及節約能源

本集團所產生的溫室氣體排放分別於下文直接及間接部分概述。直接排放來自本集團汽車耗用的燃料，而間接排放則來自使用能源及於堆填區棄置紙張。

During the Reporting Period, the total GHG emissions were approximately 433 tonnes, which increased by approximately 7.04% when comparing with last financial year. Our GHG emissions were mainly classified into three scopes:

於報告期間，溫室氣體排放總量約為433噸，與上個財政年度比較增加約7.04%。我們的溫室氣體排放主要分為三個範圍：

Scope 1: Direct emission from the usage of fuels by our vehicles;

範圍1：汽車使用燃油造成的直接排放；

Scope 2: Energy indirect emissions; and

範圍2：能源間接排放；及

Scope 3: Indirect emissions of paper disposal at landfills.

範圍3：於堆填區棄置紙張造成的間接排放。

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The following table shows the figures of the Group's GHG emissions during the Reporting Period. 下表顯示本集團於報告期間的溫室氣體排放。

Greenhouse gas emissions 溫室氣體排放	Unit 單位	2018/2019 2018/2019年	2019/2020 2019/2020年	% Change 百分比變動
Direct emissions of GHG from the usage of fuels by vehicles 汽車使用燃油造成的溫室氣體直接排放	Emissions tonnes 排放 噸	386.19	415.02	↑ 7.47%
Indirect emissions of GHG from the energy 能源造成的溫室氣體間接排放	Emissions tonnes 排放 噸	16.57	16.24	↓ 2.01%
Indirect emissions of GHG from the paper disposal at landfills 於堆填區棄置紙張造成的溫室氣體 間接排放	Emissions tonnes 排放 噸	1.56	1.52	↓ 2.33%
Total 總量		404.32	432.78	↑ 7.04%

In line with our policies to minimise air pollutants and GHG emissions, the Group's offices air conditioning are set and maintained at a fixed temperature and requiring employees to turn off all the lights and switch off the desktops after work.

為符合我們盡量減少空氣污染物及溫室氣體排放的政策，本集團辦公室的空調設置及保持於固定溫度，並要求僱員下班後關上所有電燈及關閉電腦。

Employees are also encouraged to turn off the lights at lunch time and using power saving appliances all the times.

我們亦鼓勵僱員於午飯時段關燈，並於任何時間使用節能電器。

Waste Management

Hazardous waste handling method

Despite the Group did not generate hazardous wastes during the Reporting Period, we have established guidelines in governing the management and disposal of hazardous wastes. In case there is any hazardous waste produced, we must engage a qualified chemical waste collector to handle such waste, which is complied with the relevant environmental regulations and rules.

廢棄物管理

危險廢物處理方式

儘管本集團於報告期間並無產生危險廢物，我們已制定規管危險廢物管理及處理的指引。倘已產生任何危險廢物，我們必須聘請合資格的化學廢物收集商處理此類廢物，以遵守相關環境法規及規則。

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Non-hazardous waste handling method

During the Reporting Period, the non-hazardous waste produced by the Group was mainly the paper waste, which amounted to approximately 325 kg with no change compared to last financial year. The paper wastes produced per employee was 12.23 kg per employee (2019: 14.77 kg per employee). The paper consumption decreased when comparing with last year since the awareness of paperless environment has been keep raising among our employees.

With the aim of minimising the environmental impacts from non-hazardous wastes generated from our business operations, the Group have implemented measures to handle such wastes and launched different reduction initiatives. The Group have disposed the waste generated by business operation into three categories, which are general waste, recyclable waste and special waste. Recyclable waste includes papers, bottles, cans, etc. Special waste includes toner, battery, etc. The three categories are handled in different ways based on their nature.

We have implemented the following procedures to encourage employees to share responsibilities in waste management and minimize waste generations:

- Using double-sided printing or photocopying wherever possible
- Avoiding unnecessary paper using in the office
- Recycling one-sided printed paper
- Reusable tableware is provided in the pantry
- Recycling bins are placed in the office
- A food waste decomposer machine is in place for handling food waste

During the Reporting Period, the Group did not have any material non-compliance with the relevant environmental laws and regulations in Hong Kong and the PRC, including but not limited to the "Waste Disposal Ordinance (Chapter 354 of Laws of Hong Kong)", "Air Pollution Control Ordinance (Chapter 311 of Laws of Hong Kong)", "Noise Control Ordinance (Chapter 400 of Laws of Hong Kong)" of Hong Kong and "Environmental Protection Law of the People's Republic of China" of the PRC that had a significant influence on the Group's operations.

非危險廢物處理方式

於報告期間，本集團產生的非危險廢物主要為廢紙，計及為約325千克，與上個財政年度相同。每名僱員所產生的廢紙為每名僱員12.23千克(2019年：每名僱員14.77千克)。由於僱員對無紙化環境的意識不斷提高，故與去年相比，耗紙量有所下降。

為盡量減少業務營運產生的非危險廢物對環境的影響，本集團已實施處理該等廢物的措施，並推出不同的減排措施。本集團已將業務營運所產生的廢物分為三類，即一般廢物、可回收廢物及特殊廢物。可回收廢物包括紙張、瓶、罐等。特殊廢物包括碳粉、電池等。該三類廢物根據性質，以不同方式處理。

我們實施了以下程序，以鼓勵僱員分擔廢棄物管理責任並以最大程度減少廢物產生：

- 盡可能使用雙面打印或影印
- 避免在辦公室使用不必要的紙張
- 回收單面打印紙
- 於茶水間提供可重複使用的餐具
- 在辦公室放置回收箱
- 設置廢棄食物分解機，用於處理廢棄食物

於報告期間，本集團在香港及中國概無任何重大不遵守相關環境法律及法規的情況，包括但不限於對本集團營運產生重大影響的香港法例第354章《廢物處置條例》、香港法例第311章《空氣污染管制條例》、香港法例第400章《噪音管制條例》及中國的《中華人民共和國環境保護法》。

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A2 Use of Resources

The Group strives to optimise resource usage in our business operations and take initiatives to introduce measures on promoting resource efficiency and adopting eco-friendly approaches in our operations. The Group's major resource consumption contributes to energy consumption. We have established related policies and initiatives related to energy consumption management, which will be mentioned in this section.

Energy Consumption

The major energy consumption of the Group was electricity consumption in the daily operation. The Group aims to minimise environmental impacts in our operations by identifying and adopting appropriate measures in our operations. We continuously explore the use of new energy in our business operation and how to optimise, integrate and use the resources in a highly efficient manner with the support of the latest science and technology information, thereby achieving sustainable development. Related policies and initiatives on energy conservation have been developed to show our concern on energy efficiency. All employees must implement the adopted policies and measures in resource utilisation. Regular review is conducted on our energy objectives and targets to seek continuous improvement in the Group's energy performance.

Monthly monitoring on the usage of electricity was implemented. Unexpected high electricity consumption would be investigated to find out the root cause and preventive measures would be taken. During the Reporting Period, the Group has implemented the following measures relating to mitigating emissions:

- Switching off unnecessary lightings and electrical appliances when not in use
- Implementing "no light policy" during lunch time
- Using appliances and devices which are eco-friendly or energy-saving
- Setting all printers, photocopiers and computers to energy saving mode

A2 使用資源

本集團致力於業務營運中優化資源使用，並在業務營運中主動引入提高資源效率的措施及採納環保的方法。本集團的主要資源消耗為能源消耗。我們已制定與能源消耗管理相關的政策及措施，該等政策及措施將於本節中提述。

能源消耗

本集團的主要能源消耗為日常營運中的汽油及電力消耗。本集團旨在於營運時識別及採取適當措施，將營運時對環境的影響降至最低。我們不斷在業務營運中探索使用新能源以及如何最近期的科技資訊支援下高效地優化、整合及使用資源，從而實現可持續發展。本公司已制定相關節約能源政策及措施，以顯示本公司關注能源效益。所有僱員在使用資源時必須實施已採取的政策及措施。我們定期檢討能源目標，以尋求持續改善本集團於能源方面的表現。

我們每月監測電力的使用情況。我們會就意外的高耗電情況進行調查找出因由，並採取預防措施。於報告期間，本集團曾實施以下減排措施：

- 在不使用時關上不必要的照明及電器
- 於午飯時段實施「無光政策」
- 使用環保或節能電器及設備
- 將所有打印機、影印機及電腦設置為節能模式

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Water Consumption

As our principal business was focusing on sale and transportation of diesel oil products, we did not consume significant amount of water through our business activities. In respect of water sourcing for office use, since the water source is from the government department, there was no water sourcing issue during the Reporting Period.

Use of Packaging Material

Due to the nature of the Group's business, the Group has no industrial production and no factory facilities. Therefore, no significant amount of packaging materials is used for packaging products.

A3 The Environment and Natural Resources

Protecting the Environmental Impact and Natural Resources

The business activities of the Group have no direct/significant impact on environment and natural resources. The Group nonetheless commits to using natural resources wisely and efficiently while we encourage the reuse and recycling of materials within our operations. We spent efforts in mitigating our potential environmental impacts through adopting industry best practices targeted at reducing natural resources consumption and developing effective environmental management. We regularly assess the environmental risks of our businesses, adopt preventive measures to reduce potential risks and ensure compliance with relevant laws and regulations.

Due to the increased usage of vehicles for transportation of diesel oil and related products and the expansion in our business, our air emissions, carbon emissions and electricity consumption increased when compared with the emission from last financial year. Nonetheless, the awareness of environmental protection and sustainability has been raised among our employees.

In addition, in order to prevent any diesel oil leakage during both land and water transport, the oil tank wagons and barge are inspected frequently and are closely monitored. Instant repairs and maintenance are carried out in case any unusual conditions are found in our vehicles. Besides, we have enough space vehicles for backup when needed. For the oil tank barge, we have contracted with a crew of experienced sailors to monitor the daily operations of the water transportation.

耗水

由於我們的主要業務專注於柴油產品的銷售及運輸，故我們並無通過業務活動大量耗水。就辦公室用水而言，由於水源來自政府部門，故報告期間並無供水問題。

包裝材料的使用

鑑於本集團的業務性質，本集團既無工業生產工序，亦無工廠設施。因此，並無因包裝產品而使用大量包裝材料。

A3 環境與天然資源

保護環境影響與天然資源

本集團的業務活動對環境及天然資源並無直接／重大影響。然而，本集團承諾明智而有效地使用天然資源，同時我們鼓勵在業務中重用及回收材料。我們努力透過採納行業最佳常規（以減少天然資源消耗及發展有效的環境管理為目標），減輕我們對環境的潛在影響。我們定期評估業務對環境造成的風險，採取預防措施以減少潛在風險，並確保遵守相關法律及法規。

由於增加使用汽車運輸柴油及相關產品以及擴展業務，我們的空氣污染排放物、碳排放及耗電量與上個財政年度的排放物相比有所增加。然而，僱員亦已提高環保意識及可持續發展能力。

此外，為防止陸路及海路運輸過程中洩漏柴油，我們經常檢查且密切監控柴油貯槽車及駁船。倘發現汽車情況異常，則我們會立即進行維修及保養。此外，我們有足夠的備用汽車可供在需要時使用。就柴油槽駁船而言，我們已與一組經驗豐富的水手訂立合約，監督有關海路運輸的日常業務。

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Paperless Office

In order to reduce paper usage, the Group strongly advocated paperless office operations. All offices are operated in the electronic system as far as possible to reduce the use and consumption of office paper in order to save forest resources. We also encouraged electronic medium for communications within the office and with suppliers.

As a socially responsible enterprise, protecting nature and the environment has become an integral part of the Group's corporate culture and important value, the Group constantly looks for ways to maximise benefits with minimal resource consumption and environmental impact, and continues to strive for sustainable development.

無紙辦公室

為減少用紙，本集團強烈提倡無紙辦公室營運。所有辦公室均盡量以電子系統運作，以減少辦公用紙，節省森林資源。我們亦鼓勵辦公室內部與供應商之間採用電子媒體溝通。

作為一家對社會責任的企業，保護天然環境已成為本集團企業文化不可或缺的部分及重要價值觀，本集團不斷尋找方法，務求於消耗最少資源且對環境構成最少影響的情況下獲取最大利益，並繼續努力實現可持續發展。

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CARING FOR THE PEOPLE AND SOCIETY

B. SOCIAL

B1 Employment and Labor Practices

Equal Employment Practices

The Group puts significant emphasis on the welfare of employees whom it considers the Group's most valuable assets. Hence, the Group strives to attract and retain talents and reconcile economical imperatives with well-beings, aiming at reinforcing satisfaction, loyalty and commitment of human capital.

The Group has adopted comprehensive human resources manual which includes policies and procedures applicable to staff. All employees are treated fairly regarding recruitment, training and development, appraisal of work performance, promotions, rest periods, remuneration and benefits. Staff dismissals are based on the Employment Ordinance (Chapter 57 of Laws of Hong Kong) or relevant local laws and regulations, as well as the requirements stipulated in the employment contracts. The Group is committed to provide equal opportunity for all employees and applicants without regard to race, color, religion, national origin, sex, age, marital status, sexual orientation, disability, political affiliation, personal appearance, family responsibilities, matriculation or any other characteristic protected under local law.

Throughout its operation, the Group strives to provide an excellent and comfortable working environment. Based on the features of the principal business, the Group understands that taking a break by its staff from time to time is necessary for accomplishing the long term goals of the Group, and so, it strikes a proper work life balance of its employees, providing them 6-day-work per week with 8 working hours per weekday and 3 working hours every Saturday. We appreciate the efforts of employees during their working hours, and advocate a no over time working culture, to allow sufficient rest time for employees. In case overtime is needed, overtime compensation is paid to employees according to the actual additional working hours. The Group provides paid annual leave, maternity leave, paternity leave and funeral leave in addition to statutory holidays for the employees.

In addition, we contribute to the Mandatory Provident Fund and employee's compensation insurance with reference to the relevant regulations and laws. Medical allowance is also provided by the Group to employees covering their clinic consultation, traditional Chinese medicine, dentistry, as a basic benefit for employees.

以人為本，關懷社會

B. 社會

B1 僱傭及勞工常規

平等僱傭常規

本集團非常重視僱員福利，視其為本集團最寶貴的資產。因此，本集團致力吸引及挽留人才，並平衡經濟方面的訴求與福祉，以增強人力資本的滿意度、忠誠度及投入。

本集團已採納全面的人力資源手冊，當中包括適用於僱員的政策及程序。所有僱員在招聘、培訓及發展、工作表現評估、晉升、假期、薪酬及福利等方面均獲公平對待。解僱員工乃基於香港法例第57章僱傭條例或相關地方法律及法規以及僱傭合約規定的要求。本集團致力為所有僱員及求職者提供平等機會，不分種族、膚色、宗教、國籍、性別、年齡、婚姻狀況、性取向、殘疾、政治派別、個人外表、家庭責任、學歷或任何其他受地方法律保障的特徵。

在其整個運營過程中，本集團致力提供良好舒適的工作環境。基於主要業務的特點，本集團明白，不時讓僱員休息為實現本集團長遠目標所需，因此，本集團致力為其僱員於工作與生活之間爭取適當平衡，讓彼等每週工作六日，平日每日工作八小時，每週六工作三小時。我們感謝僱員於辦工時間作出的努力，並提倡不超時工作文化，以使僱員有足夠時間休息。倘需超時工作，則本集團會根據實際的額外工時向僱員支付超時工作的補償。除法定假期外，本集團向僱員提供帶薪年假、產假、待產假及喪假。

此外，我們參考相關法規及法律向強制性公積金及僱員補償保險作出供款。本集團亦向僱員提供醫療津貼，當中涵蓋診所診症、傳統中醫、牙科服務等，以作為員工的基本福利。

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As at 31 March 2020, the Group employed 53 staffs in total. In terms of gender, there were 9 females and 44 males in the Group. Among them 19 staffs below 35 years old, 22 staffs are between 36 to 45 years old and 12 staffs are over 46 years old. All of the employees are employee under full time basis while 38 staffs serving the Group under three years, 6 staffs had served the Group between 3 years to 5 years and 9 staffs are serving the Group above 5 years.

於2020年3月31日，本集團合共聘用53名員工。按性別而言，本集團有9名女性及44名男性。其中19名員工為35歲以下，22名員工為36歲至45歲，而12名員工為46歲以上。所有僱員均獲聘為全職員工，其中38名員工至今服務本集團不足3年，6名員工已服務本集團3年至5年，而9名員工已服務本集團5年以上。

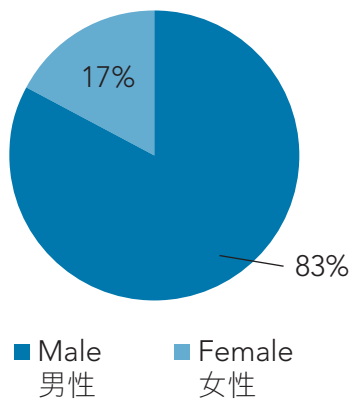
As an illustration, the workforce statistic by gender, age group and the employment type are illustrated in pie graphs while and years of serving the Group are disclosed as bar chart:

謹此說明，按性別、年齡組別及僱傭類型的員工統計數字以餅狀圖表示，而服務本集團年期則以柱狀圖披露。

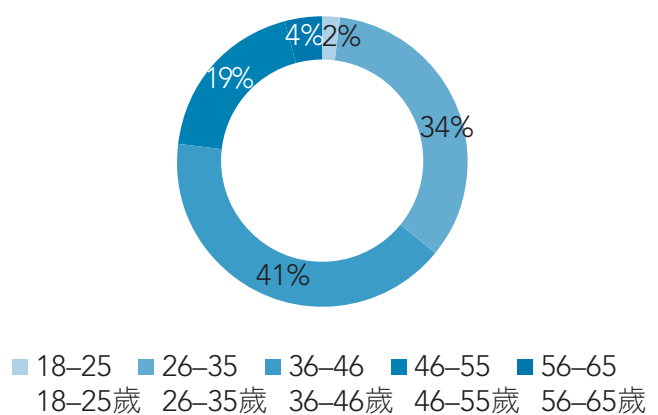
Gender and Age Distribution

性別及年齡分佈

Employee Breakdown by Gender
按性別劃分的僱員明細



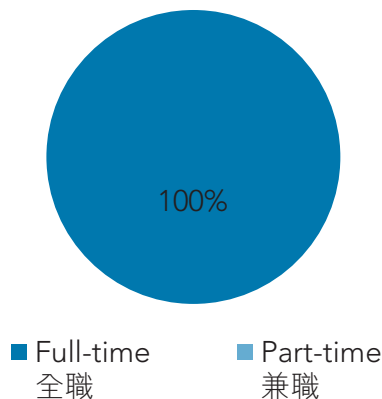
Employee Breakdown by Age Group
按年齡組別劃分的僱員明細



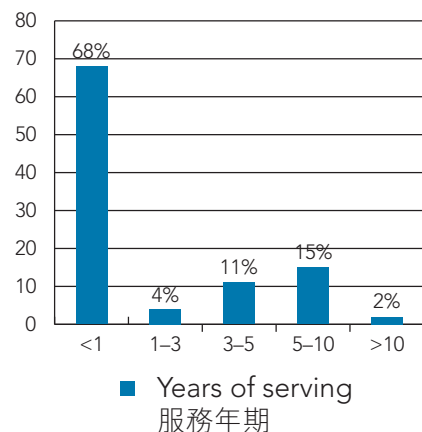
Employment Type and Years of Serving the Group

僱傭類型及服務本集團年期

Employee Breakdown by Employment Type
按僱傭類型劃分的僱員明細



Employee Breakdown by Years of serving the Group
按服務本集團年期劃分的僱員明細



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The Group is committed to comply with the relevant labour standards and employment laws and regulations which are applicable to our business. During the Reporting Period, no material and significant disputes between the Group and the employees were occurred.

B2 Health and Safety

Promoting Health and Safety

The Group considers health and safety of its employees as one of its primary responsibilities. As such, the Group is committed to provide a workplace free from injury and illness through effective procedures and practice on occupational health and safety.

Regarding workplace health and safety, first aid boxes are available at readily accessible locations in the Group's offices. Treatment for minor injuries can be obtained on request to the supervisor in charge at the site of the first aid box nearest to the scene of the accident. The Group conducted health check from time to time to ensure the health of employees. Employees who suffer from injury arising out of and in the course of employment are entitled to compensation in accordance with the related regulations. During the Reporting Period, there were no fatal cases reported, in which we successfully achieved a 0% rate of fatality.

The measures for emergency situations in respect of fire occurring in certain buildings or installations are also regulated in terms of guidelines assisting employees to take sensible immediate action when discovering a fire. The Group provides fire drill for the employees to ensure they can evacuate quickly and safely from the premises and assembled in the designated area away from the building in the event of a fire.

During the Reporting Period, the Group has ensured full compliance with relevant occupational health and safety legislations of Hong Kong, the PRC, and other relevant legislations. No severe injury or fatality was reported throughout the Reporting Period.

本集團致力遵守適用於本集團業務的相關勞工準則及僱傭法律及法規。於報告期間，本集團與員工之間概無發生重大及重要的爭議。

B2 健康與安全

促進健康與安全

本集團視僱員健康及安全為首要責任之一，因此，本集團以有效的職業健康及安全程序及常規，致力為員工提供免受傷害及疾病的工作場所。

就工作場所的健康與安全方面，本集團將急救箱置於辦公室內易於取得的位置。受輕傷者可向離事故現場最近的急救箱附近的主管請求提供治療。本集團不時進行健康檢查以確保僱員的健康。因僱傭而受傷及在僱傭期間受傷的僱員可按相關法規獲得賠償。於報告期間，亦無致命個案報告，使我們成功達致0%死亡率。

指引條款中亦有就有關於若干建築物或設施發生火災緊急情況的措施作出規定，以協助僱員在發生火災事故時立即採取明智的行動。本集團為僱員提供消防演習，確保僱員在發生火災時能夠迅速和安全地撤離場所，並在遠離建築物的指定區域集合。

於報告期間，本集團已確保全面遵守香港、中國及其他相關職業健康及安全法例以及其他相關法例。於報告期間，本集團並無嚴重傷亡報告。

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B3 Development and Training

Talent Management

The Group recognises the valuable contribution of our talents for the continuous success of the Group. Nurturing talents and polishing the skills of our human capital is crucial in leading us to excellence. This is achieved through development of training strategy that focuses on creating values and serving the needs of our customers, talents and society. Therefore, we encourage our employees to attend trainings and obtain professional qualifications.

We notice the importance of training and development for our staff to keep abreast of the latest trend in the industry and the dynamic pace in current market. During the Reporting Period, the Group mainly provided informal on the job training to employees. The Group provided also regular formal safety trainings for all its drivers and Excel programming updated for its office staff. The training time hours for the male staff is 194 and for the female is 6 and the Group has established relevant policies in the staff handbook stating that employees are welcome to participate in external training sessions organized by government agencies on occupational safety and environmental awareness.

B3 發展及培訓

人才管理

本集團深明人才對本集團持續成功所作寶貴貢獻。培養人才及提升人力資本技能對於引領我們追求卓越至關重要。為此，我們制定培訓策略，策略著重於創造價值及滿足客戶、人才及社會需求。因此，我們鼓勵員工參加培訓及獲得專業資格。

我們深知僱員培訓及發展的重要性，讓僱員及時掌握行業的最新趨勢及當前市場動態。於報告期間，本集團主要為僱員提供非正式在職培訓。本集團亦為其所有司機提供定期正式安全培訓及為其辦公室員工提供Excel編寫程式的更新資料。男性員工的受訓時數為194小時而女性則為6小時；本集團已於員工手冊制定相關政策，表示歡迎其僱員參與由政府機構舉辦有關職業安全及環保意識的外部培訓班。

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B4 Labour Standards

Prohibiting Child and Forced Labour

The Group prohibits the use of child labour and forced or compulsory labour at all its units and suppliers. No employee is made to work against his/her will or work as forced labour, or subject to corporal punishment or coercion of any type related to work.

Personal data is collected during the process to assist in the selection of suitable candidates and to verify candidates' personal data to ensure no child labour will be recruited. The human resources department also ensures identity documents are carefully checked. Overtime working is on a voluntary basis. Also, compensation is provided for overtime working with prior approval obtained from respective supervisor. If violation is involved, it will be dealt with in the light of the circumstances.

Also, the Group has zero-tolerance to employment of child labour and forced labour and the Group is not aware of any non-compliance with relevant rules and regulations on preventing child or forced labour.

B5 Supply Chain Management

Upholding High Procurement Standards

The Group highly values the relationship with suppliers and regards them as important business partners. All suppliers are evaluated carefully and subjected to regular monitoring and assessment. The Group has formulated related procurement policies and procedures to manage its suppliers and the policies and procedures are reviewed annually.

As at 31 March 2020, the Group had several major suppliers for the oil supply in relation to its business operations. The Group has set clear requirements on selection and management of suppliers to ensure standardised management and proper selection of suppliers and effective control over operational risks resulting from improper selection, unreasonable method or fraudulent practice of suppliers. The Group's policies regarding the purchase from suppliers focused on quality, environment protection, price, and reputation, etc.

In order to manage the progress and quality of work conducted by our suppliers, we have established standards for tendering and purchasing from suppliers. We have also established a database of suppliers, which includes the basic information of suppliers, the types of products or services providers, the types of suppliers and the supply prices for the Group's long-term follow-up assessment of suppliers. Our managers and project coordinators conduct regular review with the appointed suppliers.

B4 勞工準則

禁止童工及強制勞工

本集團禁止其所有單位及供應商使用童工及強制或強迫勞工。概無僱員於違背其意願的情況下強制工作，或以強制勞工的身分工作，或遭受與工作有關的體罰或任何類型的脅迫。

在招聘過程中，我們收集個人資料，以便選擇合適的應徵者並驗證應徵者的個人資料，確保不會招聘童工。人力資源部亦會確保仔細檢查身份證明文件。員工超時工作遵循自願原則。此外，在獲得相關主管事先批准後，本集團會提供超時工作補償。若涉及違規行為，將根據情況予以處理。

此外，本集團對僱用童工及強制勞工行為持零容忍態度，本集團並無發現任何不遵守防止童工或強制勞工的相關規定及法規的情況。

B5 供應鏈管理

保持高採購標準

本集團高度重視與供應商的關係，並視其為重要的業務夥伴。本集團仔細評估所有供應商，並定期予以監督及評核。本集團已制定相關採購政策及程序以管理其供應商，並每年檢討有關政策及程序。

於2020年3月31日，本集團在有關其業務營運方面有數間主要供應商提供石油。本集團對其供應商的選擇及管理制定明確的規定，確保規範管理及正確選擇供應商，並確保能夠有效控制因供應商選擇不當、方式不合理或作出欺詐行為而導致的營運風險。本集團有關向供應商採購的政策主要集中於質量、環保、價格及信譽等方面。

為管理供應商的工作進度及質量，我們已就供應商的招標及採購制定標準。我們亦建立了供應商資料庫，其中包括供應商的基本資料、產品或服務供應商的類別、供應商的類別及供貨價格，以便本集團對供應商進行長期跟進評估。我們的經理及項目統籌對指定供應商進行定期審查。

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Related policies are formulated by the Group to ensure that the suppliers could participate in competitions in an open and fair way. The Group should not have differentiated or discriminated treatment on certain suppliers; it would strictly monitor and prevent all kinds of business bribery; and employees or personnel having any interest relationship with the supplier should not be involved in the related business activity.

B6 Product Responsibility

Delivering Unmatched Product Quality

The Group's business led by its experienced management team is committed to offering higher-value services to customers, in order to enhance the Group's competitiveness and achieve mutual success between the Group and customers. In order to ensure product quality, careful supply quality inspection is performed as mentioned above. Moreover, to ensure the service quality, regular training is provided to all drivers for the job-related skills and knowledge.

Intellectual Property Right

The Group is committed to safeguard intangible assets and confidential information of its customers. The Group has strict guidelines on the handling of intellectual property related products, including patents, copyrights, trademarks, technology and trade secrets. Any employee found to improperly handling intellectual property rights will be subject to disciplinary action.

Customer Data Protection

The Group takes serious protection of our members' confidential information. The Group seeks to protect our members' information and accounts by employing data security measures such as encryption, passwords and firewalls, etc. The Group has hired specific employees to handle the storage and access of our customers' information. Our employees are prohibited to use the personal information of our customers for purposes which are not related to the maintenance of their accounts, unless their prior consent is obtained. If our employees would like to access the information of our customers, they will need to apply for approval. We do not sell, rent or otherwise share the personal information of clients with any third parties without their prior consent. Stipulated in our privacy policy, we make sure that the processing of personal data for marketing purposes, fulfil the requirements of applicable law.

本集團制定相關政策，以確保供應商能夠公開公平地參與競爭。本集團不得對若干供應商實行差別化或歧視待遇；嚴格監督並防止各種商業賄賂行為；與供應商有利益關係的僱員或人員不得參與相關業務活動。

B6 產品責任

提供最佳產品質素

本集團的業務由其經驗豐富的管理團隊領導經營，致力為客戶提供更高價值的服務，以提升本集團的競爭力及達達本集團與客戶雙贏共榮的局面。為確保產品質量，本集團會如上文所述對供應質量進行謹慎的檢查。此外，為確保服務質量，本集團為所有司機提供與工作相關的技能及知識的定期培訓。

知識產權

本集團致力保護其無形資產及客戶的保密資料。本集團對處理知識產權相關的產品(包括專利、版權、商標、技術及商業秘密)制定嚴格的指引。任何被發現有不當處理知識產權的僱員均將受到紀律處分。

客戶資料保護

本集團非常重視保護會員的機密資料，通過採用加密、密碼及防火牆等數據保安措施，保護會員的資料及賬戶。本集團已聘請專員處理客戶資料的存儲及訪問權。除事先獲客戶同意，否則本集團的僱員一律不得將客戶個人資料用於與帳戶維護無關的用途。若本集團的僱員有意訪問客戶資料，則需要申請批准。我們不會在未經客戶事先同意的情况下向任何第三方出售、出租或以其他方式分享客戶的個人資料。我們的隱私政策規定，我們須確保為營銷目的而處理個人資料符合適用法律的要求。

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Complaint Mechanism

To provide a pleasant user experience for our customers, the Group has long established a set of procedures to handle customers' feedbacks or complaints in a professional manner. Customers' information will be recorded, and enquiries or complaints cases received will be transferred to the related departments or further handling. Reviews on feedback or complaints is conducted, and action plans are in place promptly to address the identified issues. The Group will collect the information on the complaint cases, such as the occasion, reason, and the contact of the client, etc. Customers' satisfaction is evaluated after the cases are settled, and feedbacks or complaints may be circulated to management if necessary.

During the Reporting Period, the Group had no case of non-compliance with laws and regulations in relation to product responsibility.

B7 Anti-Corruption

Commitment to Anti-Corruption

The Group commits to maintaining a high standard of integrity when doing business as we strongly believe that it is essential to meet the expectations of our stakeholders.

The Group promotes integrity and prevents unethical pursuits. The Group has implemented an effective whistle-blowing policy for reporting fraud, corruption, bribery, extortion and money laundering. We encourage the reporting of suspected business irregularities and provide clear channels specifically for this purpose. When suspected wrongdoings are identified, such as breach of duty, abuse of power, receiving bribes, staff should report to the Board for investigation and verification, and report to the regulator and/or to law enforcement authority when necessary.

During the year ended 31 March 2020, there are no concluded legal cases regarding corruption brought against the Group or its employees during the Reporting Period.

B8 Community Investment

Contributing to the Welfare of Society

During the Reporting Period, the Group participated in various community activities to help the environment of the society. For example, volunteering services, community sanitation cleaning, etc. To have a better understanding of the needs in society and strengthen the connection with local communities, we regularly communicated with local charities. We have also encouraged our employees to participate in community activities and suggested areas of contribution based on their personal experiences in the community. In the coming years, the Group will continue to pay efforts in the environmental, employees and customers aspects and keeping the success of this year and at the same time, the Group will intend to invest more resources into volunteering initiatives to contribute to the society.

投訴機制

為向客戶提供愉快的用戶體驗，本集團早已建有一套程序，以專業方式處理客戶反饋或投訴。客戶資料會予以記錄，所收到的查詢或投訴個案交由相關部門作進一步處理。本集團對客戶反饋或投訴進行審閱，並迅速制定行動計畫以解決所識別的問題。本集團將收集有關投訴個案的資料，例如場合、原因、客戶聯繫方式等。在投訴個案獲解決後，將對客戶滿意度進行評估，並在有必要時將反饋或投訴傳發予管理層。

於報告期間，本集團各概無發生任何不遵守與產品責任有關的法律及法規的情況。

B7 反貪污

反貪污的承諾

本集團承諾在開展業務時致力維持高誠信水平，因我們堅信此舉對實現權益人的期望至關重要。

本集團提倡誠信並防止不道德行為。本集團已落實有效的舉報政策以供舉報欺詐、貪污、賄賂、勒索及洗黑錢行為。我們鼓勵舉報可疑的業務違規行為，並為此提供明確的專用渠道。當發現疑似不當行為（如失職、濫用職權、收受賄賂等）時，員工應向董事會報告以進行調查及核實，並在必要時向監管機構及／或執法機關報告。

截至2020年3月31日止年度，本集團或其員工於報告期間並無遭提出已審結的貪污訴訟案件。

B8 社區投資

為社會福利作貢獻

於報告期間，本集團參與各種社區活動以幫助社會環境。例如，義工服務、社區衛生清潔活動等。為了更好地瞭解社會需求及加強與本地社區的聯繫，我們定期與本地慈善機構溝通。我們亦鼓勵員工參與社區活動，根據其於社區的個人經歷建議貢獻領域。本集團於未來數年將繼續在環境、員工及客戶等方面作出努力，並於本年度致力維繫業務成功。同時，本集團將計劃投放更多資源於義工活動，以貢獻社會。

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ENVIRONMENTAL DATA

環境數據

Emissions	排放	Year ended	Year ended	Unit
		31 March 2019	31 March 2020	
		截至2019年	截至2020年	
		3月31日	3月31日	
		止年度	止年度	單位
Air Emissions	空氣污染物排放			
Total air emissions	空氣污染物排放總量	2,749.41	2,954.66	kg 千克
Nitrogen oxides ("NOx")	氮氧化物(「氮氧化物」)	2,562.78	2,754.09	kg 千克
Sulphur oxides ("SOx")	硫氧化物(「硫氧化物」)	2.36	2.54	kg 千克
Particulate matter ("PM")	可吸入懸浮微粒 (「可吸入懸浮微粒」)	184.27	198.03	kg 千克
Air emissions intensity	空氣污染物排放密度	249.95	295.47	kg/vehicle 千克/汽車
Greenhouse Gas Emissions	溫室氣體排放			
Total greenhouse gas emissions	溫室氣體排放總量	404.32	432.78	tonne 噸
Scope 1 Direct emissions from the usage of fuel by vehicles	範圍1 汽車使用燃油造成的直接排放	386.19	415.02	tonne 噸
Scope 2 Energy indirect emissions	範圍2 能源間接排放	16.57	16.24	tonne 噸
Scope 3 Indirect emissions of paper disposal at landfills	範圍3 於堆填區棄置紙張造成的間接排放	1.56	1.52	tonne 噸
Greenhouse gas emissions intensity	溫室氣體排放密度	18.38	8.19	tonne/ employee 噸/僱員
Waste Management	廢棄物管理			
Paper Waste	廢紙	325	318	kg 千克
Paper Waste Intensity	廢紙密度	14.77	12.23	kg/employee 千克/僱員

Use of Resources	資源使用	Year ended	Year ended	Unit
		31 March 2019	31 March 2020	
		截至2019年	截至2020年	
		3月31日	3月31日	
		止年度	止年度	單位
Electricity Consumption	電力消耗			
Total Electricity Consumption	電力消耗總量	32.49	31.84	MWh 兆瓦時
Electricity Consumption Intensity	電力消耗密度	1.48	1.22	MWh/ employee 兆瓦時/ 僱員

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INDEX FOR ESG REPORTING GUIDE

環境、社會及管治報告指引索引

Subject Areas, Aspect, General Disclosure and KPIs 主題領域、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 節／聲明
Aspect A1: Emissions A1 層面：排放		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放資料。	Emissions — Air Pollutants Emissions; Greenhouse Gas Emissions and Energy Conservation; Waste Management 排放 — 空氣污染物排放；溫室氣體排放及節約能源；廢棄物管理
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and intensity. 溫室氣體排放總量（噸）及密度。	Emissions — Greenhouse Gas Emissions and Energy Conservation 排放 — 溫室氣體排放及節約能源
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and intensity. 產生的危險廢物總量（噸）及密度。	Emissions — Waste Management (Not applicable — Explained) 排放 — 廢棄物管理（不適用 — 已解釋）
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and intensity. 產生的非危險廢物總量（噸）及密度。	Emissions — Waste Management 排放 — 廢棄物管理

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspect, General Disclosure and KPIs 主題領域、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 節／聲明
KPI A1.5 關鍵績效指標 A1.5	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	Emissions — Air Pollutants Emissions; Greenhouse Gas Emissions and Energy Conservation; Waste Management 排放 — 空氣污染物排放；溫室氣體排放及節約能源；廢棄物管理
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Emissions — Waste Management 排放 — 廢棄物管理
Aspect A2: Use of Resources A2 層面：使用資源		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源，包括能源、水及其他原材料的政策。	Use of Resources 使用資源
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity. 直接及／或間接能源消耗（按類型）總量及密度。	Use of Resources — Energy Consumption 使用資源 — 能源消耗
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity. 耗水總量及密度。	Use of Resources — Water Consumption (Not applicable — Explained) 使用資源 — 耗水（不適用 — 已解釋）
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Use of Resources — Energy Consumption 使用資源 — 能源消耗
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 說明在採購用水時是否存在符合目的、節水計劃及取得成果的問題。	Use of Resources — Water Consumption (Not applicable — Explained) 使用資源 — 耗水（不適用 — 已解釋）

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KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced. 用於成品(噸)包裝材料總量，並參照每單位生產。	Use of Resources — Use of Packaging Material (Not applicable — Explained) 使用資源 — 包裝材料的使用 (不適用 — 已解釋)

Aspect A3: The Environment and Natural Resources

A3 層面：環境與天然資源

General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境與天然資源造成重大影響的政策。	The Environment and Natural Resources 環境與天然資源
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境與天然資源的重大影響及已採取管理有關影響的行動。	The Environment and Natural Resources — Paperless Office 環境與天然資源 — 無紙辦公室

Aspect B1: Employment

B1 層面：僱傭

General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉陞、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 對發行人有重大影響的相關法律及規例的資料。	Employment and Labour Practise 僱傭及勞工常規
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Environmental, Social and Governance Report

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Subject Areas, Aspect, General Disclosure and KPIs 主題領域、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 節／聲明
Aspect B2: Health and Safety B2 層面：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety 健康與安全
Aspect B3: Development and Training B3 層面：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Development and Training 發展及培訓
Aspect B4: Labour Standards B4 層面：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Standards 勞工準則

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Subject Areas, Aspect, General Disclosure and KPIs 主題領域、層面、 一般披露及關鍵績效指標	Description 描述	Section/Declaration 節／聲明
Aspect B5: Supply Chain Management B5 層面：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
Aspect B6: Product Responsibility B6 層面：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤、私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任

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Subject Areas, Aspect, General Disclosure and KPIs 主題領域、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 節/聲明
Aspect B7: Anti-corruption B7 層面：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption 反貪污
Aspect B8: Community Investment B8 層面：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資

Report of the Board of Directors

董事會報告

The Directors of the Company are pleased to present their report together with the audited financial statements of the Group for the year ended 31 March 2020.

CORPORATE REORGANISATION AND SHARE OFFER

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 30 March 2016.

The shares of the Company have been listed on GEM of the Stock Exchange by way of placing and public offer on 12 April 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 1 to the consolidated financial statements. The principal activity of the Group is the operation of the business of the sale and transportation of diesel oil and related products in Hong Kong and the manufacturing and sale of steel products in the PRC.

RESULTS AND DIVIDENDS

The financial performance of the Group for the year ended 31 March 2020 and the financial position of the Group as at that date are set out in the consolidated financial statements on pages 97 and 99. The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2020.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five years is set out on page 212 of this report.

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the year ended 31 March 2020, the Group did not have any significant investment, material acquisitions nor disposals of subsidiaries and affiliated companies save for the section headed "Significant Investments, Material Acquisitions and Disposals" in this report.

本公司董事欣然呈報彼等之報告連同本集團截至2020年3月31日止年度之經審核財務報表。

企業重組及股份發售

本公司於2016年3月30日根據公司法在開曼群島註冊成立為獲豁免有限公司。

本公司股份於2017年4月12日透過配售及公開發售於聯交所GEM上市。

主要活動

本公司之主要活動為投資控股。其附屬公司的主要活動載於綜合財務報表附註1。本集團主要在香港進行柴油及相關產品的銷售及運輸以及於中國從事鋼產品的製造及銷售業務。

業績及股息

本集團截至2020年3月31日止年度的財務表現以及於該日本集團的財務狀況載於綜合財務報表第97及99頁。董事不建議就截至2020年3月31日止年度派付任何股息。

財務概要

本集團已刊發過往五年之業績以及資產及負債概要載於本報告第212頁。

重大投資以及有關重大投資及資本資產的未來計劃

截至2020年3月31日止年度，除本報告「重大投資、重大收購及出售」一節外，本集團概無任何附屬公司及聯屬公司的重大投資、重大收購或出售。

Report of the Board of Directors

董事會報告

USE OF PROCEEDS FROM THE SHARE OFFER

On the Listing Date, the Company's shares were listed on GEM of the Stock Exchange. A total of 200,000,000 new shares with nominal value of HK\$0.01 each of the Company (the "Share(s)") were issued at HK\$0.32 per share for a total of approximately HK\$64.0 million. The net proceeds received by the Company from the Share Offer, after deduction of the underwriting commission and related expenses in connection with the Share Offer, was approximately HK\$45.1 million. The net proceeds, upon receipt by the Company after Listing, has been deposited at a bank and such net proceeds will be applied in the manners consistent with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 March 2020 are set out in note 17 to the consolidated financial statements.

BANK BORROWINGS

Particulars of bank borrowings of the Group as at 31 March 2020 are set out in note 31 to the consolidated financial statements.

INTEREST CAPITALISED

The Group has not capitalised any interest during the year ended 31 March 2020.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2020 are set out in note 36 to the consolidated financial statements.

RESERVES

Details of movements in reserves of the Group and the Company during the year ended 31 March 2020 are set out in the consolidated statement of changes in equity on page 101 and note 38 to the consolidated financial statements, respectively.

股份發售所得款項用途

於上市日期，本公司股份於聯交所GEM上市。本公司已按每股0.32港元，發行合共200,000,000股每股面值0.01港元的新股份（「股份」），合共約64.0百萬港元。本公司從股份發售所得的所得款項淨額（經扣除包銷佣金及有關股份發售相關開支後）約為45.1百萬港元。上市後本公司於收到所得款項淨額後已存入銀行，而有關所得款項淨額將按招股章程「未來計劃及所得款項用途」一節所載的擬定應用方式加以應用。

物業、廠房及設備

截至2020年3月31日止年度，本集團物業、廠房及設備的變動詳情載於綜合財務報表附註17。

銀行借款

於2020年3月31日，本集團銀行借款詳情載於綜合財務報表附註31。

利息資本化

截至2020年3月31日止年度，本集團並無資本化任何利息。

股本

截至2020年3月31日止年度，本公司股本之變動詳情載於綜合財務報表附註36。

儲備

截至2020年3月31日止年度，本集團及本公司的儲備變動詳情分別載於第101頁的綜合權益變動表及綜合財務報表附註38。

Report of the Board of Directors

董事會報告

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operation, business and prospects may be affected by a number of risks and uncertainties. The followings are the key risks and uncertainties identified by the Group relating to our business:

- The Group is dependent on the major supplier (in terms of total purchases) for the supply of diesel oil. Any shortage or delay in the supply of diesel oil from it, or any change in its existing marketing strategies may materially and/or adversely affect the Group's business and results of operations if we cannot secure alternative sources of supply immediately.
- The Group's customers are not subject to any minimum purchase requirement to purchase diesel oil from the Group.
- A significant portion of the Group's revenue was attributable to the sale of diesel oil and its profitability may be adversely affected if demand for diesel oil declines for any reason.
- The demand for our diesel oil would be adversely affected by the delay in public sector projects caused by failures or delays in passing funding for public work proposals by committees of the Legislative Council due to lawmakers' filibustering.
- The Group's business and results of operations are dependent on the oil price which are driven by factors beyond the Group's control and the uncertainty of the crude oil price could have a material adverse impact on the Group's financial condition and results of operations.
- Changes in the market conditions and trends in the construction industry and in the overall economy may affect the Group's operations and growth.

主要風險及不確定因素

本集團的財務狀況、營運業績、業務及前景或會受一籃子風險及不確定因素影響。以下乃本集團識別有關其業務的主要風險及不確定因素：

- 本集團依賴主要供應商(就採購總額而言)供應柴油。倘柴油供應出現短缺或延誤或其現有營銷策略出現任何變動，而本集團無法即時取得替代供應，本集團業務及經營業績可能受到重大及／或不良影響。
- 本集團客戶並無受限於向本集團採購柴油的任何最低採購量規定。
- 本集團收益有一大部份來自柴油銷售，倘對柴油的需求因任何理由下跌，本集團盈利能力可能受到不利影響。
- 倘公營機構項目因立法會議員拉布導致未能或延遲通過立法會委員會的公共項目撥款而延誤，對我們柴油的需求將受到不利影響。
- 本集團業務及經營業績取決受本集團無法控制因素所帶動石油價格，而原油價格的不確定因素可能會對本集團財務狀況及經營業績造成重大不利影響。
- 工程界內市場狀況及趨勢以及整體經濟變動可能影響本集團的營運及增長。

Report of the Board of Directors

董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Up to 31 March 2020, there has been no purchase, sale or redemption of any Company's listed securities by the Company or any of its subsidiaries.

DIRECTORS

The Directors of the Company during the year ended 31 March 2020 and up to the date of this report were as follows:

Executive Directors

Mr. Fong Chun Man (*Chairman*)
Ms. Lo Pui Yee
Mr. Chan Chi Fai
Mr. Li Hok Yin (resigned on 21 February 2020)

Independent Non-Executive Directors

Mr. Chui Chi Yun, Robert
Mr. Kwong Yuk Lap
Mr. Wang Anyuan

Pursuant to article 84 of Articles of Association of the Company (the "Articles"), one-third of the Directors shall retire from office by rotation and re-election at an annual general meeting of the Company in accordance with the Articles, provided that every Director shall be retired at least once every three years. Accordingly, Ms. Lo Pui Yee and Mr. Chan Chi Fai will retire from office as Directors by rotation at the AGM and being eligible to offer themselves for re-election at the AGM.

Confirmation of Independence

Each independent non-executive Director has given the Company an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all the independent non-executive Directors are independent and meet the independent guidelines set out in Rule 5.09 of the GEM Listing Rules.

購買、出售或贖回上市證券

直至2020年3月31日，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事

截至2020年3月31日止年度及直至本報告日期，本公司董事如下：

執行董事

方俊文先生(主席)
勞佩儀女士
陳志輝先生
李學賢先生(於2020年2月21日辭任)

獨立非執行董事

崔志仁先生
鄭旭立先生
王安元先生

根據本公司組織章程細則(「細則」)第84條，三分之一的董事須根據細則於本公司股東週年大會上輪席退任及重選連任，惟每名董事須至少每三年退任一次。因此，勞佩儀女士及陳志輝先生將於股東週年大會上輪席退任，並符合資格及願意於股東週年大會上重選連任。

獨立性確認

各獨立非執行董事已根據GEM上市規則第5.09條向本公司提交有關獨立性之年度確認書。本公司認為，全體獨立非執行董事均為獨立人士，並符合GEM上市規則第5.09條所載之獨立性指引。

Report of the Board of Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

(a) Executive Directors

Each of the executive Directors has entered into a service contract with the Company and shall continue thereafter unless terminated in accordance with the terms therein. Under the terms of the service contract, the service contract may be terminated by not less than three months' notice served by either party on the other. The term of service of a Director is subject to retirement by rotation of Directors as set out in the Articles.

(b) Independent Non-executive Director

Each of the independent non-executive Director has signed a letter of appointment with the Company which may be terminated by not less than one month's notice served by either party on the other. The term of service of a Director is three years commencing on the Listing Date subject to the provisions on retirement by rotation of Directors as set out in the Articles.

Save as disclosed above, none of the Directors has or is proposed to have a service contract with the Company or any of its subsidiaries which is not determinable by the Company or its subsidiaries within one year without payment of compensation other than statutory compensation.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The emolument of the Directors is recommended by the Remuneration Committee by reference to the benchmarking of the market. The Company also looks into individual Director's competence, duties, responsibilities, and performance.

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

董事之服務合約及委任函

(a) 執行董事

各執行董事已與本公司訂立服務合約並將於其後繼續生效，除非根據其條款予以終止。根據服務合約之條款，服務合約可由其中一方向另一方發出不少於三個月之通知予以終止。董事之服務任期須受細則所載之董事輪值退任所規限。

(b) 獨立非執行董事

各獨立非執行董事已與本公司簽署委任函，可由其中一方向另一方發出不少於一個月之通知予以終止。董事於上市日期開始的三年服務任期須受細則所載董事輪值退任之條文所規限。

除上文所披露者外，概無董事與本公司或其任何附屬公司訂立或擬訂立服務合約，而該合約不可由本公司或其附屬公司於一年內免付賠償（法定賠償除外）而終止。

董事及五名最高薪酬人士之薪酬

董事之薪酬由薪酬委員會經參考市場基準而建議。本公司亦會審視個別董事的能力、職責、責任及表現。

本集團董事及五名最高薪酬人士之薪酬詳情載列於綜合財務報表附註13及14。

Report of the Board of Directors

董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 85 to 89 of this report.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

None of the Directors had a material interest, whether directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party at any time during or at the end of the year ended 31 March 2020.

As of 31 March 2020, no contract of significance had been entered into between the Company, or any of its subsidiaries and the controlling shareholders of the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

As at 31 March 2020, the Company did not enter into or have any management and/or administration contracts in respect of the whole or any principal business of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2020 and up to the date of this report, the Directors are not aware of any business and interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete, directly or indirectly, with the business of the Group and any other conflict of interests which any such person has or may have with the Group during the year ended 31 March 2020 and up to the date of this report. The independent non-executive Directors confirmed that the internal control measures in relation to managing actual or potential conflict of interest of the Group have been properly implemented.

董事及高級管理層履歷

本集團董事及高級管理層之履歷詳情載列於本報告第85至89頁。

董事及控股股東於合約之權益

截至2020年3月31日止年度期間或於年末任何時間，概無董事直接或間接於本公司或其任何附屬公司參與訂立而對本集團業務而言屬重大之任何交易、安排或合約中擁有重大權益。

截至2020年3月31日，本公司或其任何附屬公司並無與本公司或其任何附屬公司之控股股東訂立重大合約。

管理合約

於2020年3月31日，本公司並無訂立或擁有與本公司全部或任何主要業務有關的管理及／或行政管理的合約。

董事在競爭業務中的權益

於截至2020年3月31日止年度及直至本報告日期期間，董事並不知悉董事或本公司控股股東或彼等各自的任何緊密聯繫人(定義見GEM上市規則)於截至2020年3月31日止年度及直至本報告日期期間擁有任何與本集團業務構成或可能構成直接或間接競爭的業務及權益，亦不知悉任何有關人士與本集團之間存在或可能存在任何其他利益衝突。獨立非執行董事確認有關管理本集團的實際或潛在利益衝突之內部控制措施已妥為實施。

Report of the Board of Directors

董事會報告

COMPLIANCE OF NON-COMPETITION UNDERTAKINGS

On 23 March 2017, Mr. Fong Chun Man and Grand Tycoon Limited (being controlling shareholders of the Group) entered into a deed of non-competition ("**Deed of Non-Competition**") in favour of the Company (for itself and each of its subsidiaries), pursuant to which each of Mr. Fong Chun Man and Grand Tycoon Limited has irrevocably and unconditionally, jointly and severally, warrants and undertakes with the Company that, immediately upon the Share Offer becoming unconditional, each of them shall not, and shall procure each of his/its close associates and any company directly or indirectly controlled by Mr. Fong Chun Man and Grand Tycoon Limited (except for the members the Group) shall not, except through any member of our Group, directly or indirectly (whether on its own account or with each other or in conjunction with or on behalf of any person or company, or as principal or agent, through any body corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise), carry on, engage in, invest or acquire or hold any rights or be interested or otherwise involved in any business that is similar to or in competition directly or indirectly with or is likely to be in competition with any business currently and from time to time engaged by our Group in Hong Kong and any other country or jurisdiction to which our Group carries on business or grants franchise from time to time ("**Restricted Business**").

Mr. Fong Chun Man and Grand Tycoon Limited further undertake that when he/it or his/its close associates other than any member of the Group is offered or becomes aware of any new project or business opportunity ("**New Business Opportunity**") directly or indirectly to engage or become interested in a Restricted Business, he/it (i) shall promptly notify our Company of such New Business Opportunity in writing, refer the same to our Company for consideration first and provide such information as may be reasonably required by our Company to make an informed assessment of such New Business Opportunity; and (ii) shall not, and shall procure that the controlled persons or controlled company not to, invest or participate in any such New Business Opportunity unless such New Business Opportunity is declined by our Company, or our Company does not proceed with such New Business Opportunity within 30 business days from the date of the written notice (of if requested by our Company in writing, such 30 business days period may be extended to a maximum of 60 business days), and the principal terms of which he/it and/or his/its close associates invest or participate in are no more favourable than those made available to our Company.

For further details of the Deed of Non-Competition, please refer to the section headed "Relationship with Controlling Shareholders — Non-Competition Undertakings" in the Prospectus.

遵守不競爭承諾

於2017年3月23日，方俊文先生及本集團控股股東宏亨有限公司以本公司（為其本身及其各附屬公司）為受益人訂立不競爭契據（「**不競爭契據**」），據此方俊文先生及宏亨有限公司已不可撤銷及無條件、共同及個別向本公司承諾及作出契諾，緊隨股份發售成為無條件後，彼等各自將不會及將促使其各緊密聯繫人以及方俊文先生及宏亨有限公司直接或間接控制的任何公司（本集團成員公司除外）不會直接或間接（透過本集團成員公司除外，不論為其自身或其他人士或連同任何人士或公司或代表任何人士或公司，或以主事人或代理人的身份，透過任何法團、合夥公司、合資企業或其他合約安排，且不論為溢利或其他）進行、參與、投資或收購或持有任何權利或直接或間接於其中擁有權益或以其他方式參與與本集團在香港及本集團在其進行業務或不時對其授出特許經營權的任何其他國家或司法權區目前及不時從事的任何業務相似或構成競爭或可能構成競爭的任何業務（「**受限制業務**」）。

方俊文先生及宏亨有限公司進一步承諾，當其本身或其緊密聯繫人（除本集團成員公司外）獲提呈或知悉任何直接或間接從事受限制業務的新項目或商機（「**新商機**」）或於受限制業務中擁有權益，其：(i)須即時以書面知會本公司該新商機及轉介該新商機予本公司以先作考慮，並提供本公司可能合理要求的有關資料，以對該新商機作出知情評估；及(ii)將不會並將促使受控制人士或受控制公司不投資於或參與任何該新商機，除非該新商機已被本公司拒絕，或本公司並無於自書面通知日期起計30個營業日內從事有關新商機（或倘本公司作出書面要求，有關30個營業日期間可予延長至最多60個營業日），且其本身及／或其緊密聯繫人投資或參與之主要條款不優於本公司獲提供之該等條款。

有關不競爭契據的進一步詳情，請參閱招股章程「與控股股東的關係 — 不競爭承諾」一節。

Report of the Board of Directors

董事會報告

Mr. Fong Chun Man and Grand Tycoon Limited have both confirmed to the Company of his/its compliance with the Deed of Non-Competition during the Reporting Period and up to the date of this report. The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied by each of Mr. Fong Chun Man and Grand Tycoon Limited and duly enforced during the Reporting Period and up to the date of this report.

DISCLOSURE OF DIRECTORS' INTERESTS

Purchase, Sale or Redemption of the Company's Listed Securities

For the year ended 31 March 2020, there has been no purchase, sale or redemption of any Company's listed securities by the Company or any of the subsidiaries.

Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations

As at 31 March 2020, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 which they were taken or deemed to have under such provisions of the SFO) or (ii) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (iii) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

方俊文先生及宏亨有限公司均已向本公司確認其於報告期間直至本報告日期已遵守不競爭契據。獨立非執行董事已審閱有關遵守情況，並確認方俊文先生及宏亨有限公司各自於報告期間及直至本報告日期已一直遵守及妥為履行不競爭契據項下的所有承諾。

董事權益之披露

購買、出售或贖回本公司上市證券

截至2020年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於2020年3月31日，董事及本公司最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文被當作或視作擁有的權益及淡倉）或(ii)須列入根據證券及期貨條例第352條須存置的登記冊內的權益及淡倉，或(iii)根據GEM上市規則第5.46條至5.67條有關須知會本公司及聯交所的董事進行證券交易而須知會本公司及聯交所的權益及淡倉如下：

Name of Directors 董事姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 持有股份數量	Percentage of shareholding 持股百分比
Mr. Fong Chun Man	Interest in a controlled corporation (Note 1)	440,000,000	50.1%
方俊文先生	受控制法團權益(附註1)	440,000,000 (Long position) (好倉)	50.1%
Ms. Lo Pui Yee	Interest of spouse (Note 2)	440,000,000	50.1%
勞佩儀女士	配偶權益(附註2)	440,000,000 (Long position) (好倉)	50.1%

Report of the Board of Directors

董事會報告

Notes:

1. The shares are held by Grand Tycoon Limited, the equity interest of which is owned as to 100% by Mr. Fong Chun Man. Mr. Fong Chun Man is deemed to be interested in all the shares held by Grand Tycoon Limited for the purpose of Part XV of SFO.
2. Ms. Lo Pui Yee is the spouse of Mr. Fong Chun Man and is therefore deemed to be interested in all the shares which Mr. Fong Chun Man is interested for the purpose of Part XV of the SFO.

Save as disclosed above, as at 31 March 2020, none of the Directors and the chief executive of the Company has any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part V of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (iii) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

Interests and short positions of the substantial shareholders and other persons in the shares, underlying shares and debentures of the Company and its associated corporations

As at 31 March 2020, so far as it is known to the Directors, the following persons (not being a Director or chief executive of the Company) had or were deemed to have interests in shares or underlying shares which (i) were recorded in the register required to be kept by the Company under Section 336 of the SFO, or (ii) which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules or, (iii) who will be, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group.

附註：

1. 該等股份由宏亨有限公司持有，其100%股權由方俊文先生擁有。就證券及期貨條例第XV部而言，方俊文先生被視為於宏亨有限公司持有之全部股份中擁有權益。
2. 勞佩儀女士為方俊文先生之配偶，並因此就證券及期貨條例第XV部而言，勞佩儀女士被視為於方俊文先生擁有權益之全部股份中擁有權益。

除上文所披露者外，於2020年3月31日，概無董事或本公司最高行政人員於本公司或其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有(i)根據證券及期貨條例第V部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文被當作或視作擁有的權益及／或淡倉），或(ii)須列入根據證券及期貨條例第352條須存置的登記冊內的任何權益或淡倉，或(iii)根據GEM上市規則第5.46條至5.67條有關須知會本公司及聯交所的董事進行證券交易而須知會本公司及聯交所的任何權益或淡倉。

主要股東及其他人士於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於2020年3月31日，據董事所知，下列人士（本公司董事或最高行政人員除外）於股份或相關股份中擁有或被視作擁有權益，而(i)須列入於本公司根據證券及期貨條例第336條規定須存置的登記冊，或(ii)根據證券及期貨條例第XV部第2及3分部條文及GEM上市規則而將予以披露，或(iii)將直接或間接於附帶權利可於所有情況下在本集團任何成員公司的股東大會上表決的任何類別股本面值10%或以上中擁有權益。

Report of the Board of Directors

董事會報告

Name of Shareholders 股東名稱／姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 持有股份數量	Percentage of shareholding 持股百分比
Grand Tycoon Limited	Beneficial owner (Note 1)	440,000,000 (Long position)	50.1%
宏亨有限公司	實益擁有人(附註1)	440,000,000 (好倉)	50.1%
Mr. Li Hok Yin	Beneficial owner (Note 2)	49,456,000 (Long position)	5.6%
李學賢先生	實益擁有人(附註2)	49,456,000 (好倉)	5.6%
Ms. Cheung Yee Lok	Interest of spouse (Note 3)	49,456,000 (Long position)	5.6%
張依樂女士	配偶權益(附註3)	49,456,000 (好倉)	5.6%

Notes:

- The shares are held by Grand Tycoon Limited, the equity interest of which is owned as to 100% by Mr. Fong Chun Man. Mr. Fong Chun Man is deemed to be interested in all the shares held by Grand Tycoon Limited for the purpose of Part XV of SFO.
- Mr. Li Hok Yin was the executive Director of the Company and had interest in shares of the Company. Despite his resignation on 21 February 2020, there was no change in his interests in the Shares. Accordingly, he had interest in the Shares in the position as a substantial shareholder of the Company as at 31 March 2020.
- Ms. Cheung Yee Lok is the spouse of Mr. Li Hok Yin and is therefore deemed to be interested in all the shares which Mr. Li Hok Yin is interested for the purpose of Part XV of the SFO.

Save as disclosed above, as at 31 March 2020, the Directors have not been notified by any person who had interests or short positions in the shares, underlying shares or debentures of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Share Option Scheme

The Company has conditionally adopted the share option scheme in which certain eligible participants including, among others, the Directors and employees of the Group may be granted options to subscribe for Shares on 23 March 2017 (the "Adoption Date"). The share option scheme became unconditional upon the Listing Date. Under the terms of the Scheme, the Board may, at its discretion, grant options to eligible participants to subscribe for Shares.

附註：

- 該等股份由宏亨有限公司持有，其100%股權由方俊文先生擁有。就證券及期貨條例第XV部而言，方俊文先生被視為於宏亨有限公司擁有之全部股份中擁有權益。
- 李學賢先生為本公司的執行董事，並於本公司股份中擁有權益。儘管彼於2020年2月21日辭任，其於股份的權益不變。因此，於2020年3月31日，彼以本公司主要股東身份於股份中擁有權益。
- 張依樂女士為李學賢先生的配偶，並因此就證券及期貨條例第XV部而言，被視為於李學賢先生擁有權益之全部股份中擁有權益。

除上文披露者外，於2020年3月31日，概無任何人士已知會董事於本公司股份、相關股份或債權證中擁有須列入根據證券及期貨條例第336條須存置的登記冊或根據證券及期貨條例第XV部第2及3分部條文須予披露之權益或淡倉。

購股權計劃

本公司已於2017年3月23日(「採納日期」)有條件採納購股權計劃，其中若干合資格參與者(其中包括董事及本集團僱員)可能獲授購股權以認購股份。購股權計劃於上市日期後成為無條件。根據該計劃的條款，董事會可酌情向合資格參與者授予購股權以認購股份。

Report of the Board of Directors

董事會報告

No share options were granted since the Adoption Date up to 31 March 2020, and there was no share option outstanding as at 31 March 2020. As at 31 March 2020, the Company had 80,000,000 shares available for issue under the Scheme, representing 10% of the existing issued share capital of the Company.

Competing Interests

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

Interests of the Compliance Adviser

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Guotai Junan Capital Limited ("Guotai Junan") to be the compliance adviser. As informed by Guotai Junan, neither Guotai Junan nor any of its directors or employees or close associates had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities, if any) or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules except for the participation of Guotai Junan as the sponsor in relation to the Listing and the compliance adviser agreement entered into between the Company and Guotai Junan on 8 September 2016.

Directors' Securities Transactions

The Company adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of all Directors, the Company confirms that all of the Directors complied with such required standard of dealings and its code of conduct regarding directors' securities transactions as at the date of this report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Director is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 March 2020, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

自採納日期起直至2020年3月31日，概無授出任何購股權，而於2020年3月31日亦無任何購股權尚未行使。於2020年3月31日，本公司根據該計劃擁有80,000,000股股份可供發行，佔本公司現有已發行股本10%。

競爭權益

董事確認，於報告期間及直至本報告日期，概無控股股東或董事及彼等各自之緊密聯繫人（定義見GEM上市規則）於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務（本集團所營運之業務除外）中擁有權益。

合規顧問之權益

根據GEM上市規則第6A.19條，本公司已委聘國泰君安融資有限公司（「國泰君安」）為合規顧問。誠如國泰君安所告知，國泰君安及其任何董事或僱員或緊密聯繫人概無於本公司或本集團任何成員公司的股本中擁有任何權益（包括購股權或可認購有關證券的權利（如有））或擁有與本公司有關且根據GEM上市規則第6A.32條須知會本公司之其他權益（惟不包括國泰君安就上市作為保薦人所得參與權益及本公司與國泰君安於2016年9月8日訂立的合規顧問協議）。

董事的證券交易

本公司已採納董事進行證券交易的行為守則，其條款嚴謹程度不遜於GEM上市規則第5.48至5.67條所載的規定交易標準。經向全體董事作出具體查詢後，本公司確認，所有董事於本報告日期均已遵守有關規定交易標準及有關董事進行證券交易的行為守則。

遵守相關法律及法規

就董事所知，本集團在各重大方面已遵守對本集團業務及營運有重大影響的相關法律及法規。截至2020年3月31日止年度，本集團概無嚴重違反或不遵守適用法律及法規。

Report of the Board of Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2020, the aggregate amount of turnover attributed to the Group's largest and the five largest customers accounted for 16.3% and 51% (2019: 22.4% and 53.1%) of the total revenue of the Group, respectively. For the year ended 31 March 2020, the Group's purchase from the largest and the five largest suppliers accounted for 29% and 60.3% (2019: 44.8% and 87.9%) of the total purchases of the Group, respectively. At no time during the year ended 31 March 2020 did the Directors, their associates nor any shareholder of the Company (which to the knowledge of the Directors, owned more than 5% of the Company's issued share capital) have any interest in the Group's major customers or suppliers as disclosed above.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

On 30 August 2019, 18 September 2019 and 25 October 2019, 江西新冀動力科技有限公司 (Jiangxi Xinji Power Technology Company Limited*) ("Jiangxi Xinji"), a subsidiary of the Company, for the purpose of its requirements necessary for production of steel products and motor parts, had entered into certain purchase transactions with 新鋼(上海)貿易有限公司 (New Steel (Shanghai) Trade Co., Ltd.*) ("New Steel (Shanghai)") for the purchase of iron and steel materials (the "First Purchase Transactions"). During the period between August 2019 and June 2020, Jiangxi Xinji had entered into certain purchase transactions with 中冶南方(新余)冷軋新材料技術有限公司 (Wisdri (Xinyu) Cold Processing Engineering Co., Ltd.*) ("Wisdri (Xinyu)") for the purchase of iron and steel materials (together with the First Purchase Transactions, the "Purchase Transactions").

During the period between August 2019 and March 2020, the aggregate amount of the Purchase Transactions incurred by the Group for the year ended 31 March 2020 amounted to approximately RMB15,991,000 (equivalent to approximately HK\$17,923,000).

主要客戶及供應商

截至2020年3月31日止年度，本集團最大及五大客戶所貢獻總收入分別佔本集團總收益之16.3%及51%（2019年：22.4%及53.1%）。截至2020年3月31日止年度，本集團自最大及五大供應商之採購分別佔本集團採購總額之29%及60.3%（2019年：44.8%及87.9%）。截至2020年3月31日止年度，概無本公司董事、彼等之聯繫人或任何股東（就董事所知擁有本公司已發行股本逾5%者）於上文所披露之本集團主要客戶或供應商中擁有任何權益。

關連交易及持續關連交易

於2019年8月30日、2019年9月18日及2019年10月25日，本公司附屬公司江西新冀動力科技有限公司（「江西新冀」就生產鋼產品及汽車零部件必需的要求與新鋼(上海)貿易有限公司（「新鋼(上海)」）訂立若干採購交易（「第一次採購交易」）以採購鋼鐵材料。於2019年8月至2020年6月期間，江西新冀與中冶南方(新余)冷軋新材料技術有限公司（「中冶南方(新余)」）訂立若干採購交易（連同第一次採購交易統稱「採購交易」）以採購鋼鐵材料。

於2019年8月至2020年3月期間，本集團截至2020年3月31日止年度所產生的採購交易總金額約為人民幣15,991,000元（相當於約17,923,000港元）。

Report of the Board of Directors 董事會報告

Jiangxi Xinji is an indirect non-wholly owned subsidiary of the Company holding 55% equity interest in Jiangxi Xinji. The remaining equity interests in Jiangxi Xinji are held as to 35% by 新余鋼鐵集團有限公司 (Xinyu Iron and Steel Corporation Ltd.*) (“**Xinyu Steel Group**”) (a state-owned enterprise) and as to 10% by a shareholder. Xinyu Steel Group, being a substantial shareholder of Jiangxi Xinji, has held 100% equity interest in New Steel (Shanghai), which in turn is an associate of Xinyu Steel Group by virtue of Rule 20.11(1) of the GEM Listing Rules. Furthermore, Wisdri (Xinyu) is owned as to 70% by 新余鋼鐵股份有限公司 (Xinyu Iron and Steel Co., Ltd.*) (“**Xinyu Iron and Steel**”) which in turn is owned as to approximately 38.17% by Xinyu Steel Group. Therefore, Wisdri (Xinyu) is an associate of Xinyu Steel Group by virtue of Rule 20.11(3) of the GEM Listing Rules. As such, each of New Steel (Shanghai) and Wisdri (Xinyu) is a connected person of the Company at subsidiary level and the Purchase Transactions between the Group and each of New Steel (Shanghai) and Wisdri (Xinyu) constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

The purchase prices for the Purchase Transactions have been and will be determined on order-by-order basis with reference to the prevailing comparable market price after arm’s length negotiation between the Group and each of New Steel (Shanghai) and Wisdri (Xinyu). The purchase prices are settled in cash. Our Group has purchased the iron and steel materials on an as-needed basis and will continue to do so on such basis. As the iron and steel materials required are generally readily available in the market, it is our policy to obtain quotations from at least three independent suppliers that provide similar materials before we make any purchase from New Steel (Shanghai) and Wisdri (Xinyu). Based on the fee quotes provided by other independent suppliers, we will be able to ensure that the purchase price to be paid to New Steel (Shanghai) and Wisdri (Xinyu) by our Group represents the prevailing market price and on normal commercial terms.

We have purchased iron and steel materials from Wisdri (Xinyu) and New Steel (Shanghai) since August 2019 and November 2019 respectively. Since our Group is satisfied with the quality and timely delivery of the materials provided by Wisdri (Xinyu) and New Steel (Shanghai) and the terms offered by them to our Group are on normal commercial terms, our Directors are of the view that it will be in the interests of our Group and our Shareholders as a whole to continue the Purchase Transactions with Wisdri (Xinyu) and New Steel (Shanghai), where necessary.

江西新冀為本公司間接非全資附屬公司，而本公司持有江西新冀的55%股權。江西新冀的餘下股權分別由國有企業新余鋼鐵集團有限公司（「**新余鋼鐵集團**」）及一名股東分別持有35%及10%權益。新余鋼鐵集團作為江西新冀的主要股東，持有新鋼（上海）的100%股權，而後者根據GEM上市規則第20.11(1)條為新余鋼鐵集團的聯營公司。另外，中冶南方（新余）由新余鋼鐵股份有限公司（「**新余鋼鐵**」）擁有70%權益，而新余鋼鐵由新余鋼鐵集團擁有約38.17%權益。因此，中冶南方（新余）根據GEM上市規則第20.11(3)條為新余鋼鐵集團的聯營公司。因此，新鋼（上海）及中冶南方（新余）於附屬公司層面上各自為本公司的關連人士，且本集團與新鋼（上海）及中冶南方（新余）各自訂立的採購交易根據GEM上市規則第20章構成本公司的持續關連交易。

採購交易的採購價已及將在參考現行可資比較市價後由本集團與新鋼（上海）及中冶南方（新余）分別按個別訂單基準公平磋商釐定。採購家已以現金結清。本集團已按需要採購鋼鐵材料並在此需要上繼續購買。由於所需鋼鐵材料一般可隨時從市場獲得，故此本集團的政策是在向新鋼（上海）及中冶南方（新余）進行任何採購前，先會從最少三名其他提供類似材料的獨立供應商取得報價。根據其他獨立供應商提供的報價，本集團將能確保本集團向新鋼（上海）及中冶南方（新余）支付的採購價乃反映現行市價且符合一般商業條款。

自2019年8月及2019年11月以來，本集團已分別向中冶南方（新余）及新鋼（上海）採購鋼鐵材料。由於本集團信納中冶南方（新余）及新鋼（上海）供應的材料質量及按時交付，且彼等向本集團提供的條款為一般商業條款，故董事認為在必要時繼續與中冶南方（新余）及新鋼（上海）進行採購交易將符合本集團及股東的整體利益。

Report of the Board of Directors

董事會報告

Pursuant to Rule 20.99 of the GEM Listing Rules, a connected transaction between the listed issuer's group and a connected person at the subsidiary level on normal commercial terms or better is exempted from circular, independent financial advice and shareholders' approval requirements if: (1) the listed issuer's board of directors has approved the transactions; and (2) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the listed issuer and its shareholders as a whole.

Owing to the latest situation of the COVID-19 pandemic and the suspension of work of Jiangxi Xinji around January to March 2020 resulting from the COVID-19 pandemic, the management of the Company was not in a position to maintain effective communication with the staff of Jiangxi Xinji for purpose of gathering sufficient information for the Board of Directors (including the independent non-executive Directors) to consider and approve the Purchase Transactions on a timely basis. In June 2020, during preparation of the annual results for the year ended 31 March 2020, the Company has managed to gather all necessary information from Jiangxi Xinji regarding the Purchase Transactions for approval by the Board in accordance with Rule 20.99 of the GEM Listing Rules.

Confirmation from the Directors in relation to Continuing Connected Transactions

On 30 June 2020, the Company has obtained the approval from the Board (including the independent non-executive Directors) regarding the Purchase Transactions. Pursuant to Rule 20.53 of the GEM Listing Rules, the Directors (including the independent non-executive Directors) have confirmed and ratified that the terms of the Purchase Transactions have been entered into and will be carried out:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreements governing the Purchase Transactions on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

根據GEM上市規則第20.99條，上市發行集團與附屬公司層面的關連人士之間按一般商業條款或更佳條款的關連交易獲豁免遵守通函、獨立財務意見及股東批准規定，前提為：(1)上市發行人的董事會已批准交易；及(2)獨立非執行董事已確認交易的條款屬公平合理，且交易乃按一般商業條款或更佳條款訂立，並符合上市發行人及其股東之整體利益。

由於新型冠狀病毒疫情的最新進展以及江西新冀於2020年1月至3月前後因新型冠狀病毒疫情停工，本公司管理層未能與江西新冀的人員維持有效聯絡，以獲取充足資料供董事會（包括獨立非執行董事）及時考慮及批准採購交易。於2020年6月編製截至2020年3月31日止年度的年度業績時，本公司已成功向江西新冀取得有關採購交易的一切必要資料，以供董事會根據GEM上市規則第20.99條審批。

董事對持續關連交易的確認

於2020年6月30日，本公司已向董事會（包括獨立非執行董事）就採購交易取得批准。根據GEM上市規則第20.53條，董事（包括獨立非執行董事）已確認及追認採購交易條款已經及將會：

- (1) 於本集團一般及日常業務過程中訂立及進行；
- (2) 按一般商業條款或更佳條款訂立及進行；及
- (3) 根據規管採購交易的協議按公平合理的條款訂立及進行，並符合本公司及股東的整體利益。

Report of the Board of Directors 董事會報告

The Company confirms that the Company has complied with the reporting and annual review requirements under Chapter 20 of the GEM Listing Rules in respect of the continuing connected transactions set out above.

As such, pursuant to Rule 20.99 of the GEM Listing Rules, the Purchase Transactions are only subject to reporting and announcement requirements, and are exempted from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Company's auditor was engaged to report on the Group's continuing connected transactions disclosed above in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong GEM Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Pursuant to Rule 20.54 of the GEM Listing Rules, the auditor has confirmed in a letter to the Board in respect of the disclosed continuing connected transactions that nothing has come to their attention that (i) causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors; (ii) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; (iii) had exceeded the caps set by the company; and (iv) were not, in all material respects, in accordance with the pricing policies of the Group.

Save as disclosed above, during the year ended 31 March 2020, the Group did not enter into any transactions which need to be disclosed as connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules.

Details of the material related party transactions are set out in note 44 to the consolidated financial statements of this report. These related party transactions did not constitute connected transactions or continuing connected transactions pursuant to Chapter 20 of the GEM Listing Rules.

Remuneration to key management personnel of the Group, including Directors described in notes 13 and 14 to the Group's consolidated financial statements are continuing connected transactions exempt from the connected transaction requirements under Rule 20.93 of the GEM Listing Rules.

本公司確認，本公司已就上文所載的持續關連交易遵守GEM上市規則第20章項下的申報及年度審閱規定。

因此，根據GEM上市規則第20.99條，採購交易根據GEM上市規則第20章僅須遵守申報及公告規定，並獲豁免遵守通函、獨立財務意見及獨立股東批准規定。

本公司核數師已獲委聘根據香港會計師公會頒佈的香港鑒證委聘準則第3000號「審核或審閱歷史財務資料以外的鑒證委聘」及經參考實務說明第740號「關於香港GEM上市規則所述持續關連交易的核數師函件」報告上文披露的本集團持續關連交易。根據GEM上市規則第20.54條，核數師已就所披露的持續關連交易在致董事會的信中確認，彼等並不知悉(i)令彼等相信所披露的持續關連交易未得到公司董事會的批准；(ii)並無按照規管有關交易的相關協議於所有重大方面達成協議；(iii)已超過公司設定的上限；及(iv)並非於所有重大方面符合本集團的定價政策。

除上文所披露者外，截至2020年3月31日止年度，本集團並無訂立根據GEM上市規則第20章須披露為關連交易或持續關連交易的任何交易。

重大關聯方交易的詳情載於本報告綜合財務報表附註44。根據GEM上市規則第20章，該等關聯方交易並不構成關連交易或持續關連交易。

本集團綜合財務報表附註13及14所述之本集團主要管理層(包括董事)之薪酬乃獲豁免遵守GEM上市規則第20.93條關連交易規定的持續關連交易。

Report of the Board of Directors

董事會報告

Corporate Governance

The Company is firmly committed to maintaining and ensuring a high level of corporate governance standards and will review and improve the corporate governance practices and standards constantly. During the year ended 31 March 2020, the Company has complied with the code provisions set out in the Corporate Governance Code (the “Code Provisions”) contained in Appendix 15 of the GEM Listing Rules.

Details of the corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 20 to 37 of this report.

EQUITY-LINKED AGREEMENT

Save as disclosed in the section headed “Share Option Scheme”, no equity-linked agreement was entered into by the Company during the year ended 31 March 2020 or subsisted at the end of the reporting year.

SUFFICIENCY OF PUBLIC FLOAT

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

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHERS

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

PRE-EMPTIVE RIGHTS

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

企業管治

本公司致力維持及確保高水平的企業管治標準，並將不斷檢討及改善企業管治常規及標準。截至2020年3月31日止年度，本公司一直遵守GEM上市規則附錄十五所載企業管治守則的守則條文（「守則條文」）。

本公司所採納之企業管治常規詳情載於本報告第20至37頁的企業管治報告。

權益掛鈎協議

除「購股權計劃」一節所披露者外，本公司概無於截至2020年3月31日止年度訂立或於報告年度結束時仍然有效的權益掛鈎協議。

足夠公眾持股量

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

與僱員、客戶、供應商及其他人士的關鍵關係

本集團深明與供應商及客戶保持良好關係以實現其即時及長期目標的重要性。於報告期間，本集團與供應商及客戶之間並無嚴重或重大糾紛。

優先購買權

開曼群島法律或細則概無有關本公司須按比例向現有股東提呈發售新股份之優先購買權或類似權利之條文。

Report of the Board of Directors

董事會報告

PERMITTED INDEMNITY PROVISION

During the year ended 31 March 2020, a directors' liability insurance was currently in place to protect the Directors against potential costs and liabilities arising from claims brought against the Directors.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2020, the Group had 53 employees (2019: 22 employees) including the Directors. The remuneration package the Group offered to the employees includes salary, bonuses and other cash subsidies. In general, the Group determines employees' salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of our employees, which forms the basis of the Group's decisions with respect to salary raises, bonuses and promotions.

BUSINESS REVIEW

A fair review of the business and outlook of the Company as well as a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position can be found in the management discussion and analysis set out on pages 6 to 19 of this annual report. Those discussions form part of this report.

RELIEF OF TAXATION

The Directors are not aware of any tax relief or tax exemption available to the shareholders by reason of their holding of the Company's securities.

The Company received HK\$165,000 tax relief for the year ended 31 March 2020, which is reflected in note 11 to the consolidated financial statements.

ANNUAL GENERAL MEETING

The annual general meeting ("AGM") of the Company will be held on Thursday, 6 August 2020, the notice of which shall be sent to the shareholders of the Company in accordance with the Articles, the GEM Listing Rules and other applicable laws and regulations.

獲准許的彌償條文

截至2020年3月31日止年度，本公司目前已投購董事責任保險，以保障董事免受因被提出申索而可能招致的潛在成本及責任。

僱員及薪酬政策

於2020年3月31日，本集團擁有53名僱員，(2019年：擁有22名僱員)包括董事。本集團向僱員提供的薪酬組合包括薪金、花紅及其他現金補貼。一般而言，本集團根據各僱員的資歷、職位及年資釐定其薪金。本集團已制定年度檢討機制以評估僱員的表現，此機制亦為本集團對加薪、發放花紅及升職決定的基準。

業務回顧

有關本年度內本公司業務及前景的公平回顧及本集團表現的討論及分析，以及與其業績及財務狀況有關的重大因素載列於本年報第6至19頁所載的管理層討論及分析。該等討論構成本報告一部分。

稅務寬免

董事並不知悉股東因其持有本公司證券而可獲取任何稅務寬免或免稅。

截至2020年3月31日止年度，本公司已獲取稅務寬免165,000港元，並已於綜合財務報表附註11內反映。

股東週年大會

本公司將於2020年8月6日(星期四)舉行股東週年大會(「股東週年大會」)，有關大會通告將根據細則、GEM上市規則及其他適用法律及法規寄發予本公司股東。

Report of the Board of Directors

董事會報告

CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the forthcoming AGM, the register of members of the Company will be closed from Monday, 3 August 2020 to Thursday, 6 August 2020, both days inclusive, during which period no transfer of the shares of the Company will be registered.

Shareholders are reminded to ensure that all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Friday, 31 July 2020.

ENVIRONMENT POLICIES AND PERFORMANCE

The principal activity of the sale and transportation of diesel oil and related products business of the Group is governed by Hong Kong environmental laws and regulations including the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong) and the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) in Hong Kong.

These laws and regulations cover a broad range of environmental matters, including air pollution, noise and gas emissions, leakage of oil products or other hazardous substances. The Group recognises the importance of environmental protection and has implemented various environmental protection measures in order to minimise the operation impact on the environment and natural resources.

The Group will continue to monitor the business operations in order to ensure that it does not have only significant adverse effect on the environment and that the Group's environment protection measures are adequate to ensure compliance with all applicable current Hong Kong laws or regulations.

As at the date of this report, no prosecution, penalty or punishment has been imposed upon the Group for the violation of any environmental laws or regulations.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, the Board is not aware of any significant events that have occurred requiring disclosure.

暫停辦理股份過戶登記手續

為釐定出席應屆股東週年大會並於會上投票之資格，本公司將於2020年8月3日(星期一)至2020年8月6日(星期四)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會辦理本公司股份過戶登記。

務請股東確保所有填妥之股份過戶表格連同相關股票須不遲於2020年7月31日(星期五)下午4時30分交回本公司之香港股份過戶登記分處，寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室。

環境政策及表現

本集團的主要業務為柴油及相關產品銷售及運輸，受香港環保法律及法規規管，包括香港法例第311章香港空氣污染管制條例及香港法例第358章水污染管制條例。

該等法律及法規涵蓋範圍廣泛的環境事務，包括空氣污染、噪音及氣體排放、石油產品或其他危害物質的洩漏。本集團認同環境保護的重要性，並已實施多項環境保護措施以將業務對環境及天然資源的影響降至最低。

本集團將持續監察業務運營，以確保其並無對環境造成重大不利影響，而本集團有充足的環境保護措施以確保遵守所有香港現行適用法律或法規。

於本報告日期，本集團概無因違反任何環境法律或法規而遭受檢控、罰款或處罰。

報告期後事項

除本年報所披露者外，董事會並不知悉任何已發生而須予披露之重大事件。

Report of the Board of Directors

董事會報告

AUDITORS

The consolidated financial statement for the year ended 31 March 2020 has been audited by HLB Hodgson Impey Cheng Limited, who shall retire at the forthcoming AGM and being eligible to offer themselves for re-appointment.

By order of the Board

F8 ENTERPRISES (HOLDINGS) GROUP LIMITED
FONG Chun Man
Chairman

核數師

截至2020年3月31日止年度的綜合財務報表已由國衛會計師事務所有限公司審核，而其將於應屆股東週年大會上退任並符合資格及願意續聘連任。

承董事會命

F8企業(控股)集團有限公司
主席
方俊文

Biographies of Board of Directors and Senior Management 董事會及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Fong Chun Man (“**Mr. Fong**”), aged 40, is our founder, executive Director, Chairman, compliance officer, member of the Nomination Committee and Remuneration Committee, and is responsible for our Group’s overall corporate management and business development strategies. Mr. Fong was appointed as an executive Director on 23 March 2017. Mr. Fong established our Group in early 2005 and was appointed as the director of Great Wall (International) Oil Limited in December 2005.

Mr. Fong has over 15 years of experience in the sale and transportation of diesel oil and related products. The performance of the Company is achieved in great level. He was responsible for the Company’s daily operation, including but not limited to submitting tender proposals and undertaking construction projects, managing its corporate accounting and administrative matter, monitoring the logistics of projects and contacting suppliers and customers, such as authorised agents appointed by the Oil Majors. Mr. Fong has also been the director of Jet Good Limited since April 2005, a company whose principal business involves the provision of construction materials and related logistics services in Hong Kong, where he has gained experience in business operation and management expertise.

Mr. Fong has completed the Hong Kong Advanced Level Examination in July 1999 and has been a committee member of the 13th and 14th sessions of the Chinese People’s Political Consultative Conference Guangzhou City Yue Xiu District Committee (中國人民政治協商會議廣州市越秀區委員會) since May 2008 and the committee member of the 13th session of the Chinese People’s Political Consultative Conference Guangzhou Committee (中國人民政治協商會議廣州市委員會) since January 2017. Mr. Fong is the director and the chairman of the audit committee of Pok Oi Hospital, a non-profit hospital in Hong Kong since 2012 and the director of the planning and procedure department of the Hong Kong Road Safety Patrol since March 2015. He is also the current honorary president of the Hong Kong Girl Guides Association Shatin branch. Mr. Fong is the spouse of Ms. Lo.

Saved as disclosed above, he was not a director in any listed companies for the last three preceding years.

執行董事

方俊文先生(「方先生」)，40歲，是我們的創辦人、執行董事、主席、合規主任、提名委員會及薪酬委員會成員，並負責本集團的整體企業管理及業務發展策略。方先生於2017年3月23日獲委任為執行董事。方先生於2005年年初創辦本集團並於2005年12月獲委任為長城(國際)石油有限公司的董事。

方先生於柴油及相關產品銷售及運輸方面擁有逾15年經驗，並且業績彪炳。彼負責本公司日常營運，包括但不限於提交招標建議及承接工程項目、管理其企業會計及行政事宜、監察項目物流以及聯絡供應商及客戶，例如由主要石油業者委任的授權代理。自2005年4月起，方先生亦於勤亨有限公司(一間主要業務涉及在香港提供建築材料及相關物流服務的公司)擔任董事，從中取得業務營運經驗及管理的專業知識。

方先生於1999年7月完成香港高級程度會考，並分別自2008年5月起成為第13屆及第14屆中國人民政治協商會議廣州市越秀區委員會委員及自2017年1月起成為第13屆中國人民政治協商會議廣州市委員會的委員。方先生自2012年起成為香港非牟利醫院博愛醫院的總理及審核委員會主席以及自2015年3月起成為香港交通安全隊策劃及程序署署長。方先生亦現為香港女童軍沙田分會名譽會長。方先生為勞女士的配偶。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

Biographies of Board of Directors and Senior Management 董事會及高級管理層履歷

Ms. Lo Pui Yee ("Ms. Lo"), aged 41, was appointed as our executive Director, and vice chairlady on 22 August 2016. Ms. Lo is responsible for supervising the overall administration and operation of our Group. She has more than 17 years of experience in the business administration and marketing area. Ms. Lo joined our Group in June 2016.

Ms. Lo has completed the Hong Kong Advanced Level Examination in July 1999. Since June 2002, Ms. Lo has gained exposure in the daily administration, operation and executive management and has been a sole proprietor of Alpha Communications Company, which carries on the business of the provision of telecommunication and internet services, and has been responsible for supervising the business development and corporate governance. Since 2011, Ms. Lo has been a director and shareholder of Luxe Tuxedo Limited, an apparel company offering high-end men's formal suit and attire in Hong Kong, responsible for overseeing the administrative function, enhancing communication channels between management and staff and product branding. Ms. Lo is the spouse of Mr. Fong.

Saved as disclosed above, she was not a director in any listed companies for the last three preceding years.

Mr. Chan Chi Fai ("Mr. Chan"), aged 39, was appointed as our executive Director and chief executive officer on 22 August 2016 and is responsible for the operation of our fleet of tank wagon and business strategies implementation. Mr. Chan has joined Great Wall (International) Oil Company since September 2010.

Mr. Chan obtained a higher certificate and a higher diploma in Civil Engineering from the Hong Kong Institute of Vocational Education in July 2007 and July 2009, respectively. Mr. Chan also completed the certificate for Safety Supervisor (Construction Industry), Safety Training Techniques Course and Safe Working Cycle Course in February 2002, January 2009 and January 2009, respectively. Prior to joining our Group, Mr. Chan worked as a foreman in Yuk Shing Engineering Co., Limited from March 2000 to February 2007 whose principal business is construction and engineering, responsible for general site operation for drainage work and earthwork. From March 2007 to July 2010, Mr. Chan joined Vibro (H.K.) Limited and was promoted as a geotechnical field technician, whose principal business is construction, responsible for ground investigation arrangement and carrying out necessary testing.

Saved as disclosed above, he was not a director in any listed companies for the last three preceding years.

勞佩儀女士(「勞女士」)，41歲，於2016年8月22日獲委任為我們的執行董事兼副主席。勞女士負責監督本集團的整體行政及營運事宜。彼於商業管理及市場推廣領域擁有逾17年經驗。勞女士於2016年6月加盟本集團。

勞女士於1999年7月完成香港高級程度會考。自2002年6月起，勞女士已取得日常行政管理、經營及執行管理經驗，並一直為Alpha Communications Company(從事提供電訊及互聯網服務的業務)獨資經營者，且一直負責監督業務發展及企業管治。自2011年起，勞女士為華麗男士禮服有限公司(一間於香港提供男士高級禮服及西裝的服裝公司)的董事及股東，負責監督行政管理職能、提升管理層與員工之間的溝通以及產品品牌。勞女士為方先生的配偶。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

陳志輝先生(「陳先生」)，39歲，於2016年8月22日獲委任為我們的執行董事及行政總裁，並負責油缸車車隊運作及實施業務策略。陳先生自2010年9月加入長城(國際)石油公司。

陳先生分別於2007年7月及2009年7月取得香港專業教育學院土木工程高級證書及高級文憑。陳先生亦分別於2002年2月、2009年1月及2009年1月取得安全督導員(建造業)證書並完成安全訓練技巧課程及安全施工程序課程。加入本集團前，陳先生自2000年3月至2007年2月於鈺成工程有限公司(其主要業務為建築及工程)擔任管工，負責渠務工程及泥井工程的一般現場營運。自2007年3月至2010年7月，陳先生加入惠保(香港)有限公司(其主要業務為建築)並獲晉升為土力工程領域技術人員，負責土地勘探安排及進行必要檢測。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

Biographies of Board of Directors and Senior Management

董事會及高級管理層履歷

Mr. Li Hok Yin ("Mr. Li"), aged 42, was appointed as our executive Director on 21 June 2018 and Mr. Li tendered his resignation as an executive Director with effect from 21 February 2020 due to his own business commitments. Mr. Li has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders or the Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chui Chi Yun, Robert ("Mr. Chui"), aged 63, was appointed as our independent non-executive Director on 23 March 2017. Mr. Chui is the chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee.

Mr. Chui obtained a Bachelor's degree in commerce from the Concordia University in June 1978 and was awarded the Medal of Honour by the Government of Hong Kong Special Administrative Region in 2014. Mr. Chui is currently a practicing certified public accountant in Hong Kong and is a fellow member of the Hong Kong Society of Accountants since June 1991 and the Chartered Association of Certified Accountants since May 1989. Mr. Chui has over 35 years of experience in the accounting field and is the founder of a Hong Kong accounting firm, Robert Chui CPA Limited since August 1991.

Mr. Chui has been appointed as an independent non-executive director of Tse Sui Luen Jewellery (International) Limited, (Hong Kong stock code: 417), National Arts Entertainment and Culture Group Limited, (Hong Kong stock code: 8228), Wing Lee Property Investments Limited (Hong Kong stock code: 864) and Asia Cassava Resources Holdings Limited (Hong Kong stock code: 841) since April 1999, May 2009, February 2013 and August 2018, respectively. From June 2015 to July 2018, Mr. Chui was appointed as an independent non-executive director of PPS International (Holdings) limited (Hong Kong stock code: 8201).

Saved as disclosed above, he was not a director in any listed companies for the last three preceding years.

Mr. Kwong Yuk Lap ("Mr. Kwong"), aged 44, was appointed as our independent non-executive Director on 23 March 2017. Mr. Kwong is the chairman of the Nomination Committee and a member of the Audit Committee.

Mr. Kwong obtained a Bachelor's degree in electronics from The Open University of Hong Kong in December 2001, a diploma in information technology from the School of Professional and Continuing Education of The University of Hong Kong in June 2004 and a master degree in information technology from Charles Sturt University, Australia in November 2005.

李學賢先生(「李先生」)，42歲，於2018年6月21日獲委任為我們的執行董事，惟李先生因其個人業務承擔而提呈辭任執行董事職務，自2020年2月21日起生效。李先生已確認，彼與董事會之間並無意見分歧，亦無有關彼辭任的事宜須敦請股東或聯交所垂注。

獨立非執行董事

崔志仁先生(「崔先生」)，63歲，於2017年3月23日獲委任為我們的獨立非執行董事。崔先生為審核委員會主席以及提名委員會及薪酬委員會成員。

崔先生於1978年6月取得康考迪亞大學商科學士學位，並於2014年獲香港特別行政區政府頒授榮譽勳章。崔先生目前為香港執業會計師，並分別自1991年6月起及自1989年5月起成為香港會計師公會及特許公認會計師公會的資深會員。崔先生於會計領域擁有逾35年經驗，自1991年8月起為香港的會計師行志仁會計師行有限公司的創辦人。

崔先生分別自1999年4月、2009年5月、2013年2月及2018年8月起獲委任為謝瑞麟珠寶(國際)有限公司(香港股份代號：417)、國藝娛樂文化集團有限公司(香港股份代號：8228)、永利地產發展有限公司(香港股份代號：864)及亞洲木薯資源控股有限公司(香港股份代號：841)的獨立非執行董事。自2015年6月至2018年7月，崔先生獲委任為寶聯控股有限公司(香港股份代號：8201)之獨立非執行董事。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

鄭旭立先生(「鄭先生」)，44歲，於2017年3月23日獲委任為我們的獨立非執行董事。鄭先生為提名委員會主席及審核委員會成員。

鄭先生於2001年12月自香港公開大學取得電子學理學士學位，於2004年6月自香港大學專業進修學院取得資訊科技文憑，以及於2005年11月自澳洲查爾斯史都華大學取得資訊科技碩士學位。

Biographies of Board of Directors and Senior Management 董事會及高級管理層履歷

From December 2013 to October 2015, Mr. Kwong was appointed as a non-executive director of Wealth Glory Holdings Limited (Hong Kong stock code: 8269), whose principal activities involve manufacture and sale of fresh and dried noodles, investment holding in coal trading business, trading of natural resources and commodities and money lender. From November 2015 to August 2016, Mr. Kwong was re-designated as an executive director of Wealth Glory Holdings Limited.

Saved as disclosed above, he was not a director in any listed companies for the last three preceding years.

Mr. Wang Anyuan (“Mr. Wang”), aged 49, was appointed as our independent non-executive Director on 23 March 2017. Mr. Wang is the chairman of the Remuneration Committee and a member of the Audit Committee.

Mr. Wang obtained a Bachelor’s degree specialising in maritime and communication accounting from the Shanghai Maritime University in July 1994. He joined China Merchants Group and served as the manager of the audit (risk assurance) department from September 1996 to July 2001, the chief financial officer of China Merchants Securities (HK) Company Limited from July 2001 to January 2007 and general manager of audit (risk assurance) department of China Merchants Finance Holdings Company Limited from February 2007 to February 2008. In April 2008, Mr. Wang served BOCOM International Holdings Company Limited as an executive director and head of China operation, responsible for the equity sales. From June to December 2009, Mr. Wang served CITIC Securities International as a director and head of China operation, responsible for their securities business and had been the account executive of CITIC Securities International Company Limited from January 2010 to November 2012. In October 2012, Mr. Wang served as a deputy head of brokerage department of China Investment Securities (Hong Kong) Financial Holdings Limited, responsible for securities trading. In February 2013, Mr. Wang served as a responsible officer of China Investment Securities International Brokerage Limited of Type 1 (Dealing in Securities) regulated activities as defined in the SFO. Since May 2013, Mr. Wang joined Orient Finance Holdings (Hong Kong) Limited as a business director of the brokerage department. Mr. Wang has been appointed as an executive director, compliance officer and authorised representative of Code Agriculture (Holdings) Limited (Hong Kong stock code: 8153) from September 2015 to January 2018. Mr. Wang is licensed with the SFC as a representative of Orient Securities (Hong Kong) Limited to carry out type 1 (dealing in securities) regulated activity and as a representative of Orient Futures (Hong Kong) Limited to carry out type 2 (dealing in futures contract) regulated activity.

Saved as disclosed above, he was not a director in any listed companies for the last three preceding years.

自2013年12月至2015年10月，鄭先生獲委任為富譽控股有限公司(香港股份代號：8269)的非執行董事，該公司主要業務活動包括製造及銷售新鮮及乾麵、於煤炭貿易業務的投資控股、天然資源及商品貿易以及放債人。由2015年11月至2016年8月，鄭先生獲調任為富譽控股有限公司的執行董事。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

王安元先生(「王先生」)，49歲，於2017年3月23日獲委任為我們的獨立非執行董事。王先生為薪酬委員會主席及審核委員會成員。

王先生於1994年7月自上海海運大學取得水運經濟系會計學學士學位，彼自1996年9月至2001年7月加入招商局集團，擔任審計(稽核)部主任，自2001年7月至2007年1月為招商證券(香港)有限公司的財務總監，並自2007年2月至2008年2月為招商局金融集團有限公司審計(稽核)部總經理。於2008年4月，王先生於交銀國際控股有限公司擔任執行董事及中國業務主管，負責股票銷售。自2009年6月至12月，王先生於中信證券國際擔任董事及中國業務主管，負責證券業務，並自2010年1月至2012年11月於中信證券國際有限公司擔任客戶經理。於2012年10月，王先生於中投證券(香港)金融控股有限公司擔任經紀部門副主管，負責證券交易。於2013年2月，王先生擔任中投證券國際經紀有限公司(從事證券及期貨條例定義第1類(證券交易)之受規管活動)的負責人員。自2013年5月起，王先生加入東方金融控股(香港)有限公司擔任經紀部門業務董事。自2015年9月至2018年1月，王先生獲委任為科地農業控股有限公司(香港股份代號：8153)的執行董事、合規主任及法定代表。王先生獲得證券及期貨事務監察委員會許可作為東方證券(香港)有限公司代表以進行第1類(證券交易)之受規管活動，及作為東方期貨(香港)有限公司之代表以進行第2類(期貨合約交易)之受規管活動。

除上文所披露者外，彼於過往三年內並無於任何上市公司擔任董事職務。

Biographies of Board of Directors and Senior Management

董事會及高級管理層履歷

SENIOR MANAGEMENT

Mr. Cheung Lee Kwok (“**Mr. Cheung**”), aged 42, is our chief operation officer and is responsible for overseeing the daily operation and general financial management of our Group. Mr. Cheung has joined our Group since April 2016.

Mr. Cheung has over 13 years of experience in operational management. He obtained a bachelor’s degree in mathematics from the National Central University, Taiwan, in June 2002. Prior to joining our Group, Mr. Cheung worked as an information technology engineer in Di Sheng Computer Limited (迪生電腦有限公司*) from March 2004 to July 2005, and from January 2007 to May 2007, responsible for conducting products testing and providing customer support. From June 2007 to April 2010, Mr. Cheung worked as an engineer in Chunghwa Picture Tubes, Ltd. (中華映管股份有限公司) whose principal business is involved in the optoelectronic industry (Taiwan stock exchange, stock code: 2475, and Luxembourg stock exchange, ISIN code: US17133M7092), responsible for supervising the production operation and quality control, as well as managing technicians and support staffs for improving operational efficiency. Mr. Cheung then worked in the sale of diesel oil related business in Great Wall (International) Company for six years from April 2010 to March 2016, responsible for the daily operations of the sole proprietorship.

COMPANY SECRETARY

Ms. Leung Yin Fai (“**Ms. Leung**”), aged 55, was appointed as the Group’s company secretary on 26 October 2017. Ms. Leung has been a director of K E Corporate Services Limited (a company secretarial services provider) since April 2016, the managing director of K E Management & Consultancy (Shanghai) Co., Ltd. since August 2015 and an independent non-executive director of Green Leader Holdings Group Limited (Hong Kong Stock Code: 0061) from April 2014 to January 2020. Ms. Leung was a director of KCS Hong Kong Limited from August 2008 to October 2014.

Ms. Leung was admitted as a fellow of the Association of Chartered Certified Accountants (currently known as Chartered Association of Certified Accountants) in the United Kingdom in July 1995. Ms. Leung was also admitted as a fellow member of the CPA Australia in May 2004 and is currently a member of HKICPA. Ms. Leung obtained a master’s degree in commerce from the University of New South Wales, Australia in November 2002.

高級管理層

張利國先生(「張先生」)，42歲，獲委任為我們的營運總監，並負責監察本集團的日常營運及一般財務管理。張先生自2016年4月起加入本集團。

張先生於營運管理方面擁有逾13年經驗。彼於2002年6月自台灣國立中央大學取得數學學士學位。加入本集團前，張先生自2004年3月至2005年7月，及自2007年1月至2007年5月，於迪生電腦有限公司擔任資訊科技工程師，負責進行產品測試及提供客戶支援。自2007年6月至2010年4月，張先生於中華映管股份有限公司(其主要業務為從事光電行業)(台灣證券交易所，股份代號：2475，及盧森堡交易所，證券代碼：US17133M7092)擔任工程師，負責監督生產運作及質量控制，以及管理技術員及支援員工以提升經營效率。張先生隨後自2010年4月至2016年3月於長城(國際)公司從事柴油相關業務銷售達六年，負責獨資經營的日常營運。

公司秘書

梁燕輝女士(「梁女士」)，55歲，於2017年10月26日獲委任為本集團公司秘書。梁女士自2016年4月起一直為東方凱譽有限公司(一間公司秘書服務供應商)之董事、自2015年8月起為凱誠管理諮詢(上海)有限公司之常務董事及自2014年4月至2020年1月為綠領控股集團有限公司(香港股份代號：0061)之獨立非執行董事。梁女士自2008年8月至2014年10月為凱譽香港有限公司之董事。

梁女士於1995年7月成為英國特許公認會計師公會之資深會員。梁女士亦於2004年5月成為澳洲會計師公會之資深會員，並現為香港會計師公會之會員。梁女士於2002年11月取得澳洲新南威爾斯大學商學碩士學位。

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獨立核數師報告



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11 Pedder Street
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香港
中環
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告羅士打大廈31樓

TO THE SHAREHOLDERS OF
F8 ENTERPRISES (HOLDINGS) GROUP LIMITED
(Incorporated in Cayman Islands with limited liability)

致F8企業(控股)集團有限公司
股東
(於開曼群島註冊成立的有限公司)

OPINION

意見

We have audited the consolidated financial statements of F8 Enterprises (Holdings) Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 97 to 211, which comprise the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計列載於第97至211頁的F8企業(控股)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，此綜合財務報表包括於2020年3月31日之綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、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。

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 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於2020年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為擬備。

BASIS FOR OPINION

意見的基礎

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

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

Independent Auditors' 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.

關鍵審計事項

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

Key audit matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p>Allowance for expected credit losses ("ECL") on trade and other receivables 貿易及其他應收款項預期信貸虧損（「預期信貸虧損」）撥備</p> <p>Refer to Notes 5(b), 25 and 26 to the consolidated financial statements. 請參閱綜合財務報表附註5(b)、25及26。</p> <p>As at 31 March 2020, the Group had trade receivables and other receivables of approximately HK\$76,596,000 and HK\$4,314,000, respectively (2019: HK\$71,386,000 and HK\$3,650,000) and provision allowance for ECL on trade receivables and other receivables of approximately HK\$1,771,000 and HK\$716,000, respectively (2019: HK\$1,249,000 and HK\$Nil). 於2020年3月31日，本集團貿易應收款項及其他應收款項分別約為76,596,000港元及4,314,000港元（2019年：71,386,000港元及3,650,000港元），而貿易應收款項及其他應收款項預期信貸虧損撥備準備分別約為1,771,000港元及716,000港元（2019年：1,249,000港元及零港元）。</p> <p>The determination as to whether trade and other receivables are collectable involved high level of management's judgement. Specific factors management considered include the age of the balances, business nature of customers, existence of disputes, recent historical payment patterns and any other available information concerning the creditworthiness of counterparties. Management used these information to determine whether a provision for impairment is required either for a specific transaction or for a customer's balance overall. 釐定貿易及其他應收款項是否可收回涉及高水平的管理層判斷。管理層考慮的特定因素包括結餘賬齡、客戶業務性質、是否存在爭議、近期過往付款模式及有關對手方信譽的任何其他可獲得資料。管理層已使用有關資料釐定是否須就特定交易或整體客戶結餘計提減值撥備。</p>	<p>Our procedures in relation to management's impairment assessment of trade and other receivables included: 我們就管理層的貿易及其他應收款項減值評估進行的程序包括：</p> <ul style="list-style-type: none">Understanding and evaluating the key controls that the Group has implemented to manage and monitor its credit risk, and validating the control effectiveness on a sample basis; 瞭解並評估 貴集團已實施的關鍵監控措施以管理及監控其信貸風險，並抽樣驗證監控措施是否有效；Checking, on a sample basis, the ageing profile of the trade and other receivables to the underlying financial records and post year-end settlements to bank receipts; 抽樣檢查有關財務記錄內的貿易及其他應收款項賬齡情況及於年結日後銀行結算收據；

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Key audit matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p>Allowance for expected credit losses on trade and other receivables (Continued) 貿易及其他應收款項預期信貸虧損撥備(續)</p>	<ul style="list-style-type: none"><li data-bbox="829 454 1445 970">• Inquiring of management for the status of each of the material trade and other receivables past due as at year end and corroborating explanations from management with supporting evidence, such as performing public search of credit profile of selected customers, understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and 質詢管理層有關年結日已逾期的各項重大貿易及其他應收款項狀況以及管理層以證據支持的解釋(例如對選定客戶信貸狀況進行公開調查、基於貿易紀錄瞭解與客戶的持續業務關係、檢查過往及後續結算記錄以及與客戶之間其他往來信函); 及<li data-bbox="829 1009 1445 1347">• Assessing the appropriateness of the expected credit losses provisioning methodology, examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses. 評估預期信貸虧損撥備方法是否恰當, 抽樣審查關鍵輸入數據以評估其準確性及完整性, 並質詢釐定預期信貸虧損所用的假設(包括過往及前瞻性資料)。 <p data-bbox="829 1390 1445 1563">We found that the management judgment and estimates used to assess the recoverability of the trade and other receivables and determine allowance for ECL on trade and other receivables to be supportable by available evidence. 我們發現, 管理層用以評估貿易及其他應收款項可收回能力以及釐定貿易及其他應收款項預期信貸虧損撥備的判斷及估計有可得證據支持。</p>

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獨立核數師報告

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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

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

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE 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 the 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 is responsible for overseeing the Group's financial reporting process.

其他信息

董事須對其他信息負責。其他信息包括年報內的信息，但不包括綜合財務報表及我們的核數師報告（「其他信息」）。

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

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

董事及審核委員會對綜合財務報表的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

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獨立核數師報告

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

核數師就審計綜合財務報表的責任

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對這些風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

We also provide 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.

核數師就審計綜合財務報表的責任 (續)

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、審計時間安排、重大審核發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditors' report is Shek Lui.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Shek Lui
Practising Certificate Number: P05895

Hong Kong, 26 June 2020

核數師就審計綜合財務報表的責任 (續)

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

出具本獨立核數師報告的審計項目董事為石磊。

國衛會計師事務所有限公司
香港執業會計師

石磊
執業證書號碼：P05895

香港，2020年6月26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 2020 截至2020年3月31日止年度		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
CONTINUING OPERATIONS 持續經營業務				
Revenue	收益	6	439,338	229,718
Cost of sales	銷售成本		(415,521)	(207,995)
Gross profit	毛利		23,817	21,723
Other gains or losses	其他收益或虧損	8	291	802
Fair value change on contingent consideration payables	應付或然代價 公平值變動		3,598	–
Administrative expenses	行政開支		(16,042)	(11,342)
Other operating expenses	其他營運開支		(3,135)	(2,984)
Allowance for ECL on trade and other receivables, net	貿易及其他應收款項預期信貸 虧損撥備，淨額		(1,238)	(1,249)
Profit from operations	經營溢利		7,291	6,950
Finance costs	融資成本	9	(1,363)	(137)
Profit before taxation	除稅前溢利	10	5,928	6,813
Income tax expenses	所得稅開支	11	(1,422)	(1,477)
Profit for the year from continuing operations	持續經營業務所得年內溢利		4,506	5,336
DISCONTINUED OPERATION 已終止經營業務				
Loss for the year from discontinued operation	已終止經營業務所致 年內虧損	12	–	(4,532)
Profit for the year	年內溢利		4,506	804
Other comprehensive loss for the year 年內其他全面虧損				
Items that will not be reclassified to profit or loss:	不會重新分類至損益的 項目：			
Fair value change on financial assets at fair value through other comprehensive income	按公平值計入其他全面 收益的金融資產 公平值變動		(905)	–
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的 項目：			
Exchange differences on translating foreign operations	換算海外業務的匯兌差額		(1,027)	(27)
Reclassification for foreign operation disposed of during the year	年內已出售海外業務重新 分類		27	–
			(1,000)	(27)
Other comprehensive loss for the year, net of tax	除稅後年內其他全面虧損		(1,905)	(27)
Total comprehensive income for the year	年內全面收益總額		2,601	777
Profit/(loss) for the year attributable to: 年內應佔溢利／(虧損)：				
Owners of the Company	本公司擁有人		4,664	804
Non-controlling interests	非控股權益		(158)	–
			4,506	804
Total comprehensive income/(expense) for the year attributable to: 年內應佔全面收益／(開支) 總額：				
Owners of the Company	本公司擁有人		3,221	777
Non-controlling interests	非控股權益		(620)	–
			2,601	777

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 2020 截至2020年3月31日止年度	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Earnings per share			
From continuing and discontinued operations attributable to the owners of the Company			
Basic and diluted (HK cents)	16	0.58	0.10
From continuing operations			
Basic and diluted (HK cents)	16	0.58	0.67

The accompanying notes form an integral part of these consolidated financial statements. 附註為此等綜合財務報表的組成部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020 於2020年3月31日	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019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	20,494	9,960
Right-of-use assets	使用權資產	18	245	–
Prepayment for right-of-use assets	使用權資產預付款項	19	8,235	–
Deposits for property, plant and equipment	物業、廠房及設備按金	26	160	–
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	22	4,678	–
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	23	–	–
Deferred tax assets	遞延稅項資產	34	291	206
			34,103	10,166
Current assets	流動資產			
Inventories	存貨	24	11,519	277
Trade receivables	貿易應收款項	25	76,596	71,386
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	26	11,153	4,913
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	22	750	1,495
Pledged bank deposits	已抵押銀行存款	27	12,025	4,000
Cash and bank balances	現金及銀行結餘	27	6,661	6,034
			118,704	88,105
Assets of disposal group classified as held for sale	分類為持作待售出售集團資產	12	–	20,887
			118,704	108,992
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	28	7,729	6,937
Accruals, other payables and deposits received	應計費用、其他應付款項及已收按金	29	7,179	2,588
Contract liabilities	合約負債	30	4,509	–
Bank borrowings	銀行借款	31	16,090	3,000
Lease liabilities	租賃負債	32	252	–
Tax payables	應付稅項		1,016	1,726
			36,775	14,251
Liabilities of disposal group classified as held for sale	分類為持作待售出售集團負債	12	–	11,834
			36,775	26,085
Net current assets	流動資產淨值		81,929	82,907
Total assets less current liabilities	資產總值減流動負債		116,032	93,073

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020 於 2020 年 3 月 31 日	Notes 附註	2020 2020 年 HK\$'000 千港元	2019 2019 年 HK\$'000 千港元
Non-current liabilities	非流動負債		
Contingent consideration payables	應付或然代價 35	–	3,598
Bonds payable	應付債券 33	8,800	–
Deferred tax liabilities	遞延稅項負債 34	698	924
		9,498	4,522
Net assets	資產淨值	106,534	88,551
Capital and reserves	資本及儲備		
Share capital	股本 36	8,000	8,000
Reserves	儲備	83,772	80,551
Equity attributable to owners of the Company	本公司擁有人應佔權益	91,772	88,551
Non-controlling interests	非控股權益	14,762	–
Total equity	總權益	106,534	88,551

Approved and authorised for the issue by the board of Directors on 26 June 2020 and signed on its behalf by:

已於 2020 年 6 月 26 日獲董事會批准及授權刊發，並經以下人士代表董事會簽署：

Fong Chun Man
方俊文
Executive Director
執行董事

Lo Pui Yee
勞佩儀
Executive Director
執行董事

The accompanying notes form an integral part of these consolidated financial statements.

附註為此等綜合財務報表的組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Other reserve	Capital contribution reserve	Fair value through other comprehensive income reserve	Exchange reserve	Amounts relating to disposal group held for sale	Retained earnings	Sub-total	Non-controlling interest	Total
		股本	股份溢價	其他儲備	資本實繳儲備	收益儲備	匯兌儲備	相關金額	保留盈利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元
For the year ended 31 March 2020 截至2020年3月31日止年度		(Note i) (附註i)	(Note ii) (附註ii)	(Note iii) (附註iii)	(Note iv) (附註iv)	(Note v) (附註v)	(Note vi) (附註vi)					
At 1 April 2018	於2018年4月1日	8,000	49,221	-*	24,652	-	-	-	5,901	87,774	-	87,774
Profit for the year	年內溢利	-	-	-	-	-	-	-	804	804	-	804
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	-	(27)	-	-	(27)	-	(27)
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	-	-	(27)	-	804	777	-	777
Reclassification relating to disposal group as held for sale	有關持作待售出售集團的重新分類	-	-	-	-	-	27	(27)	-	-	-	-
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	8,000	49,221	-*	24,652	-	-	(27)	6,705	88,551	-	88,551
Profit/(loss) for the year	年內溢利/(虧損)	-	-	-	-	-	-	-	4,664	4,664	(158)	4,506
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	(905)	(565)	27	-	(1,443)	(462)	(1,905)
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	-	(905)	(565)	27	4,664	3,221	(620)	2,601
Recognition of non-controlling interest	確認非控股權益	-	-	-	-	-	-	-	-	-	15,382	15,382
At 31 March 2020	於2020年3月31日	8,000	49,221	-*	24,652	(905)	(565)	-	11,369	91,772	14,762	106,534

Notes:

- (i) On 12 April 2017, 200,000,000 shares of HK\$0.01 each of the Company were allotted and issued at a price of HK\$0.32 per Share by way of Shares Offer.
- (ii) Share premium represents the excess of shares issue over the par value.
- (iii) Other reserve of the Group represents the difference between the total equity of the subsidiaries and the aggregated share capital of the subsidiaries pursuant to the Reorganisation where the transfer of the subsidiaries to the Company are satisfied by issue of new shares from the Company. The balance was approximately HK\$8.
- (iv) Capital contribution reserve represents the amount of the financial impact arisen from the transfer of business from Great Wall (International) Oil Company (Sole Proprietorship Business) to Great Wall (International) Oil Limited.
- (v) Fair value reserve comprises the cumulative net change in the fair value of equity investments designated at fair value through other comprehensive income under HKFRS 9 that are held at the end of the reporting period.
- (vi) Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong.
- * The balance was approximately HK\$8

附註：

- (i) 於2017年4月12日，200,000,000股每股面值0.01港元的本公司股份以每股股份0.32港元的價格透過股份發售予以配發及發行。
- (ii) 股份溢價指股份發行超過面值的金額。
- (iii) 本集團的其他儲備指該等附屬公司的權益總額與附屬公司根據重組應佔的股本總額之間的差額(轉讓附屬公司予本公司透過本公司發行新股份支付)。結餘約為8港元。
- (iv) 資本實繳儲備指長城(國際)石油公司(獨資經營業務)向長城(國際)石油有限公司轉讓業務產生的財務影響的金額。
- (v) 公平值儲備包括於報告期末持有根據香港財務報告準則第9號指定為按公平值計入其他全面收益的權益投資公平值累計變動淨額。
- (vi) 匯兌儲備包括換算香港境外業務的財務報表所產生的所有外匯差額。
- * 餘額約為8港元

The accompanying notes form an integral part of these consolidated financial statements.

附註為此等綜合財務報表的組成部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020 截至 2020 年 3 月 31 日止年度		Notes 附註	2020 2020 年 HK\$'000 千港元	2019 2019 年 HK\$'000 千港元
Operating activities	經營活動			
Profit/(loss) before taxation:	除稅前溢利/(虧損)：			
— Continuing operations	— 持續經營業務		5,928	6,813
— Discontinued operation	— 已終止經營業務		—	(4,736)
			5,928	2,077
Adjustments for:	就以下各項作出調整：			
Finance costs	融資成本	9	1,363	137
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	8	(545)	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	17	2,231	2,437
Depreciation of right-of-use assets	使用權資產折舊	18	1,224	—
Amortisation on intangible assets	攤銷無形資產	20	—	815
Net loss/(gain) on financial assets at fair value through profit or loss	按公平值計入損益的金融資產虧損/(收益)淨值	8	471	(390)
Realised loss on financial assets at fair value through profit or loss	按公平值計入損益的金融資產已變現虧損	8	356	—
Loss on disposals of subsidiaries	出售附屬公司虧損	8	27	—
Impairment loss on goodwill	商譽減值虧損	21	—	3,360
Allowance for ECL on trade and other receivables	貿易及其他應收款項預期信貸虧損撥備	25, 26	2,257	1,249
Reversal of allowance for ECL on trade receivables	貿易應收款項預期信貸虧損撥備撥回	25	(1,019)	—
Interest Income	利息收入	8	(41)	—
Fair value change on contingent consideration payables	應付或然代價公平值變動		(3,598)	—
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		8,654	9,685
(Increase)/decrease in inventories	存貨(增加)/減少		(11,542)	65
Increase in trade receivables	貿易應收款項增加		(5,739)	(6,426)
Increase in deposits, prepayments and other receivables	按金、預付款項及其他應收款項增加		(3,491)	(5,600)
Increase in trade payables	貿易應付款項增加		1,948	1,602
Increase in accruals, other payables and deposits received	應計費用、其他應付款項及已收按金增加		3,974	3,300
Increase in contract liabilities	合約負債增加		4,628	—
Cash (used in)/generated from operating activities	經營活動(所用)/所得現金		(1,568)	2,626
Income tax paid	已付所得稅		(2,443)	(5,041)
Net cash used in operating activities	經營活動所用現金淨額		(4,011)	(2,415)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度		Note 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Investing activities	投資活動			
Deposits for property, plant and equipment	物業、廠房及設備按金		(160)	–
Payment of acquisition of subsidiary, net of cash acquired	收購附屬公司付款 (扣除已收購現金)		–	(8,304)
Prepayment for right-of-use assets	使用權資產預付款項		(8,452)	–
Acquisition of property, plant and equipment	收購物業、廠房及設備		(13,087)	–
Acquisition of financial assets at fair value through profit or loss	收購按公平值計入損益的 金融資產		(4,987)	–
Net proceed from disposal of subsidiaries	出售附屬公司所得款項淨額	46	4,491	–
Proceed from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的 金融資產所得款項		227	–
Placement of pledged bank deposit	存入已抵押銀行存款		(8,025)	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備 所得款項		545	–
Interest income	利息收入		41	–
Net cash used in investing activities	投資活動所用現金淨額		(29,407)	(8,304)
Financing activities	融資活動			
Capital contribution from non-controlling interest of a subsidiary	一間附屬公司非控股權益 注資		15,382	–
Proceeds from issue of bonds	發行債券所得款項		8,800	–
Proceeds from bank borrowings	銀行借款所得款項		48,990	3,000
Repayments of bank borrowings	償還銀行借款		(35,900)	–
Proceeds from bills payables	應付票據所得款項		–	1,141
Repayments of bills payables	償還應付票據		(1,141)	–
Repayments to lease liabilities	償還租賃負債		(1,217)	–
Repayments of obligations under finance leases	償還融資租賃承擔		–	(188)
Interest paid	已付利息		(669)	(137)
Net cash generated from financing activities	融資活動所得現金淨額		34,245	3,816
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物的 增加/(減少)淨額		827	(6,903)
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物		6,041	13,179
Effect of foreign exchange rate changes on foreign operation	海外業務匯率變動影響		(207)	(235)
Cash and cash equivalents at the end of the year	年終現金及現金等價物			
Cash and bank balances	現金及銀行結餘		6,661	6,041

The accompanying notes form an integral part of these consolidated financial statements. 附註為此等綜合財務報表的組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 30 March 2018. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and principal place of business in Hong Kong is Units 3304, 33/F, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Hong Kong. The Company's immediate and ultimate holding company is Grand Tycoon Limited, a company incorporated in the British Virgin Islands ("BVI"). Grand Tycoon Limited is controlled by Mr. Fong Chun Man ("Mr. Fong"), a Director of the Company.

The Company is an investment holding company and its subsidiaries principally engaged in the business of the sale and transportation of diesel oil and related products in Hong Kong and the manufacturing and sale of steel products in the People's Republic of China (the "PRC").

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the functional currency of the Company and all values are rounded to the nearest thousands (HK\$'000), except when otherwise stated.

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

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

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

HKFRS 16	Leases
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatment
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015–2017 Cycle

1. 一般資料

本公司於2018年3月30日根據公司法在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港的主要營業地點為香港九龍灣宏照道38號企業廣場五期一座33樓3304室。本公司的直接及最終控股公司為宏亨有限公司，該公司於英屬處女群島（「英屬處女群島」）註冊成立。宏亨有限公司由本公司董事方俊文先生（「方先生」）控制。

本公司為投資控股公司，其附屬公司主要在香港從事銷售及運送柴油燃料及相關產品業務及在中華人民共和國（「中國」）從事鋼產品的製造及銷售。

除另有所指外，綜合財務報表以本公司的功能貨幣港元（「港元」）呈列，而所有價值則湊整至最接近千位（千港元）。

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本

於本年度強制生效的新訂香港財務報告準則及其修訂本

本集團於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈的新訂香港財務報告準則及其修訂本。

香港財務報告準則第16號	租賃
香港財務報告準則第9號（修訂本）	具有負補償的預付款項特性
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理的不確定性
香港會計準則第19號（修訂本）	計劃修訂、縮減或結算
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
香港財務報告準則（修訂本）	香港財務報告準則2015年至2017年週期的年度改進

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 *Leases* (“HKAS 17”), and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessor

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact on leases where the Group is the lessor. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

除下文所述者外，於本年度應用新訂香港財務報告準則及其修訂本並無對本集團於本年度及過往年度的財務狀況及表現及／或綜合財務報表所載的披露構成重大影響。

香港財務報告準則第16號租賃

本集團已於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃（「香港會計準則第17號」）及相關詮釋。

租賃定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而先前並無識別為包含租賃的合約則不會應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於2019年4月1日或之後訂立或修訂的合約而言，本集團根據香港財務報告準則第16號所載規定於評估合約是否包含租賃時應用租賃定義。

作為出租人

香港財務報告準則第16號項下的出租人會計處理方法與香港會計準則第17號相比大致保持不變。出租人將繼續使用與香港會計準則第17號類似的原則將租賃分類為經營或融資租賃。因此，香港財務報告準則第16號對本集團為出租人的租賃並無影響。出租人會計處理方法規定沿用香港會計準則第17號，大致保持不變。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

Definition of a lease (Continued)

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- (iii) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of office in Hong Kong was determined on a portfolio basis;
- (iv) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options; and
- (v) relied on the assessment of whether leases are onerous by applying HKAS 37 Provisions, Contingent Liabilities and Contingent Assets as an alternative of impairment review.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The incremental borrowing rates applied by the relevant group entities is 3.67%.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續）

租賃定義（續）

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於首次應用日期（即2019年4月1日）確認累計影響。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按各項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；
- (ii) 於首次應用日期計量使用權資產時撇除初步直接成本；
- (iii) 就類似經濟環境內相似類別相關資產並具類似剩餘期限的租賃組合應用單一貼現率。具體而言，香港辦公室若干租賃的貼現率乃按組合基準釐定；
- (iv) 根據於首次應用日期的事實及情況於事後釐定本集團帶有續租及終止選擇權的租賃的租期；及
- (v) 依賴應用香港會計準則第37號撥備、或然負債及或然資產評估租賃是否繁重作為減值審閱的替代方案。

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。相關集團實體所應用的增量借款利率為3.67%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

Definition of a lease (Continued)

As a lessee (Continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 March 2020;
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of lease with reasonably similar characteristic (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment); and
- (iii) when measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 March 2019 as an alternative to performing an impairment review.

As at 1 April 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續）

租賃定義（續）

作為承租人（續）

為方便過渡至香港財務報告準則第16號，本集團已於首次應用香港財務報告準則第16號當日應用以下確認豁免及可行權宜方法：

- (i) 本集團選擇不就剩餘租期自首次應用香港財務報告準則第16號當日起計12個月內結束（即於2020年3月31日或之前結束的租期）的租賃應用香港財務報告準則第16號有關確認租賃負債及使用權資產的規定；
- (ii) 於計量首次應用香港財務報告準則第16號當日的租賃負債時，本集團就具有合理類似特徵的租賃組合（例如類似經濟環境內相似類別相關資產並具類似剩餘租期的租賃）應用單一貼現率；及
- (iii) 於計量首次應用香港財務報告準則第16號當日的使用權資產時，本集團倚賴先前於2019年3月31日的繁瑣合約撥備評估作為進行減值審閱的替代方案。

於2019年4月1日，本集團透過應用香港財務報告準則第16.C8(b)(ii)號過渡條文按相當於有關租賃負債的金額確認額外租賃負債及使用權資產。於首次應用日期的任何差額乃於期初保留溢利確認，且並無重列比較資料。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

Definition of a lease (Continued)

As a lessee (Continued)

The following table reconciles the operating lease commitments as disclosed in annual report as at 31 March 2019 to the opening balance for lease liabilities recognised as at 1 April 2019:

		HK\$'000 千港元
Operating lease commitment at 31 March 2019	於2019年3月31日的經營租賃承擔	1,808
Less: total future interest expenses	減：未來利息開支總額	(30)
Less: recognition exemption — short term leases	減：確認豁免—短期租賃	(309)
Lease liabilities as at 1 April 2019	於2019年4月1日的租賃負債	1,469
Analysis as:	分析為：	
Non-current	非流動	251
Current	流動	1,218
		1,469

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position at 31 March 2019.

The carrying amount of right-of-use assets for own use as at 1 April 2019 comprises the following:

		HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	與應用香港財務報告準則第16號後確認的經營租賃有關的使用權資產	1,469
By class:	按類別：	
Office premise	辦公室物業	1,469

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續）

租賃定義（續）

作為承租人（續）

下表載列於2019年3月31日在年報披露的經營租賃承擔與於2019年4月1日確認的租賃負債期初結餘的對賬：

與先前分類為經營租賃的租賃有關的使用權資產已按相當於剩餘租賃負債已確認金額的金額確認，並就於2019年3月31日的財務狀況表內確認有關該租賃的任何預付或應計租賃付款金額作出調整。

於2019年4月1日自用的使用權資產賬面值包括以下各項：

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

Definition of a lease (Continued)

As a lessee (Continued)

The following table summarises the impacts of the adoption of HKFRS 16 on the Group’s consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂本(續)

香港財務報告準則第16號租賃(續)

租賃定義(續)

作為承租人(續)

下表概述採納香港財務報告準則第16號對本集團於2019年4月1日的綜合財務狀況表的影響。不受該等變動影響的項目並不包括在內。

		Carrying amounts previously reported at 31 March 2019 先前 於2019年 3月31日 呈報的 賬面值 HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	Carrying amounts under HKFRS 16 at 1 April 2019 於2019年 4月1日根據 香港財務報告 準則第16號 計算的賬面值 HK\$'000 千港元
Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:	受採納香港財務報告準則第16號影響的綜合財務狀況表項目：			
Right-of-use assets	使用權資產	–	1,469	1,469
Total non-current assets	非流動資產總值	10,166	1,469	11,635
Lease liabilities (current)	租賃負債(流動)	–	1,218	1,218
Total current liabilities	流動負債總額	26,085	1,218	27,303
Net current assets	流動資產淨值	82,907	(1,218)	81,689
Total assets less current liabilities	資產總值減流動負債	93,073	251	93,324
Lease liabilities (non-current)	租賃負債(非流動)	–	251	251
Total non-current liabilities	非流動負債總額	4,522	251	4,773

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issued but not yet effective

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

HKAS 1 and HKAS 8 (Amendments)	Definition of Material ¹
HKFRS 9, HKAS 39 and HKFRS 7 (Amendments)	Interest Rate Benchmark Reform ¹
HKFRS 3 (Amendments)	Definition of a Business ²
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of Assets between an Investor and its Associate or Joint Venture ⁴
HKFRS 17	Insurance Contracts ³
HKFRS 16 (Amendments)	COVID-19-Related Rent Concession ⁵

¹ Effective for annual periods beginning on or after 1 January 2020.

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

³ Effective for annual periods beginning on or after 1 January 2021.

⁴ Effective for annual periods beginning on or after a date to be determined.

⁵ Effective for annual periods beginning on or after 1 June 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020. The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及其修訂本

本集團並無提早應用以下已頒佈但尚未生效的新訂香港財務報告準則及其修訂本：

香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革 ¹
香港財務報告準則第3號(修訂本)	業務的定義 ²
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴
香港財務報告準則第17號	保險合約 ³
香港財務報告準則第16號(修訂本)	新型冠狀病毒相關租金寬減 ⁵

¹ 於2020年1月1日或之後開始的年度期間生效。

² 於收購日期在2020年1月1日或之後開始的首個年度期間開始當日或之後的業務合併及資產收購生效。

³ 於2021年1月1日或之後開始的年度期間生效。

⁴ 於待定期或之後開始的年度期間生效。

⁵ 於2020年6月1日或之後開始的年度期間生效。

除以上新訂香港財務報告準則及其修訂本外，經修訂財務報告概念框架於2018年獲發佈。相應的修訂(對香港財務報告準則中提述概念框架之修訂本)將於2020年1月1日或之後開始的年度期間生效。本公司董事預期應用所有新訂香港財務報告準則及其修訂本於可見將來將不會對綜合財務報表產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and related interpretations issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosure requirements by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

Basic of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, *Share-based Payment*, leasing transactions that are within the scope of HKFRS 16 (since 1 April 2019) or HKAS 17 (before applications of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策

合規聲明

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則(為包括所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及相關詮釋的統稱)編製。此外，綜合財務報表包括聯交所GEM證券上市規則(「GEM上市規則」)的適用披露規定及香港公司條例的披露規定。

編製基準

除若干金融工具如下文的會計政策所闡釋按公平值計量外，綜合財務報表已按歷史成本基準編製。

歷史成本一般基於換取商品或服務所付出代價的公平值釐定。

公平值乃指市場參與者之間在計量日期進行的有序交易中出售一項資產所收取的價格或轉讓一項負債所支付的價格，無論該價格乃直接觀察到的結果，或採用其他估值技術作出的估計。於估量一項資產或負債的公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的該資產或負債的特徵。於綜合財務報表中計量及／或披露的公平值均按此基準予以釐定，惟香港財務報告準則第2號以股份為基礎的付款範圍內的以股份為基礎的付款交易、香港財務報告準則第16號(自2019年4月1日起)或香港會計準則第17號(於應用香港財務報告準則第16號前)範圍內的租賃交易及與公平值類似但並非公平值的計量(例如香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值)除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basic of preparation (Continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

The consolidation financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

3. 主要會計政策(續)

編製基準(續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第1級、第2級或第3級，詳情如下：

- 第1級輸入數據為實體在計量日期可以取得的相同資產或負債的活躍市場報價(未經調整)；
- 第2級輸入數據為就資產或負債直接或間接地可觀察的輸入數據(第1級內包括的報價除外)；及
- 第3級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制的實體(包括結構性實體)及其附屬公司的財務報表。當本公司：

- 對被投資公司擁有權力；
- 因參與被投資公司業務而獲得可變動回報的風險或權利；及
- 擁有運用其權力影響其回報的能力時，即擁有控制權。

倘有事實及情況顯示上述三項控制因素中出現一項或以上變數，本集團會重新評估其是否控制被投資公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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

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

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

3. 主要會計政策(續)

綜合基準(續)

綜合附屬公司於本集團取得對附屬公司的控制權時開始並於本集團失去對附屬公司的控制權時終止。具體而言，於年內收購或出售附屬公司的收入及開支會由本集團取得控制權之日起至本集團終止控制附屬公司之日止包括在綜合損益及其他全面收益表內。

本公司擁有人及非控股權益分佔損益及其他全面收益的各項目。即使導致非控股權益的結餘出現虧絀，本公司擁有人及非控股權益會分佔附屬公司的全面收益總額。

如有需要，附屬公司的財務報表會作出調整，以使其會計政策與本集團的會計政策一致。

所有與本集團成員公司之間的交易有關的集團內部資產及負債、股本、收入、開支及現金流量已於綜合賬目時全面撇銷。

附屬公司的非控股權益與本集團於當中的權益分開呈列，指現時擁有權權益賦予持有人權利於清盤時按比例分佔相關附屬公司資產淨值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, together with the fair value of any contingent consideration payable.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets and contingent liabilities acquired is recorded as goodwill. Where the fair values of the identifiable net assets and contingent liabilities acquired have been determined provisionally, or where contingent or deferred consideration is payable, adjustments arising from their subsequent finalisation are not reflected in the statement of profit or loss if (i) they arise within 12 months of the acquisition date and (ii) the adjustments arise from better information about conditions existing at the acquisition date (measurement period adjustments). Such adjustments are applied as at the date of acquisition and if applicable, prior period amounts are restated.

All changes that are not measurement period adjustments are reported in income other than changes in contingent consideration not classified as financial instruments, which are accounted for in accordance with the appropriate accounting policy, and changes in contingent consideration classified as equity, which is not remeasured.

3. 主要會計政策(續)

業務合併

本集團使用收購會計法為本集團收購附屬公司列賬。收購成本乃按交易當日所提供資產、所發行權益工具及所產生或承擔負債的公平值加任何應付或然代價的公平值計量。

收購成本超出本集團應佔所收購可識別資產淨值及或然負債的公平值的差額入賬列作商譽。倘所收購可識別資產淨值及或然負債的公平值已暫時釐定，或倘須支付或然或遞延代價，則因有關金額其後落實而產生的調整不會於損益表中反映，前提是(i)於收購日期起計12個月內出現有關調整；及(ii)有關調整因更新有關收購日期現況資料而產生(計量期間調整)。本集團於收購日期應用該等調整及(如適用)重列過往期間的金額。

不屬於計量期間調整的所有變動均以收入呈報，惟並非分類為金融工具的或然代價變動根據適用會計政策列賬及分類為權益的或然代價變動毋須重新計量則除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group which qualifies as business combination, except for those acquisitions which qualify as a common control combination and are therefore accounted for using the merger accounting.

Under the purchase method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The cost of an acquisition is measured as the fair value for the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange and, all acquisition-related costs are expensed. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statements of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policy adopted by the Group.

3. 主要會計政策(續)

附屬公司

附屬公司指本集團通常擁有超過半數投票權的股權而有權規管財務及經營政策的所有實體(包括特殊目的實體)。於評估本集團是否控制另一實體時，會考慮現時可行使或可轉換的潛在投票權的存在及影響。

本集團收購附屬公司如符合資格作為業務合併，會採用收購會計法列賬，惟如該等收購符合資格作為共同控制合併，則採用合併會計法列賬。

根據收購會計法，附屬公司由控制權轉讓予本集團當日起全面綜合入賬，並於控制權終止當日終止綜合入賬。收購成本乃按交易當日所提供資產、所發行權益工具及所產生或承擔負債的公平值計量，所有與收購有關的成本均會支銷。在業務合併過程中所收購可識別資產以及所承擔負債及或然負債，均於收購日期按其公平值初步計量。本集團根據個別收購基準，按非控股權益應佔收購對象資產淨值的比例，確認於收購對象的任何非控股權益。

所轉讓代價、於收購對象的任何非控股權益金額及任何先前於收購對象的股權於收購日期的公平值超過所收購可識別資產淨值的公平值的差額入賬列作商譽。倘該數額低於以議價收購附屬公司資產淨值的公平值，則該差額會直接於綜合全面收益表確認。

集團公司之間的公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會對銷。

附屬公司的會計政策已作必要改動，以確保與本集團所採納政策貫徹一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of investee's net assets including goodwill.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provide to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocation resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Non-current assets (or subsidiary) held-for-sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

3. 主要會計政策(續)

獨立財務報表

附屬公司投資按成本扣除減值列賬。成本包括投資的直接歸屬成本。附屬公司的業績由本公司按已收及應收股息入賬。

如股息超過宣派股息期間內附屬公司的全面收益總額，或如在獨立財務報表的投資賬面值超過綜合財務報表中被投資公司資產淨值(包括商譽)的賬面值，則於收到該等投資的股息後，必須對附屬公司投資作減值測試。

分部報告

營運分部的報告方式須與主要營運決策者獲提供的內部報告的方式一致。作出策略決策的督導委員會是主要營運決策者，其負責分配資源並且評核營運分部的表現。

持作待售的非流動資產(或附屬公司)

倘非流動資產或出售集團的賬面值將主要透過銷售交易而非透過持續使用方式收回，則有關資產及集團會分類為持作待售。此條件僅於有關資產或出售集團可按其現況即時出售的情況下方視為達成，惟僅受限於有關資產或出售集團的一般慣常出售條款，且極有可能售出。管理層必須致力於銷售，而有關銷售須預期在分類當日起計一年內符合資格確認為已完成銷售。

本集團會致力達成涉及失去附屬公司控制權的銷售計劃，而該附屬公司的所有資產及負債將於符合上述條件時分類為持作待售，而不論本集團是否將於出售後保留其於前附屬公司的非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Non-current assets (or subsidiary) held-for-sale

(Continued)

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate.

After the disposal takes place, the Group accounts for any retained interest in the in accordance with HKFRS 9 unless the retained interest continues to be an associate, in which case the Group uses the equity method.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss, which comprises the post-tax profit or loss of the discontinued operation and the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

3. 主要會計政策(續)

持作待售的非流動資產(或附屬公司)

(續)

本集團會致力達成涉及出售於聯營公司投資或部分投資的銷售計劃，而將予出售的投資或部分投資將於符合上述條件時分類為持作待售，且本集團會於有關投資分類為持作待售時，終止就分類為持作待售的部分不時使用權益法。並無分類為持作待售的聯營公司投資的任何保留部分會繼續使用權益法入賬。倘出售事項導致本集團失去對聯營公司的重大影響力，則本集團於出售時終止使用權益法。

於出售落實後，本集團按照香港財務報告準則第9號將任何保留權益入賬，惟該保留權益繼續為聯營公司則除外，在該情況下本集團將採用權益法。

分類為持作待售的非流動資產按其先前賬面值及公平值減銷售成本(以較低者為準)計量。

已終止經營業務

已終止經營業務是本集團業務的一部分，其營運及現金流量可與本集團其他業務清楚區分，且代表一個獨立的主要業務系列或經營地域，或成為出售一個獨立的主要業務系列或經營地域的單一經統籌計劃的一部分，或成為專為轉售而收購的附屬公司。

倘業務被分類為已終止經營，則會於損益表呈列單項金額，其中包括已終止經營業務的除稅後溢利或虧損及於以公平值減銷售成本方式計量時或出售構成已終止經營業務的資產或出售集團時確認的除稅後收益或虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

Intangible assets

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

3. 主要會計政策(續)

商譽

收購業務產生的商譽按收購業務當日確定的成本(見上文會計政策)減累計減值虧損(如有)入賬。

就減值測試而言，商譽分配至預期可從合併的協同效應中受益的本集團各現金產生單位(或現金產生單位組別)。

已獲分配商譽的現金產生單位每年進行減值測試，或在有跡象顯示該單位可能出現減值時更頻繁地進行減值測試。倘現金產出單位的可收回金額低於其賬面值，則首先分配減值虧損以減少分配予該單位的任何商譽賬面值，其後根據該單位各資產的賬面值按比例減少該單位的其他資產。商譽的任何減值虧損直接於損益確認。就商譽確認的減值虧損於往後期間不予撥回。

出售相關現金產生單位時，商譽應佔金額會就出售於釐定損益時計入。

無形資產

進行業務合併時購入的無形資產在符合無形資產的定義且其公平值能可靠計量的情況下識別，並與商譽分開確認。該等無形資產的成本為其於收購日期的公平值。

初步確認後，具有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。攤銷具有限可使用年期的無形資產按其估計可使用年期以直線法計提撥備。或者，具無限可使用年期的無形資產按成本減任何其後累計減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Revenue from contracts with customers

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

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

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

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

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

3. 主要會計政策(續)

無形資產(續)

具無限可使用年期的無形資產每年個別或在現金產生單位層面進行減值測試。該等無形資產並無攤銷。具無限年期的無形資產每年審查一次可使用年期，以確定無限年期評估是否持續有證據支持。倘並無證據支持，則可使用年期由無限評估為有限，變動將按預期基準列賬。

來自客戶合約的收益

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關商品或服務的「控制權」移交客戶時。

履約責任指一項獨特商品或服務(或一攬子商品或服務)或一系列大致相同的獨特商品或服務。

倘符合下列其中一項標準，則控制權已在一段時間內轉移，而收益會參考相關履約責任的已完成履約進度後在一段時間內確認：

- 在本集團履約時，客戶同時取得並消耗因本集團履約而帶來的利益；
- 本集團履約創造或改良在本集團履約時客戶控制的資產；或
- 本集團履約並無創造對本集團而言具替代用途的資產，且本集團對迄今已完成的履約付款具有可強制執行權利。

否則，收益於客戶獲得獨特商品或服務控制權的時點確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue from contracts with customers (Continued)

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

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

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control of a product or service to a customer.

Revenue from the from sale and transportation of diesel oil, related products and steel product in the Group's revenue happen at a point in time and do not include any significant separate performance obligations.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

3. 主要會計政策(續)

來自客戶合約的收益(續)

合約資產指本集團就換取本集團已轉讓予客戶的商品或服務收取代價的權利，而有關權利尚未成為無條件。本集團會根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即在該代價到期支付前僅需等待時間經過。

合約負債指本集團因本集團已向客戶收取代價(或已到期代價金額)而須向客戶轉讓商品或服務的責任。

與合約有關的合約資產及合約負債按淨額列賬並呈列。

收益根據與客戶訂立的合約指定的代價計量。本集團於產品或服務的控制權移交客戶時確認收益。

本集團收益中來自銷售及運送柴油燃料、相關產品及鋼產品的收益於某時點發生，並不包括任何重大獨立履約責任。

主事人與代理人

倘另一方參與向客戶提供商品或服務，本集團會釐定其承諾性質是否屬於自行提供特定商品或服務(即本集團為主事人)或安排另一方提供貨品或服務(即本集團為代理人)的履約責任。

如果本集團在將特定商品或服務轉移給客戶之前控制該商品或服務，則本集團為主事人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Principal versus agent (Continued)

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Foreign currencies

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

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains or losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)

主事人與代理人(續)

倘其履約責任為安排另一方提供特定商品或服務，則本集團為代理人。在此情況下，本集團在另一方所提供特定商品或服務轉移給客戶前對有關貨品或服務並無控制權。倘本集團為代理人，其會按任何費用或佣金金額確認收益，而有關費用或佣金乃其預期有權因安排另一方提供特定貨品或服務而換取。

外幣

綜合財務報表以港元(港元)呈列，港元為本公司的功能貨幣。

於綜合實體的獨立財務報表內，外幣交易均按交易日期的現行匯率換算為個別實體的功能貨幣。於報告期末，以外幣列值的貨幣資產及負債按該日的通行外匯匯率換算。結算該等交易及於報告日期重新換算貨幣資產及負債產生的匯兌損益會於損益內確認。

以公平值列賬且以外幣計值的非貨幣項目按公平值釐定日期的現行匯率重新換算，並作為公平值損益一部分予以申報。以外幣歷史成本計量的非貨幣項目不會重新換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rates at the end of the reporting period. Income and expenses have been converted into the Hong Kong dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the translation reserve in equity.

When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

Leases (upon application of HKFRS 16 in accordance with transitions in note 2)

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

3. 主要會計政策(續)

外幣(續)

於綜合財務報表中，所有原先以有別於本集團呈列貨幣的貨幣呈列的海外業務獨立財務報表已轉換為港元。資產及負債已按報告期末的收市匯率換算為港元。收入及開支已按交易日期的通行匯率換算為港元，或按報告期間的平均匯率換算，前提是該匯率不會大幅波動。由此程序產生的任何差額已在其他全面收益內確認，並在權益內匯兌儲備中獨立累計。

出售海外業務時，該等匯兌差額於損益內確認為出售收益或虧損的一部分。

租賃(根據附註2過渡條文應用香港財務報告準則第16號後)

租賃定義

倘合約附帶於一段時間內控制所識別資產的用途以交換代價的權利，則合約為或包含租賃。

就於首次應用日期或之後訂立或修訂或因業務合併而產生的合約而言，本集團根據香港財務報告準則第16號項下的定義於初始、修改日期或收購日期(如合適)評估該合約是否為或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)

分配代價至合約組成部分

就包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約而言，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將合約代價分配至各個租賃組成部分，包括收購一項物業(包括租賃土地及非租賃樓宇組成部分)擁有權益的合約，除非有關分配不能可靠作出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

3. 主要會計政策(續)

租賃(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

本集團亦應用可行權宜方法不將非租賃組成部分與租賃組成部分分開，而是將租賃組成部分及任何相關非租賃組成部分作為單一租賃組成部分入賬。

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於租期為自開始日期起計12個月或以下且並不包含購買選擇權的租賃。其亦將確認豁免應用於低價值資產租賃。短期租賃及低價值資產租賃的租賃付款於租期內按直線法或另一系統性基準確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團於拆解及移除相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況而產生的成本估計。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 主要會計政策 (續)

租賃(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

可退還租金按金

已付的可退還租金按金乃根據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」)入賬，初步按公平值計量。對初步確認的公平值作出的調整被視為額外租賃付款，並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按於該日的未支付租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含的利率難以釐定，則本集團使用於租賃開始日期的增量借款利率。

計入租賃負債計量的租賃付款包括：

- 固定租賃付款(包括實質固定付款)減任何應收租賃優惠；
- 視乎指數或比率而定的可變租賃付款，初步使用於開始日期的指數或利率計量；
- 承租人根據剩餘價值擔保預期應付的金額；
- 倘承租人合理確定行使購買選擇權，則該等選擇權的行使價；及
- 倘租期反映行使選擇權終止租賃，則終止租賃的罰款付款。

於開始日期後，租賃負債透過利息增加及租賃付款作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The lease liability is presented as a separate line item in the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 主要會計政策(續)

租賃(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

租賃負債(續)

於以下情況下,本集團重新計量租賃負債(並對相關使用權資產作出相應調整):

- 租期已出現變動或行使購買選擇權的評估有變,在此情況下,相關租賃負債透過使用於重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金檢討後的市場租金費率/有擔保剩餘價值項下的預期付款改變而出現變動,在此情況下,相關租賃負債透過使用初步貼現率貼現經修訂租賃付款而重新計量。

租賃負債於綜合財務狀況表內呈列為單獨項目。

租賃修改

於以下情況下,本集團將租賃修改作為一項單獨租賃入賬:

- 修改透過增加使用一項或多項相關資產的權利而擴大租賃範圍;及
- 上調租賃代價,增加金額相當於範圍擴大對應的單獨價格及對該單獨價格作出的任何適當調整以反映特定合約的情況。

就並無作為一項單獨租賃入賬的租賃修改而言,本集團根據透過使用於修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期而重新計量租賃負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease modifications (Continued)

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease (Prior to adoption of HKFRS 16 on 1 April 2019)

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

The Group as a lessee (prior to adoption of HKFRS 16 on 1 April 2019)

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

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

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

3. 主要會計政策(續)

租賃(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

本集團作為承租人(根據附註2過渡條文應用香港財務報告準則第16號後)(續)

租賃修改(續)

本集團透過對相關使用權資產作出相應調整就租賃負債重新計量入賬。倘經修改合約包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分，則本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將經修改合約代價分配至各個租賃組成部分。

租賃(於2019年4月1日採納香港財務報告準則第16號前)

倘租賃條款將擁有權的絕大部分風險及回報轉移至承租人，則租賃分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人(於2019年4月1日採納香港財務報告準則第16號前)

根據融資租賃持有的資產按租賃開始時的公平值或(倘為較低者)按最低租賃付款的現值確認為本集團資產。出租人的相應負債於綜合財務狀況表列作融資租賃承擔。

租賃付款按比例於財務費用與租賃承擔減少之間分配，從而就該負債的餘額得出一個定額利率。財務費用即時於損益內確認，除非直接計入合資格資產，於此情況下，財務費用根據本集團的一般借款成本政策予以資本化。或然租金於產生期間確認為開支。

經營租賃付款乃於租期內按直線法確認為開支，惟另有系統性基準更能代表所消耗租賃資產經濟利益的時間模式除外。經營租賃所產生的或然租金於產生期間確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (prior to adoption of HKFRS 16 on 1 April 2019)

(Continued)

The Group as a lessee (prior to adoption of HKFRS 16 on 1 April 2019) (Continued)

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Borrowing costs

Borrowing costs directly attributable to the acquisition of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All borrowing costs are recognised in profit or loss in the period in which they are included.

Retirement benefits costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The subsidiaries and an associate were required to contribute a certain percentage of the payroll of their staff to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

3. 主要會計政策(續)

租賃(於2019年4月1日採納香港財務報告準則第16號前)(續)

本集團作為承租人(於2019年4月1日採納香港財務報告準則第16號前)(續)

當訂立經營租賃時收到租金優惠，該等優惠確認為負債。優惠利益總額以直線法確認為租金開支調減，惟另有系統性基準更能代表所消耗租賃資產經濟利益的時間模式除外。

借款成本

收購合資格資產(即需頗長時間方能達致其擬定用途或出售的資產)的直接應計借款成本均計入該等資產成本，直至資產大體上已可作其擬定用途或出售的有關時間為止。

所有借款成本乃於其產生期間在損益內確認。

退休福利成本

本集團根據強制性公積金計劃條例，為其全體僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金百分比作出，並於根據強積金計劃規則成為應付時於損益中扣除。強積金計劃的資產於獨立管理基金與本集團的資產分開持有。本集團的僱主供款於注入強積金計劃時悉數歸屬僱員。

附屬公司及聯營公司須將其員工薪酬的指定百分比供款予該退休計劃作為福利基金。本集團對該退休計劃的唯一責任是按規定作出供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Retirement benefits costs (Continued)

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit/loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 主要會計政策(續)

退休福利成本(續)

本集團於中國內地經營的附屬公司的僱員，須參與由當地市政府設立的中央退休計劃。該等中國附屬公司須將薪酬成本若干百分比作為中央退休計劃的供款。供款於根據中央退休金計劃規則須支付時在損益中扣除。

稅項

所得稅開支指即期應付稅項及遞延稅項的總和。

即期應付稅項以本年度應課稅溢利計算。應課稅溢利與除稅前溢利／虧損不同之處在於其他年度內應課稅或可抵免的收入或支出以及從來毋須課稅或從來不可抵免的項目。本公司即期稅項負債按報告期末已實施或大致上已實施的稅率計算。

遞延稅項確認為就綜合財務報表內資產及負債的賬面值及用以計算應課稅溢利相應稅基的臨時差額。遞延稅項負債一般會確認所有應課稅臨時差額。遞延稅項資產一般會確認所有可扣減臨時差額而僅以可能出現的可動用臨時差額扣稅的應課稅溢利為限。倘暫時差額源自首次確認(業務合併除外)不影響應課稅溢利或會計溢利交易的資產及負債，則有關遞延稅項資產及負債不予確認。此外，倘暫時差額源自商譽的首次確認，則不會確認遞延稅項負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

3. 主要會計政策(續)

稅項(續)

與投資於附屬公司及聯營公司以及於合營企業的權益相關的應課稅暫時差額確認為遞延稅項負債，惟本集團可控制暫時差額撥回，及有關暫時差額可能不會於可見未來撥回則除外。與該等投資及權益有關的可扣減暫時差額所產生的遞延稅項資產，僅於可能會存在足夠應課稅溢利而須動用暫時差額的利益及彼等預期於可見未來撥回時方會確認。

遞延稅項資產的賬面值於各報告期末審閱，並削減至不可能再有足夠應課稅溢利以收回全部或部分資產為止。

遞延稅項資產及負債乃以清還負債或變現資產的期間預計適用稅率計量，並根據於報告期末已頒佈或實質頒佈的稅率（及稅務法例）為基準。

遞延稅項負債及資產計量反映本集團於報告期末預期可收回或清償其資產及負債賬面值的方式將會產生的稅務結果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號所得稅規定分別應用於使用權資產及租賃負債。有關使用權資產及租賃負債的暫時差額，由於應用首次確認豁免，故此不會於首次確認及租期內確認。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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 to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

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

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

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

3. 主要會計政策(續)

稅項(續)

當有合法可執行權利將即期稅項資產與即期稅項負債抵銷，以及當其與同一稅務機關對同一應課稅實體徵收的所得稅有關時，則遞延稅項資產及負債互相抵銷。

即期及遞延稅項於損益內確認，惟即期及遞延稅項與其他全面收益或直接於權益內確認的項目相關時則除外，在此情況下，即期及遞延稅項分別於其他全面收益或直接於權益內確認。因業務合併初步入賬而產生即期稅項或遞延稅項時，稅務影響計入業務合併會計處理。

物業、廠房及設備

物業、廠房及設備為持有用作生產或提供貨物或服務或作行政用途的有形資產。物業、廠房及設備於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

折舊乃按其可使用年期以直線法撇銷資產成本減其剩餘價值確認。於各報告期末會檢討估計可使用年期、剩餘價值及折舊方法，而任何估計變動的影響按前瞻基準入賬。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時終止確認。出售或棄用物業、廠房及設備項目所產生的任何收益或虧損，釐定為出售所得款項與資產賬面值之間的差額，並於損益內確認。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

The property, plant and equipment, other than construction in progress, are depreciated over their estimated useful lives, after taking into account of their residual value, on a straight-line basis at the following rates per annum:

Leasehold improvement	Over the lease terms
Motor vehicles	30%–33%
Office equipment	20%–33%
Oil barge	10%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Impairment of property, plant and equipment and right-of-use assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

物業、廠房及設備(續)

物業、廠房及設備(在建工程除外)在計入其剩餘價值後於其估計可使用年內以直線法按以下年率折舊：

租賃物業裝修	於租期內
汽車	30%–33%
辦公設備	20%–33%
柴油駁船	10%

折舊方法、可使用年期及剩餘價值於各報告日期重新評估。

在建工程包括正在興建以作生產或自用的物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完工並可作擬定用途時分類至物業、廠房及設備的適當類別。該等資產按與其他物業資產的相同基準於資產可作擬定用途時開始折舊。

物業、廠房及設備以及使用權資產(商譽除外)減值

於各報告期末，本集團審閱其物業、廠房及設備以及使用權資產賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何該等跡象，則會估計資產的可收回金額以釐定減值虧損(如有)的程度。物業、廠房及設備以及使用權資產的可收回金額乃個別估計。當不可能估計個別資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。當可識別合理及一致的分配基準，則公司資產亦會分配至個別現金產生單位，或以其他方式分配至現金產生單位內可識別合理及一致分配基準的最小組別。

可收回金額為公平值減銷售成本與使用價值兩者中的較高者。評估使用價值時，估計未來現金流量採用除稅前貼現率貼現至其現值，而該除稅前貼現率反映金錢時間價值的現行市場評估及未來現金流量估計未經調整的資產特定風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment of property plant and equipment and right-of-use assets other than goodwill (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

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

Provisions

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

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

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

3. 主要會計政策(續)

物業、廠房及設備以及使用權資產(商譽除外)減值(續)

倘資產(或現金產生單位)的可收回金額估計低於其賬面值，則該資產(或現金產生單位)的賬面值將減至其可收回金額。於分配減值虧損時，首先分配減值虧損以減低任何商譽(如適用)的賬面值，再按該單位或一組現金產生單位內各項資產的賬面值所佔比例分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零(以最高者為準)。本應分配至資產的減值虧損金額按所佔比例分配至該單位或該組現金產生單位內的其他資產。減值虧損即時於損益內確認。

倘減值虧損於其後撥回，該資產(或現金產生單位)的賬面值則會增至經修訂的估計可收回金額，惟增加後的賬面值不得超出該資產(或現金產生單位)於過往年度並無確認減值虧損時應予釐定的賬面值。減值虧損撥回即時於損益內確認。

撥備

倘本集團因過往事件而現時承擔法定或推定責任，本集團有可能須清償該責任，且該責任金額能可靠估計，則會確認撥備。

確認為撥備的金額為於報告期末清償現時責任所需代價的最佳估計，當中經計及該責任的風險及不明朗因素。倘使用估計用以清償現時責任的現金流量計量撥備，如金錢時間價值的影響屬重大，其賬面值為該等現金流量的現值。

預期向第三方收回須清償撥備的若干或所有經濟利益時，倘基本確定償付將被收回且應收款項金額能可靠計量，則應收款項會確認為資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Contingent liabilities and contingent assets

Contingent liabilities are possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. These liabilities can also be a present obligation arising from past events that are not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. Contingent liabilities are not recognised but are disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Inventories

Inventories are stated at the lower of cost and net realisable value with absorption cost. Cost is determined using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Absorption cost represents the amount of proportion of direct cost and indirect cost.

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in banks and deposits held at call with banks.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 主要會計政策(續)

或然負債及或然資產

或然負債指因過往事件而可能引起的責任，而其存在與否將僅由某一宗或多宗並非完全受到本集團控制的不確定未來事件的發生或不發生確認。該等負債亦可能是因未確認的過往事件而引起的現有責任，原因是其未必可能需要經濟資源流出或責任金額未必能被可靠地計量。或然負債不會被確認，但會在綜合財務報表附註內披露。假若流出的可能性改變而導致可能出現流出時，該等負債將於當時被確認為撥備。

或然資產指因過往事件而可能產生的資產，而其存在與否將僅由某一宗或多宗並非完全受到本集團控制的不確定未來事件的發生或不發生確認。或然資產不會被確認，但會於可能有經濟利益流入時在綜合財務報表附註內披露。假若實際上確定有關流入時，則會確認資產。

存貨

存貨以成本及可變現淨值兩者的較低者與全部成本一同列賬。成本以加權平均法釐定。可變現淨值指存貨的估計售價減所有估計竣工成本及必要銷售成本。全部成本指直接成本與間接成本的比例。

現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括銀行現金及銀行通知存款。

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方時確認。金融資產的所有常規買賣均按交易日基準確認及終止確認。常規買賣為需要於法規或市場慣例制定的時限內交付資產的金融資產買賣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

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

Interest and dividend income which are derived from the financial assets and shareholders' rights are presented as other revenue and other income.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策(續)

金融工具(續)

除來自客戶合約的貿易應收款項根據香港財務報告準則第15號初步計量外，金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益的金融資產除外)直接應佔交易成本乃於初步確認時加入金融資產或金融負債的公平值或自有關公平值扣除(視適用情況而定)。收購按公平值計入損益的金融資產直接應佔交易成本會即時於損益內確認。

實際利率法乃計算金融資產或金融負債的攤銷成本及於相關期間內分配利息收入及利息開支的方法。實際利率乃按金融資產或金融負債的預期年期或適用的較短期間，準確貼現估計未來現金收支(包括構成實際利率不可或缺部分的所有已付或已收費用及費點、交易成本及其他溢價或折讓)至初步確認時賬面淨值的利率。

來自金融資產及股東權利的利息及股息收入以其他收益及其他收入方式呈列。

金融資產

分類及其後計量金融資產

符合下列條件的金融資產其後按攤銷成本計量：

- 按旨在收取合約現金流量的業務模式持有金融資產；及
- 有關合約條款於特定日期僅就支付本金及未償還本金額利息的現金流量產生。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets
(Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently of HKFRS 9 measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及其後計量金融資產(續)

符合下列條件的金融資產其後按公平值計入其他全面收益(「公平值計入其他全面收益」)計量：

- 按透過銷售及收取合約現金流量達成目標的業務模式持有金融資產；及
- 有關合約條款於特定日期僅就支付本金及未償還本金額利息的現金流量產生。

所有其他金融資產於香港財務報告準則第9號後按公平值計入損益計量，惟於首次應用／初步確認金融資產當日，本集團可能不可撤銷地選擇於其他全面收益內呈列股權投資公平值其後變動，前提是該股權投資並非持作買賣，亦非收購方於香港財務報告準則第3號業務合併適用的業務合併中確認的或然代價。

倘屬以下情況，金融資產被分類為持作買賣：

- 收購該金融資產的目的主要是在短期內出售；或
- 於初步確認時，該金融資產構成本集團一併管理的已識別金融工具的組合一部分，並且具有最近實際短期獲利模式；或
- 該金融資產為未被指定的衍生工具及可有效作為對沖工具。

此外，本集團可能不可撤銷地指定須按攤銷成本或按公平值計入其他全面收益計量的金融資產為按公平值計入損益計量，前提為此舉可抵銷或大幅減少會計錯配情況。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other gains and losses" line item.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及其後計量金融資產(續)

攤銷成本及利息收入

利息收入採用實際利率法，就其後按攤銷成本計量的金融資產確認。利息收入的計算方法是將實際利率應用於金融資產的賬面總額，惟其後成為信貸減值的金融資產則除外(見下文)。就其後成為信貸減值的金融資產而言，利息收入通過將實際利率應用於下一個報告期間金融資產的攤銷成本確認。倘信貸減值金融工具的信貸風險改善，致使金融資產不再屬於信貸減值，則自釐定有關資產不再屬於信貸減值後的報告期初起將實際利率應用於金融資產的賬面總額以確認利息收入。

指定為按公平值計入其他全面收益的股本工具

按公平值計入其他全面收益的股本工具投資其後按公平值計量，由於公平值變動產生的收益及虧損在其他全面收益內確認，並在按公平值計入其他全面收益的儲備內累計；因此毋須進行減值評估。有關累計收益或虧損不會於出售股本投資後重新分類至損益，且將轉撥至保留溢利。

該等股本工具投資的股息於本集團確立收取該等股息的權利時於損益確認，惟股息明確乃為收回部分投資成本除外。股息計入「其他收益或虧損」項目。

按公平值計入損益的金融資產

金融資產如不符合按攤銷成本或按公平值計入其他全面收益計量或指定為按公平值計入其他全面收益的準則，則按公平值計入損益計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade receivables, deposits and other receivables, pledged bank deposits and cash and bank balances). The amount of ECL is updated at each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting period. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed collectively using a provision matrix with appropriate groupings based on its historical observed default rates which is adjusted for forward-looking estimates.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

於各報告期末，按公平值計入損益的金融資產按公平值計量，而任何公平值收益或虧損則於損益內確認。於損益內確認的收益或虧損淨額不包括就金融資產所賺取的任何股息或利息，並計入「其他收益及虧損」項目內。

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式於金融資產(包括貿易應收款項、按金及其他應收款項、已抵押銀行存款以及現金及銀行結餘)進行減值評估。預期信貸虧損金額於各報告期間更新，以反映自初步確認起的信貸風險變動。

全期預期信貸虧損指因於相關工具預期年內所有可能發生的違約事件而將會導致的預期信貸虧損。相反，12個月預期信貸虧損則指預期因於報告期後12個月內可能發生的違約事件而導致的全期預期信貸虧損部分。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特定因素、一般經濟狀況以及對報告期間當前狀況所作評估及未來狀況預測作出調整。

本集團一直就並無重大融資組成部分的貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損使用基於其過往觀察所得違約率就適當類別編製的撥備矩陣進行集體評估，並根據前瞻性估計進行調整。

就所有其他工具而言，本集團會計量相當於12個月預期信貸虧損的虧損撥備，惟倘自初步確認後信貸風險大幅增加，則本集團會確認全期預期信貸虧損。是否應確認全期預期信貸虧損的評估乃根據發生違約的可能性或風險自初步確認以來是否大幅增加進行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- 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;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

信貸風險大幅增加

於評估信貸風險自初步確認以來是否大幅增加時，本集團會比較金融工具於報告期間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。作此評估時，本集團會考慮合理可靠的定量及定性資料，當中包括過往經驗及毋須花費過多成本或努力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期嚴重惡化；
- 信貸風險的外部市場指標嚴重惡化，例如信貸利差大幅增加，債務人的信貸違約掉期價格；
- 業務、財務或經濟狀況的現有或預測不利變動預期導致債務人履行其債務責任能力大幅下降；
- 債務人經營業績實際或預期嚴重惡化；
- 債務人身處的監管、經濟或技術環境的實際或預期重大不利變動導致債務人履行其債務責任能力大幅下降。

不論上述評估結果如何，本集團假設，倘合約付款逾期超過30日，則信貸風險自初步確認以來已大幅增加，惟倘本集團擁有合理可靠的資料顯示情況並非如此則另作別論。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

信貸風險大幅增加(續)

本集團定期監控用以識別信貸風險是否大幅增加的標準是否具效用，並修訂該等標準(如適當)以確保有關標準能在金額逾期前識別信貸風險是否大幅增加。

違約定義

就內部信貸風險管理而言，本集團認為，倘內部制訂或自外界來源獲得的資料顯示債務人不太可能悉數向債權人(包括本集團)還款，則發生違約事件。

不論上文如何，本集團認為，倘金融資產逾期超過90日，則發生違約，惟倘本集團有合理可靠的資料顯示採用較滯後的違約標準更為恰當則另作別論。

信貸減值金融資產

倘對金融資產估計未來現金流量構成不利影響的一項或多項違約事件發生，則該金融資產屬於信貸減值。金融資產信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或借款人出現重大財務困難；
- 違反合約(如欠款或逾期事件)；
- 借款人的貸款人因有關借款人財務困難的經濟或合約理由而向借款人授出貸款人本身不會考慮的優惠；
- 借款人將可能陷入破產或其他財務重組；或
- 該金融資產的活躍市場因財務困難而消失。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 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. A write-off constitutes a derecognition event. Any subsequent recoveries 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. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

撇銷政策

倘有資料顯示對手方面對嚴重財務困難，且實際上並無收款前景(如對手方被清盤或進入破產程序，或(如為貿易應收款項)金額已逾期超過兩年(以較早發生者為準))，則本集團會撇銷金融資產。經考慮法律意見後(如合適)，遭撇銷的金融資產可能仍須按本集團收款程序進行須強制執行的活動。撇銷構成終止確認事項。任何其後收款於損益內確認。

計量及確認預期信貸虧損

計量預期信貸虧損乃違約概率、違約損失率(即違約損失程度)及違約風險的函數。違約概率及違約損失率乃基於根據前瞻性資料調整的過往數據評估。估計預期信貸虧損反映無偏概率加權金額，有關金額以發生違約的相關風險為權重方式釐定。

一般而言，預期信貸虧損乃本集團根據合約應收的所有合約現金流量與本集團預期收取的現金流量之間的差額，並按初步確認時釐定的實際利率貼現。

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準分類：

- 金融工具性質(即：各自評估為個別組合的本集團買應付款項)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of ECL (Continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Effective interest method

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

Interest expense is recognised on an effective interest basis.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

計量及確認預期信貸虧損(續)

分類工作由管理層定期檢討，以確保各組別成分繼續分擔類似信貸風險特性。

利息收入根據金融資產的賬面總值計算，惟金融資產存在信貸減值則除外，在此情況下，利息收入乃按金融資產的攤銷成本計算。

本集團通過調整金融工具賬面值，於損益內確認所有金融工具的減值收益或虧損，惟貿易應收款項的相應調整通過虧損撥備賬確認則除外。

金融負債及股本工具

分類為債務或權益

集團實體發行的債務及股本工具乃根據合約安排的性質與金融負債及股本工具的定义分類為金融負債或權益。

股本工具

股本工具為可以證明實體在扣除所有負債後所剩資產權益的任何合約。本公司發行的股本工具扣減直接發行成本後按已收所得款項確認。

實際利率法

實際利率法為計算金融負債的攤銷成本及按有關期間分配利息開支的方法。實際利率是通過金融負債的預期年期或(如適用)較短期間，準確貼現估計未來現金付款(包括構成實際利率、交易成本及其他溢價或折讓不可或缺部分的所有已付或已收費用及點子)至初步確認時賬面淨值的比率。

利息開支按實際利率基準確認。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities (including bank borrowings, bonds payable, lease liabilities, trade and bills payables, deposits received, accruals and other payables (excluding receipt in advance)) are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group 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.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

金融負債

所有金融負債其後採用實際利率法按攤銷成本計量。

按攤銷成本計量的金融負債

金融負債(包括銀行借款、應付債券、租賃負債、貿易應付款項及應付票據、已收按金、應計費用及其他應付款項(不包括預收款項))其後採用實際利率法按攤銷成本計量。

終止確認

本集團僅在自資產收取現金流量的合約權利屆滿，或於其將金融資產及該資產擁有權的絕大部分風險及回報轉讓至另一實體時，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，則本集團會確認資產的保留權益及其可能所須支付金額的相關負債。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。

倘終止確認按攤銷成本計量的金融資產，資產的賬面值與已收及應收代價總和之間的差額會於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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

Related parties transactions

A party is considered to be related to the Group if:

- (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 Group or of a parent of the Group.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

終止確認(續)

倘並非全面終止確認金融資產，則本集團在其繼續確認的部分資產與不再確認的部分資產之間，按於轉讓日期該等部分資產的相對公平值分配金融資產的過往賬面值。分配至不再確認的部分資產賬面值與就不再確認的部分資產已收代價及分配至該部分且已於其他全面收益內確認的任何累計收益或虧損總和之間的差額，會於損益內確認。已於其他全面收益內確認的累計收益或虧損在繼續確認的部分資產與不再確認的部分資產之間，按該等部分資產的相對公平值分配。

當且僅當本集團的責任獲解除、取消或屆滿時，本集團才會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額會於損益內確認。

關聯方交易

倘屬以下人士，則被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士的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力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Related parties transactions (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiaries 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 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 employees 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); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Company's parent.

3. 主要會計政策(續)

關聯方交易(續)

- (b) 倘符合以下任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司彼此之間均有關連)；
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司的集團旗下成員公司的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，而另一實體則為該第三方實體的聯營公司；
 - (v) 實體為就本集團或與本集團有關連的實體的僱員利益而設立的離職福利計劃。倘本集團本身為有關計劃，供款僱員亦與本集團有關連；
 - (vi) 實體受(a)所識別的人士控制或共同控制；
 - (vii) 於(a)(i)所識別的人士對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；或
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本公司母公司提供主要管理層人員服務。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Related parties transactions (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependents of that person or that person's spouse or domestic partner.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Group and a related party, regardless of whether a price is charged.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that the management have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

3. 主要會計政策(續)

關聯方交易(續)

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶之子女；及
- (c) 該名人士或其配偶或同居伴侶之受養人。

倘在本集團與關聯方之間轉移資源或責任(不論是否收取款項)，則該項交易會被視為關聯方交易。

4. 主要會計判斷及估計不明朗因素的主要來源

管理層在應用附註3所述本集團會計政策時，須就未能即時從其他來源得知的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據以往經驗及其他被視為相關的因素作出。實際結果可能會有別於該等估計。

估計及相關假設獲持續檢討。倘會計估計的修訂僅影響該期間，修訂只會於修訂估計的期間確認，或倘修訂同時影響現時及未來期間，則會在修訂期間及未來期間確認。

應用會計政策的主要判斷

以下為除涉及估計的判斷外，管理層在應用實體的會計政策時作出且對綜合財務報表內確認的金額具最重大影響力的主要判斷。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

(a) Provision of ECL for trade and other receivables

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 5(b).

As at 31 March 2020, the carrying amount of trade and other receivables is approximately HK\$76,596,000 and HK\$4,314,000 (net of loss allowance of HK\$1,771,000 and HK\$716,000). The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade and other receivables are disclosed in Notes 5(b), 25 and 26.

(b) Impairment of property, plant and equipment and right-of-use assets

The Group reviews its property, plant and equipment and right-of-use assets for indications of impairment at each reporting period. In analysing potential impairments identified, the Group uses projections of future cash flows from the assets based on management's assignment of a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(c) Depreciation

Items of property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

4. 主要會計判斷及估計不明朗因素的主要來源(續)

應用會計政策的主要判斷(續)

(a) 貿易及其他應收款項預期信貸虧損撥備

金融資產虧損撥備乃根據有關違約風險及預期虧損率的假設計算。於各報告期末，本集團已按本集團過往歷史、現有市況及前瞻性估計於作出該等假設及選擇計算減值所用輸入數據時使用判斷。所用主要假設及輸入數據的詳情於附註5(b)披露。

截至2020年3月31日，貿易及其他應收款項賬面值約為76,596,000港元及4,314,000港元(扣除虧損撥備1,771,000港元及716,000港元)。預期信貸虧損撥備容易受估計變動影響。有關預期信貸虧損及本集團貿易及其他應收款項的資料於附註5(b)、25及26披露。

(b) 物業、廠房及設備及使用權資產減值

本集團於各報告期內檢討其物業、廠房及設備以及使用權資產的減值跡象。本集團根據管理層指定的可反映金錢時間價值的現行市場評估及資產特定風險的除稅前貼現率所得出資產的未來現金流量預測，對已識別潛在減值作出分析。

(c) 折舊

物業、廠房及設備項目及使用權資產在計及估計剩餘價值後，於資產的估計可使用年期內按直線法計提折舊。本集團定期檢討資產的估計可使用年期，以釐定在任何報告期內須入賬的折舊開支金額。可使用年期乃本集團根據類似資產的以往經驗並計入預期技術改變後得出。倘過往估計出現重大變動，則會在未來期間對折舊開支進行調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical judgements in applying accounting policies (Continued)

(d) Income taxes and deferred taxes

The Group is subject to income taxes in Hong Kong. Significant judgment is required in determining provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amount that we initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

(e) Net realisable value of inventories

Valuation of inventories are stated at the lower of cost and net realisable value at the end of the reporting period. Net realisable value is determined on the basis of the estimated selling price less the estimated costs necessary to make the sale. Management estimate the net realisable value for finished goods based primarily on the latest invoice prices and current market conditions. In addition, the management perform an inventory review on a product by product basis at the end of each reporting period and assess the need for write down of inventories.

(f) Determining the lease term

As explained in Note 3, the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

4. 主要會計判斷及估計不明朗因素的主要來源(續)

應用會計政策的主要判斷(續)

(d) 所得稅及遞延稅項

本集團須繳納香港所得稅。於釐定稅項撥備時，須作出重大判斷。在日常業務過程中，就許多交易及計算釐定的最終稅項均屬不確定。本集團根據是否應到期繳付額外稅項的估計，就預計稅務審核事宜確認負債。倘該等事宜的最終稅務結果有別於最初記錄金額，此等差額將影響作出有關釐定年度的所得稅及遞延稅項撥備。

(e) 存貨的可變現淨值

存貨估值乃按於報告期末的成本與可變現淨值兩者間之較低者列賬。可變現淨值根據估計售價減銷售所需的估計成本釐定。管理層主要根據最新的發票價格及當前市況估計製成品的可變現淨值。此外，管理層於各報告期末按個別產品基準審查存貨，並評估是否需要撇減存貨。

(f) 釐定租期

誠如附註3所述，租賃負債初步按於租期應付租賃付款現值確認。於開始日期釐定包括可由本集團行使重續選擇權的租賃的租期時，本集團評估行使重續選擇權的可能性，經考慮為本集團創造經濟誘因行使選擇權的全部相關事實及情形、承擔的租賃裝修及相關資產對本集團營運的重要性。倘發生重大事件或本集團控制範圍內的情況出現重大變動，租期予以重新評估。租期延長或縮短影響未來年度確認的租賃負債及使用權資產金額。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

5. 金融工具

(a) 金融工具類別

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
<i>At amortised cost (including cash and bank balances)</i>	<i>按攤銷成本(包括現金及銀行結餘)</i>		
— Trade receivables	— 貿易應收款項	76,596	71,386
— Deposits and other receivables	— 按金及其他應收款項	5,387	4,707
— Pledged bank deposits	— 已抵押銀行存款	12,025	4,000
— Cash and bank balances	— 現金及銀行結餘	6,661	6,034
		100,669	86,127
<i>At fair value</i>	<i>按公平值</i>		
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	5,428	1,495
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	—	—
Financial liabilities	金融負債		
<i>Amortised cost</i>	<i>攤銷成本</i>		
— Trade and bills payables	— 貿易應付款項及應付票據	7,729	6,937
— Accruals, other payables and deposits received	— 應計費用、其他應付款項及已收按金	7,179	2,508
— Bank borrowings	— 銀行借款	16,090	3,000
— Lease liabilities	— 租賃負債	252	—
— Bonds payable	— 應付債券	8,800	—
		40,050	12,445

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The management monitor and manage the financial risks relating to the operations of the Group through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including interest rate risk), credit risk and liquidity risk.

The Group's major financial instruments include trade receivables, deposits and other receivables, pledged bank deposits, cash and bank balances, financial assets at FVTPL, financial assets at FVTOCI, trade and bills payables, accruals, other payables, bank borrowings, lease liabilities and bonds payable. Details of these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Market risk

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing financial assets, mainly the interest-bearing bank balances, bank borrowings and lease liabilities. The Group monitors the interest rate exposure on a continuous basis and adjusts the portfolio of bank saving balances and borrowings where necessary.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the floating rate bank borrowings and bills payables. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50-basis point increase or decrease throughout the reporting period is used internally for assessment of possible change in interest rate.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by approximately HK\$67,000 for the year ended 31 March 2020 (2019: HK\$17,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank borrowings and bills payables.

5. 金融工具(續)

(b) 財務風險管理目標及政策

管理層通過利用內部風險報告按風險水平及幅度分析風險，監管及管理有關本集團營運的財務風險。該等風險包括市場風險(包括利率風險)、信貸風險及流動資金風險。

本集團的主要金融工具包括貿易應收款項、按金及其他應收款項、已抵押銀行存款、現金及銀行結餘、按公平值計入損益的金融資產、按公平值計入其他全面收益的金融資產、貿易應付款項及應付票據、應計費用、其他應付款項、銀行借款、租賃負債及應付債券。該等金融工具及有關如何減低該等風險的政策詳情載列如下。管理層管理及監管該等風險，以確保按及時及有效的方式實行適當措施。

(i) 市場風險

利率風險

本集團因利率變動對計息金融資產(主要為計息銀行結餘、銀行借款及租賃負債)之影響面對利率風險。本集團持續監控利率風險，並在有需要時調整銀行存款結餘及借款組合。

利率敏感度分析

以下敏感度分析乃根據浮息銀行借款及票據的利率風險而釐定。編製該分析時假設於報告期末的未償還金融工具於全年內仍未償還。整個報告期內的50基點增加或減少為內部評估利率可能變動時使用。

倘利率上升/下降50基點，而所有其他變量維持不變，則本集團截至2020年3月31日止年度的年內除稅後溢利將分別減少/增加約67,000港元(2019年：17,000港元)。此乃主要由於本集團的浮息銀行借款及應付票據的利率風險所致。

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5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(i) Market risk (Continued)

Price Risk

The Group is exposed to equity price risk mainly through its investment in listed equity securities. The Directors of the Company manage this exposure by maintaining a portfolio of investments with different risk and return profiles. The Group's equity price risk is mainly concentrated in equity securities listed in Malaysia industry sector quoted in ACE Market of Bursa Malaysia Securities Berhad for the years ended 31 March 2020 and 2019. The Directors of the Company will monitor the risks and consider hedging the risk exposure should the need arise.

Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risk at the end of the reporting period.

If the prices had been 15% higher/lower, the post-tax profit for the year ended 31 March 2020 would increase/decrease by HK\$94,000 (2019: HK\$187,000) as a result of change in fair value of financial assets at fair value through profit or loss.

(ii) Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade receivables, deposits and other receivables, pledged bank deposits and cash and bank balances. At 31 March 2020, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(i) 市場風險(續)

價格風險

本集團透過其於上市股本證券之投資而主要承受股本價格風險。本公司董事透過維持具不同風險及回報情況之投資組合而管理此風險。截至2020年及2019年3月31日止年度，本集團之股本價格風險主要集中於在馬來西亞證券交易所報價之馬來西亞上市之工業行業股本證券。本公司董事將監察有關風險並於需要時考慮對沖風險。

股本價格敏感度分析

以下敏感度分析乃根據於報告期末承受之股本價格風險而釐定。

倘價格上升/下跌15%：截至2020年3月31日止年度之稅後溢利將因按公平值計入損益的金融資產之公平值變動而增加/減少94,000港元(2019年：187,000港元)。

(ii) 信貸風險及減值評估

本集團的信貸風險主要來自貿易應收款項、按金及其他應收款項、已抵押銀行存款以及現金及銀行結餘。於2020年3月31日，本集團面對因交易對手未能履行責任而令本集團招致財務損失的最大信貸風險乃自綜合財務狀況表內所示的相關已確認金融資產的賬面值所產生。本集團並無持有任何抵押品或其他信貸增強措施以保障與其金融資產相關的信貸風險。

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5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Trade receivables

Credit evaluations are performed on all customers requiring credit terms. 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 to the economic environment.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and therefore significant concentrations of credit risk primarily arises when the Group has significant exposure to individual customers.

In respect of trade receivables arising from the sale and transportation of diesel oil and related products in Hong Kong and steel products in the PRC, the Group has a concentration of credit risk in certain individual customers. At the end of each reporting period, the five largest receivable balances accounted for approximately 64% (2019: approximately 59%) of the trade receivables and the largest trade receivable was approximately 34% (2019: approximately 16%) of the Group's total trade receivables respectively from diesel oil business. The Directors closely monitor the risk exposure of the customers and would take appropriate action to ensure the risk exposure is acceptable.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

貿易應收款項

對所有要求取得信用期的客戶進行個別信用評估。該等評估著重於客戶於到期時支付的過往付款歷史及現時的支付能力，並考慮客戶以及經濟環境的特定資料。

本集團面臨的信貸風險主要受各客戶個別特徵的影響，因此倘本集團面臨個別客戶的重大風險，則會發生高度集中的信貸風險。

就於香港銷售及運送柴油及相關產品及於中國鋼產品所產生的貿易應收款項而言，本集團承擔若干個別客戶的集中信貸風險。於各報告期末，五大應收款項結餘佔貿易應收款項約64% (2019年：約59%)，而最大筆貿易應收款項佔本集團貿易應收款項總額約34% (2019年：約16%)則來自柴油業務。董事密切監察客戶的風險並採取適當措施以確保風險處於可接受的程度。

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5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Trade receivables (Continued)

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, the management reviews the recoverability of each trade debt at the end of each reporting period to ensure that adequate allowance for ECL are made for irrecoverable amounts. The Group applies simplified approach on trade receivables to provide for the ECL prescribed by HKFRS 9. The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, 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.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

貿易應收款項(續)

為盡量減低信貸風險，管理層已委派團隊負責釐定信貸限額、信貸審批及確保會對收回逾期債務採取跟進行動的其他監察程序。此外，管理層於各報告期末檢討各貿易債務的可收回程度，以確保就不可收回款項作出足夠的減值虧損。本集團應用簡化法於貿易應收款項，以就香港財務報告準則第9號所規定的預期信貸虧損計提撥備。本集團按相當於全期預期信貸虧損的金額計量貿易應收款項虧損撥備，有關金額乃使用撥備矩陣計算得出。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重大不同虧損模式，故基於過往逾期狀態的虧損撥備並無進一步區分本集團的不同客戶基礎。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 March 2020 and 2019:

		Expected loss rate 預期虧損率	Gross carrying amount 總賬面值	Loss allowance 虧損撥備
At 31 March 2020 於2020年3月31日		%	HK\$'000 千港元	HK\$'000 千港元
Current (not past due)	即期(未逾期)	0.95	44,146	(421)
1-90 days past due	逾期1至90日	2.87	25,009	(719)
91-180 days past due	逾期91至180日	6.57	4,583	(301)
181-365 days past due	逾期181至365日	7.25	2,483	(180)
1 year to 2 years	一至兩年	6.98	2,136	(149)
More than 2 years	超過兩年	10.00	10	(1)
		2.26	78,367	(1,771)

		Expected loss rate 預期虧損率	Gross carrying amount 總賬面值	Loss allowance 虧損撥備
At 31 March 2019 於2019年3月31日		%	HK\$'000 千港元	HK\$'000 千港元
Current (not past due)	即期(未逾期)	–	49,630	–
1-90 days past due	逾期1至90日	–	10,854	–
91-180 days past due	逾期91至180日	0.66	6,201	(41)
181-365 days past due	逾期181至365日	3.74	4,926	(184)
More than 1 year	超過一年	100.00	1,024	(1,024)
		1.72	72,635	(1,249)

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

貿易應收款項(續)

下表提供有關本集團於2020年及2019年3月31日貿易應收款項的信貸風險及預期信貸虧損資料：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Trade receivables (Continued)

The closing loss allowances of expected credit losses for trade and other receivables as at 31 March 2020 and 2019 reconciled as follows:

		Trade receivables 貿易應收款項 HK'000 千港元	Other receivables 其他應收款項 HK'000 千港元	Total 總計 HK'000 千港元
At 1 April 2018	於2018年4月1日	–	–	–
Increase in loss allowance recognised in profit or loss during the year	年內於損益中確認虧損撥備增加	(1,249)	–	(1,249)
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	(1,249)	–	(1,249)
Increase in loss allowance recognised in profit or loss during the year	年內於損益確認的虧損撥備增加	(1,541)	(716)	(2,257)
Reversal of loss allowance recognised in profit or loss during the year	年內於損益中確認虧損撥備撥回	1,019	–	1,019
At 31 March 2020	於2020年3月31日	(1,771)	(716)	(2,487)

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period greater than agreed contract terms.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

貿易應收款項(續)

於2020年及2019年3月31日，對包括貿易及其他應收款項預期信貸虧損的虧損撥備的對賬如下：

貿易應收款項於無合理預期可收回時撇銷。無合理預期可收回款項的跡象包括(其中包括)債務人未能與本集團制定還款計劃，及於超過協定合約期的期間內未能作出合約付款。

貿易應收款項的減值虧損呈列為經營溢利內的減值虧損淨額。其後收回先前撇銷的款項會記入同一單行項目。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Trade receivables (Continued)

Expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 25 to the consolidated financial statement.

The management monitored the financial background and creditability of those debtors on an ongoing basis. The Group seeks to minimise its risk by dealing with counterparties which have good credit history. Majority of the trade receivables that are neither past due nor impaired have no default payment history. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Deposits

For deposits, management makes periodic collective assessments as well as individual assessment on the recoverability of deposits based on historical settlement records and past experience. The Directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of deposits.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

貿易應收款項(續)

預期虧損率乃基於過往兩年的實際虧損經驗而得出。該等虧損率乃經調整以反映收集歷史數據期間的經濟狀況、當前狀況以及本集團對應收款項預期年期的經濟狀況的看法之間的差異。

有關本集團面臨來自貿易應收款項的信貸風險之進一步定量披露載於綜合財務報表附註25。

管理層持續監察該等債務人的財務背景及信用度。本集團透過與具有良好信貸歷史的交易對手合作以盡量減低其風險。大部分尚未逾期亦無減值的貿易應收款項並無拖欠還款歷史。就此而言，董事認為本集團的信貸風險已大幅降低。

按金

就按金而言，管理層會基於過往結算記錄及過往經驗對按金的可收回性定期作出整體評估及個別評估。本公司董事認為，本集團按金的未償還結餘並無重大內在信貸風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Credit risk and impairment assessment (Continued)

Other receivables

In respect of the other receivables, the credit quality has been individual assessed by general approach with reference to historical information about the counterparties default rate 19.62% and financial position of the counterparties. The Group recognised the allowance for expected credit losses by assessing the credit risk characteristics of other receivables discount rate and the likelihood of recovery and considering the prevailing economic conditions. During the year end 31 March 2020, the Group net provision of the allowance for the expected credit losses related to the other receivables was amount of HK\$716,000 (2019: HK\$Nil).

Deposits with bank

In respect to the Group's pledged bank deposits and cash and bank balances, the Group limits its exposure to credit risk by placing deposits with financial institution with high credit rating and no recent history of default. Given the high credit ratings of the banks, management does not expect any counterparty to fail to meet its obligations. Management will continue to monitor the position and will take appropriate action if their are changed. As at 31 March 2020 and 2019, the Group has no significant concentration of credit risk in relation to deposit with bank.

In these regards, other than the credit risks mentioned above, the management considers the Group does not have any other significant credit risk and the exposures to these credit risks are monitored on an ongoing basis.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(ii) 信貸風險及減值評估(續)

其他應收款項

就其他應收款項而言，信貸質素採用一般方法參考有關對手方違約率19.62%及對手方財務狀況過往資料進行個別評估。本集團透過評估其他應收款項貼現率的信貸風險特徵及收回的可能性並考慮當前的經濟狀況，確認預期信貸虧損撥備。截至2020年3月31日止年度，本集團就有關其他應收款項的預期信貸虧損計提的撥備淨額為716,000港元(2019年：零港元)。

銀行存款

就本集團的已抵押銀行存款以及現金及銀行結餘而言，本集團將存款存放於信貸評級良好且並無近期拖欠記錄的金融機構，以限制所承受的信貸風險。鑒於該等銀行具有較高的信貸評級，管理層預期不會有任何交易對手無法履行其責任。管理層將持續監控狀況，並將於其評級發生變化時採取適當行動。於2020年及2019年3月31日，本集團並無有關銀行存款的重大集中信貸風險。

就此而言，除上述信貸風險外，管理層認為本集團並無任何其他重大信貸風險及所面臨的該等信貸風險乃按持續基準監控。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iii) Liquidity risk

The Group is exposed to minimal liquidity risk as a substantial portion of its financial assets and financial liabilities are due within one year and it can finance its operations from existing shareholders' funds and internally generated cash flows.

In the management of the liquidity risk, the Group monitors and maintains a level of bank balances and cash deemed adequate by management to finance the Group's operations and mitigate the effect of fluctuations in cash flows. Management monitors current and expected liquidity requirements on a regular basis.

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(iii) 流動資金風險

本集團承受的流動資金風險輕微，原因為大部分金融資產及金融負債均於一年內到期，並且以現有股東資金及內部所得現金流量為其業務營運提供資金。

在管理流動資金風險方面，本集團監察並維持管理層視為足夠的銀行結餘及現金水平，以為本集團業務營運提供資金，並減低現金流量波動的影響。管理層定期監控目前及預期流動資金需求。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iii) Liquidity risk (Continued)

The following tables detail the Group's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The tables include both interest and principal cash flows.

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of reporting period to the contractual maturity date. Specifically, bank borrowings with repayable on demand clause are included in "on demand or within one year" regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are prepared based on the agreed repayment dates. The amounts disclosed in the table are based on the contractual undiscounted payments, are as follows:

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(iii) 流動資金風險(續)

下表詳列本集團金融負債的合約到期日。下表已按金融負債的未貼現現金流量根據本集團可能需要付款的最早日期編製，並包括利息及本金現金流量。

下表為將按相關到期組別將本集團的金融負債分類後作出的分析，分類方法基於報告期末至合約到期日的剩餘期間。尤其是，具應要求償還條款的銀行借款納入「應要求或於一年內」，不論銀行選擇行使其權利的可能性。其他非衍生金融負債的到期日乃按協定還款日期而編製。下表所披露金額乃基於合約未貼現付款，載列如下：

		Weighted average interest rate 加權平均利率 %	On demand or within one year 應要求或一年內 HK\$'000 千港元	More than one year but less than two years 超過一年但少於兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年但少於五年 HK\$'000 千港元	More than five years 超過五年 HK\$'000 千港元	Total undiscounted cash flow 未貼現現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 March 2020	於2020年3月31日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and bills payables	貿易應付款項及應付票據	-	7,729	-	-	-	7,729	7,729
Accruals, other payables and deposits received	應計費用、其他應付款項及已收按金	-	7,179	-	-	-	7,179	7,179
Bank borrowings	銀行借款	3.41	16,230	-	-	-	16,230	16,090
Lease liabilities	租賃負債	3.67	253	-	-	-	253	252
Bonds payable	應付債券	10.00	880	8,984	-	-	9,864	8,800
			32,271	8,984	-	-	41,255	40,050
As at 31 March 2019	於2019年3月31日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and bills payables	貿易應付款項及應付票據	-	6,937	-	-	-	6,937	6,937
Accruals	應計費用	-	2,508	-	-	-	2,508	2,508
Bank borrowings	銀行借款	4.88	3,012	-	-	-	3,012	3,000
			12,457	-	-	-	12,457	12,445

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iii) Liquidity risk (Continued)

Bank borrowings with a repayment on demand clause are included in the "on demand or less than 1 month" time band in the above maturity analysis. As at 31 March 2020, the aggregate carrying amounts of these bank borrowings amounted to HK\$16,090,000 (2019: HK\$3,000,000). Taking into account the Group's financial position, the Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The Directors of the Company believe that such bank borrowings will be repaid within one year after the end of the reporting period in accordance with the scheduled repayment dates set out in the bank borrowings agreements, details of which are set out in the table below:

Maturity Analysis — Bank borrowings with a repayment on demand clause based on scheduled repayments

		Less than 1 year	Undiscounted cash outflows	Carrying amount
		少於一年 HK\$'000 千港元	未貼現 現金流出額 HK\$'000 千港元	賬面值 HK\$'000 千港元
31 March 2020	2020年3月31日	16,230	16,230	16,090
31 March 2019	2019年3月31日	3,012	3,012	3,000

5. 金融工具(續)

(b) 財務風險管理目標及政策(續)

(iii) 流動資金風險(續)

附帶按要求償還條款的銀行借款計入以上到期分析中「按要求或少於一個月」時段內。於2020年3月31日，該等銀行借款總賬面值為16,090,000港元(2019年：3,000,000港元)。考慮到本集團財務狀況，董事認為銀行將不可能會行使其酌情權要求即時還款。本公司董事認為，該等銀行借款將根據銀行借款協議所載的預定還款日期於報告期末之後一年內償還，詳情載於下表：

到期分析 — 附按要求償還條款的銀行借款(基於還款計劃)

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value estimation

The fair value of financial assets and financial liabilities are determined as follows:

- (i) The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively, and
- (ii) The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models (e.g. discounted cash flow analysis using observable and/or unobservable inputs).

The Company uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- (ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. 金融工具(續)

(c) 公平值估計

金融資產及金融負債之公平值按以下方式釐定：

- (i) 具有標準條款及條件並於活躍市場買賣之金融資產及金融負債之公平值分別經參照市場之買賣盤報價釐定；及
- (ii) 其他金融資產及金融負債之公平值乃根據公認定價模式(如使用可觀察及／或不可觀察數據進行之貼現現金流量分析)釐定。

本公司使用以下等級制度釐定及披露金融工具公平值：

- (i) 第1級公平值乃以相同資產及負債在活躍市場之報價(未經調整)計量。
- (ii) 第2級公平值乃以級別1所包括之報價以外之輸入數據計量，有關輸入數據為資產或負債可從觀察中直接(即價格)或間接(即源自價格)得出。
- (iii) 第3級公平值乃以估值技術計量，其包括並非以可觀察市場數據為根據之資產或負債輸入數據(不可觀察輸入數據)。

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value estimation (Continued)

Fair value of the Group's financial assets are measured at fair value on a recurring basis.

5. 金融工具(續)

(c) 公平值估計(續)

本集團金融資產的公平值以按經常性基準以公平值計量。

Financial assets 金融資產	Fair value as at 於以下日期的公平值		Fair Value hierarchy 公平值等級	Valuation Techniques and key inputs 估值方法及 主要輸入資料	Significant unobservable inputs 主要不可觀察 之輸入數據
	31 March 2020 2020年3月31日 HK\$'000 千港元	31 March 2019 2019年3月31日 HK\$'000 千港元			
Financial assets at FVTPL: — Equity securities listed in Malaysia 按公平值計入損益的金融資產： — 在馬來西亞上市的股本證券	750	1,495	Level 1 第一級	Quoted market prices in an active market 於活躍市場 所報的市場買入價	N/A 不適用
— Key management personnel life insurance policy — 主要管理人員人壽保單	4,678	—	Level 2 第二級	Quoted redemption value by insurance company 保險公司所報的 贖回價值	N/A 不適用
Financial assets at FVTOCI: Reconciliation of Level 3 fair value measurements 按公平值計入其他全面收益的金融資產： 第三級公平值計量的對賬					
— Unlisted equity investment in Hong Kong — 在香港的非上市權益投資	—	—	Level 3 第三級	Market approach 市場法	Discount for lack of marketability of 16% 缺乏市場流通量 16%貼現

Except as disclosed as above, the Directors consider the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the consolidated financial statements approximates to their fair values.

除上述所披露者外，董事認為按攤銷成本於綜合財務報表入賬的金融資產及金融負債賬面值與其公平值相若。

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5. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets.

		Unlisted equity 非上市權益 HK\$'000 千港元
At 1 April 2018, 31 March 2019 and 1 April 2019	於2018年4月1日至2019年3月31日 及2019年4月1日	–
Initial recognition of financial assets at FVTOCI	按公平值計入其他全面收益的 金融資產首次確認	905
Fair value change	公平值變動	(905)
At 31 March 2020	於2020年3月31日	–

Included in other comprehensive income is an amount of HK\$905,000 loss relating to financial assets at fair value through other comprehensive income held at the end of the current reporting period and is reported as fair value through other comprehensive income reserve.

No sensitivity analysis was performed as at 31 March 2020 due to the nil balance of unlisted equity.

5. 金融工具(續)

(c) 公平值估計(續)

金融資產第三級公平值計量的對賬。

計入其他全面收益的乃於本報告期末持有的有關按公平值計入其他全面收益的金融資產的905,000港元虧損，並呈報為按公平值計入其他全面收益的儲備。

於2020年3月31日 無敏感度分析因非上市權益零結餘而須予進行。

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5. FINANCIAL INSTRUMENTS (Continued)

(d) Capital risk management

The Group manages its capital to ensure that entities will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the reporting period.

The capital structure of the Group consists of total borrowings and equity attributable to owners of the Company, comprising share capital, reserves and retained profits as disclosed in the consolidated financial statements.

The Directors of the Company review the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and balance its overall capital structure through the payment of dividends and injection of capital.

The following is the gearing ratio at the end of each reporting period:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Total borrowings (Note (a))	總借款(附註(a))	25,142	3,000
Total equity (Note (b))	總權益(附註(b))	106,534	88,551
Gearing ratio	資產負債比率	23.6%	3.4%

Notes:

- (a) Total borrowings represent bank borrowings, lease liabilities and bonds payable as set out in Notes 30, 31 and 32; and
- (b) Total equity includes share capital and reserves at the end of each reporting period.

5. 金融工具(續)

(d) 資本風險管理

本集團管理其資本，以確保實體可持續經營，同時透過優化債務及權益結餘為股東帶來最大回報。本集團的整體策略於報告期間維持不變。

誠如綜合財務報表所披露，本集團的資本架構包括總借款及本公司擁有人應佔權益，當中包括股本、儲備及保留溢利。

本公司董事定期審閱資本架構。本集團會考慮資本成本及與各類別資本有關的風險，並透過派付股息及注資平衡整體資本結構。

以下為各報告期末的資產負債比率：

附註：

- (a) 總借款指附註30、31及32所載銀行借款、租賃負債及應付債券；及
- (b) 總權益包括各報告期末的股本及儲備。

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6. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. An analysis of the Group's revenue for the reporting period is as follows:

Disaggregation of revenue from contracts with customers

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Continuing operations	持續經營業務		
Type of goods or services	商品或服務種類		
Goods transferred at a point of time	於某時點轉讓商品		
Sale of diesel oil and related products	銷售柴油及相關產品		
Diesel oil	柴油	271,646	213,612
Marine diesel oil	船用柴油	55,696	14,439
Lubricant oil	潤滑油	777	1,667
		328,119	229,718
Sales of steel products	銷售鋼產品	111,219	-
Total revenue from contracts with customers	來自客戶合約的總收益	439,338	229,718

The Group operates in two continuing operating segment for the sale of diesel oil and related products in Hong Kong and sale of steel products in the PRC.

Performance obligations for contracts with customers

Details of performance obligations for contracts with customers for the year ended 31 March 2020 are set out in Note 3.

Transaction price allocated to the remaining performance obligation for contracts with customers

All revenue from sale of diesel oil and related products are for the periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6. 收益

收益指已售商品的發票淨值(扣除退貨撥備及交易折扣)。本集團於報告期間的收益分析如下：

來自客戶合約的收益分拆

本集團經營兩個持續經營分部，以於香港銷售柴油及相關產品以及於中國銷售鋼產品。

客戶合約的履約責任

有關截至2020年3月31日止年度客戶合約的履約責任的詳情載列於附註3。

分配至剩餘客戶合約的履約責任的交易價格

所有來自銷售柴油及相關產品的收益均為期一年或以下。經香港財務報告準則第15號允許，分配至該等未獲達成合約的交易價格並未披露。

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7. SEGMENT INFORMATION

A single management team reports to the Directors (being the chief operating decision-maker (the "CODM")) who comprehensively manage the entire business. During the year, the Group commenced the business in engaging in the sales of steels products, and it is considered as a new operating and reputable segment by the CODM.

China Forest Food Limited and its subsidiaries ("China Forest Food Group") constitute a major line of business in sale and distribution of health food. Upon the Group entered the sale and purchase agreement in relation to disposal of 90% equity interest in China Forest Food Group on 28 March 2019, it reclassified as discontinued operation and the segment information reported below does not include any amounts for the discontinued operation, which are disclosed the details in Note 12.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

- Sale and transportation of diesel oil and related products
- Sale of steel products

Segment revenues and results

Continuing operations

The following is an analysis of the Group's turnover and results by reportable and operating segment:

		Sale and transportation of diesel oil and related products 柴油及相關產品銷售及運輸		Sale of steel products 鋼產品銷售		Unallocated 尚未分配		Consolidated 已綜合	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue	收益	328,119	229,718	111,219	-	-	-	439,338	229,718
Segment result	分部業績	8,608	9,614	(350)	-	(1,258)	(3,466)	7,000	6,148
Other segment information:	其他分部資料：								
Other gain or losses	其他收益或虧損							291	802
Finance costs	融資成本							(1,363)	(137)
Profit before taxation	除稅前溢利							5,928	6,813
Assets and liabilities	資產及負債								
Segment assets	分部資產	107,858	91,929	40,427	-	4,522	6,342	152,807	98,271
Segment liabilities	分部負債	27,614	14,304	8,005	-	10,654	4,469	46,273	18,773

7. 分部資料

單一管理層團隊向全面管理整體業務的董事(即主要營運決策者(「主要營運決策者」))匯報。本集團於年內開始從事鋼產品銷售業務，而主要營運決策者視其為是一個新經營及信譽分部。

中國森林食品有限公司及其附屬公司(「中國森林食品集團」)構成健康食品銷售及分銷業務的主要部分。於2019年3月28日本集團就出售中國森林食品集團90%股權而訂立買賣協議後，其被重新分類為已終止經營業務，而下文所呈報的分部資料並不包括已終止經營業務的任何金額(詳情於附註12中披露)。

具體而言，本集團根據香港財務報告準則第8號的可呈報分部如下：

- 柴油及相關產品銷售及運輸
- 鋼產品銷售

分部收益及業績

持續經營業務

以下為按可呈報及經營分部對本集團營業額及業績的分析：

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7. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

Continuing operations (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit/(loss) represents the profit/(loss) from each segment without allocation of central administration costs, other gains or losses, fair value change on contingent consideration payables, certain allowance for ECL on other receivables and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at fair value through profit or loss, certain prepayment, certain other receivables, certain bank and cash balances and other assets for corporate use;
- all liabilities are allocated to reportable segments other than bonds payable, certain accruals and other liabilities for corporate use.

7. 分部資料(續)

分部收益及業績(續)

持續經營業務(續)

經營分部的會計政策與附註3所述的本集團會計政策一致。分部溢利/(虧損)乃指概無分配中央管理成本、其他收益或虧損、應付或然代價公平值變動、若干其他應收款項預期信貸虧損撥備及融資成本的每個分部溢利/(虧損)。此乃向主要營運決策者呈報以供其分配資源及評估表現的基準。

為監察於不同分部的分部表現及分配資源：

- 除按公平值計入損益的金融資產、若干預付款項、若干其他應收款項、若干銀行及現金結餘以及其他作公司用途的資產外，所有資產均分配至可呈報分部；
- 除應付債券、若干應計費用及其他作公司用途的負債外，所有負債均分配至可呈報分部。

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7. SEGMENT INFORMATION (Continued)

Other segment information

Continuing operations

7. 分部資料(續)

其他分部資料

持續經營業務

		Sale and transportation of diesel oil and related products		Sales of steel products		Unallocated		Consolidated	
		柴油及相關產品 銷售及運輸		鋼產品銷售		尚未分配		已綜合	
		2020	2019	2020	2019	2020	2019	2020	2019
		2020年	2019年	2020年	2019年	2020年	2019年	2020年	2019年
		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
Loss on disposal of subsidiaries	出售附屬公司虧損	-	-	-	-	(27)	-	(27)	-
Additions to non-current assets	非流動資產添置	510	-	12,577	-	-	-	13,087	-
Depreciation on property, plant and equipment	物業、廠房及設備折舊	(2,222)	(2,424)	(9)	-	-	-	(2,231)	(2,424)
Depreciation on right-of-use assets	使用權資產折舊	(1,224)	-	-	-	-	-	(1,224)	-
Gain of disposal of property, plant and equipment	出售物業、廠房及 設備的收益	545	-	-	-	-	-	545	-
Allowance for ECL on trade and other receivable, net	貿易及其他應收款項預期 信貸虧損撥備，淨額	(516)	(1,249)	(6)	-	(716)	-	(1,238)	(1,249)
Net (loss)/gain on financial assets at fair value through profit or loss	按公平值計入損益的金融 資產(虧損)/收益淨額	-	-	-	-	(471)	390	(471)	390
Realised loss on financial assets at fair value through profit or loss	按公平值計入損益的 金融資產已變現虧損	-	-	-	-	(356)	-	(356)	-

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7. SEGMENT INFORMATION (Continued)

Geographical information

Continuing operations

The Group's operation is located in Hong Kong and PRC during the year ended 31 March 2020 and 2019. The Group's revenue from continuing operations from external customers based on the location of customers are detailed below:

7. 分部資料(續)

地理資料

持續經營業務

截至2020年及2019年3月31日止年度，本集團的業務位於香港及中國。本集團按客戶所在地劃分來自外部客戶的持續經營業務收益詳情如下：

		Revenue from external customer 來自外部客戶收益	
		Year ended 截至以下日期止年度	
		31/3/2020 2020年 3月31日 HK\$'000 千港元	31/3/2019 2019年 3月31日 HK\$'000 千港元
Hong Kong	香港	328,119	229,718
PRC	中國	111,219	–
		439,338	229,718

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7. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

Continuing operations (Continued)

Information about the Group's non-current assets is presented based on the geographical location of the assets are detailed below:

		Non-current assets 非流動資產	
		31/3/2020 2020年 3月31日 HK\$'000 千港元	31/3/2019 2019年 3月31日 HK\$'000 千港元
Hong Kong	香港	8,653	9,960
PRC	中國	20,481	–
		29,134	9,960

Non-current assets excluded financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred tax assets.

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A ¹	客戶A ¹	–*	51,449
Customer B ¹	客戶B ¹	45,415	–*
Customer C ¹	客戶C ¹	45,581	–*
Customer D ¹	客戶D ¹	71,455	–*

* The customer contributed less than 10% of the total revenue of the Group.

Note:

¹ Revenue from the diesel oil and related products.

7. 分部資料(續)

地理資料(續)

持續經營業務(續)

本集團按資產所在地點劃分呈列其非流動資產的相關資料詳情如下：

非流動資產不包括按公平值計入其他全面收益的金融資產、按公平值計入損益的金融資產及遞延稅項資產。

有關主要客戶的資料

於相應年度，客戶貢獻佔本集團總收益超過10%的收益如下：

* 客戶收入貢獻佔本集團總收益少於10%。

附註：

¹ 柴油及相關產品收益。

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8. OTHER GAINS OR LOSSES

8. 其他收益或虧損

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Continuing operations	持續經營業務		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	545	–
Realised loss on financial assets at fair value through profit or loss	按公平值計入損益的金融資產已變現虧損	(356)	–
Unrealised (loss)/gain on financial assets at fair value through profit or loss	按公平值計入損益的金融資產未變現(虧損)/收益	(471)	390
Loss on disposals of subsidiaries	出售附屬公司虧損	(27)	–
Bank interest income (Note)	銀行利息收入(附註)	41	–
Transportation services fee	運輸服務費	452	243
Rental income from diesel vehicle	來自柴油車的租金收入	79	135
Sundry income	雜項收入	28	34
		291	802

Note: Bank interest income mainly represents interest generated from the share offer fund deposited in bank.

附註：銀行利息收入主要指存入銀行的股份發行基金產生的利息。

9. FINANCE COSTS

9. 融資成本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest expenses on bank borrowings wholly repayable within five years	須於五年內全數償還銀行借款的利息開支	632	134
Interest expenses on bank overdrafts	銀行透支的利息開支	8	1
Interest expenses on bonds	債券的利息開支	694	–
Interest expenses on lease liabilities	租賃負債的利息開支	29	–
Interest expenses on obligations under finance leases	融資租賃承擔的利息開支	–	2
		1,363	137

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10. PROFIT BEFORE TAXATION

10. 除稅前溢利

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit for the year has been arrived at after charging/(crediting):	年內溢利已扣除/(計入)下列各項：		
Continuing operations	持續經營業務		
Directors' emoluments (Note 13)	董事薪酬(附註13)	2,920	2,512
Other staff costs:	其他員工成本：		
— Salaries and other benefits	— 薪金及其他福利	6,985	2,108
— Retirement benefits scheme contributions	— 退休福利計劃供款	360	87
		7,345	2,195
Auditors' remuneration	核數師薪酬		
— Audit services	— 核數服務	700	700
— Non-audit services	— 非核數服務	120	—
Cost of inventories recognised as expenses	確認為開支的存貨成本	409,278	202,855
Depreciation of property, plant and equipment (Note 17)	物業、廠房及設備折舊(附註17)		
— Cost of sales	— 銷售成本	1,790	2,018
— Administrative expenses	— 行政開支	441	419
		2,231	2,437
Depreciation of right-of-use assets (Note 18)	使用權資產折舊(附註18)	1,224	—
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(545)	—
Allowance for ECL on trade and other receivable, net	貿易及其他應收款項預期信貸虧損撥備，淨額		
Allowance for ECL on trade receivables	貿易應收款項預期信貸虧損撥備	1,541	1,249
Allowance for ECL on other receivables	其他應收款項預期信貸虧損撥備	716	—
Reversal of allowance for ECL on trade receivables	貿易應收款項預期信貸虧損撥備撥回	(1,019)	—
		1,238	1,249
Operating lease rental expenses in respect of office premises	辦公室物業的經營租賃租金開支	—	1,636

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11. INCOME TAX EXPENSES

11. 所得稅開支

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Continuing operations	持續經營業務		
Current tax	即期稅項		
Hong Kong Profit Tax	香港利得稅	1,733	1,942
The PRC Enterprise income tax	中國企業所得稅	-	-
Deferred tax	遞延稅項		
Credited for the year (Note 34)	年內抵免(附註34)	(311)	(465)
		1,422	1,477

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 millions of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2 millions will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime is applicable to the Group for the year ended 31 March 2020 and 2019.

Accordingly, starting from the current year, the Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 millions of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 millions.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

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憲。根據兩級制利得稅率制度，合資格公司的首2百萬港元應課稅溢利將按8.25%的稅率徵稅，而2百萬港元以上的應課稅溢利將按16.5%的稅率徵稅。不符合該兩級制利得稅率制度資格的公司的應課稅溢利將繼續統一按16.5%的稅率納稅。於截至2020年及2019年3月31日止年度，兩級制利得稅率制度適用於本集團。

因此，自本年度開始，香港利得稅就首2百萬港元的估計應課稅溢利按8.25%的稅率計算，而就2百萬港元以上的估計應課稅溢利則按16.5%的稅率計算。

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納任何開曼群島及英屬處女群島的所得稅。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施細則，於兩個年度中國附屬公司的稅率均為25%。

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11. INCOME TAX EXPENSES (Continued)

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

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit before taxation	除稅前溢利	5,928	6,813
Tax at domestic income tax rates	按當地所得稅率計算的稅項	978	1,124
Tax effect of:	稅務影響：		
Tax relief of 8.25% on first HK\$2 million assessable profit	首2百萬港元應課稅溢利的8.25%稅務寬減	(165)	(165)
Tax effect of incomes not taxable for tax purpose	毋須課稅收入的稅務影響	(794)	(111)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	815	693
Tax effect of temporary differences	暫時差額的稅務影響	(311)	(465)
Tax effect of the tax losses not recognised	未確認稅項虧損的稅務影響	949	469
Effect on different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區營運附屬公司的不同稅率影響	(30)	(48)
Tax reduction	稅收扣減	(20)	(20)
Income tax expenses for the year	年內所得稅開支	1,422	1,477

11. 所得稅開支(續)

年內所得稅開支與綜合損益及其他全面收益表所列的除稅前溢利可對賬如下：

12. DISCONTINUED OPERATIONS/ASSETS HELD FOR SALE

On 28 March 2019, the Group entered into a conditional sale and purchase agreement to dispose the 90% equity interest in China Forest Food Limited, a direct wholly-owned subsidiary of the Company, and its subsidiary (the "China Forest Food Group") which engaged in sale and distribution of health food business, at total consideration approximately of HK\$8,148,000. The disposal was completed on 9 April 2019, on which date the control of China Forest Food Group ceased. There were no movement between the date 1 April 2020 to 9 April 2019.

12. 已終止經營業務／持作待售資產

於2019年3月28日，本集團訂立有條件買賣協議以出售本公司直接全資附屬公司中國森林食品有限公司及其附屬公司（「中國森林食品集團」，主要從事銷售及分銷健康食品業務）90%股權，總代價約為8,148,000港元。出售事項於2019年4月9日完成，並於同日終止於中國森林食品集團的控制權。於2020年4月1日至2019年4月9日並無變動。

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12. DISCONTINUED OPERATIONS/ASSETS HELD FOR SALE (Continued)

The result from the discontinued operation for the year, which have been included in the consolidated statement of profit or loss, were as follows:

		HK\$'000 千港元
Revenue	收益	44,808
Cost of sales	銷售成本	(44,348)
Gross profit	毛利	460
Other gains	其他收益	13
Impairment loss on goodwill	商譽減值虧損	(3,360)
Administrative expenses	行政開支	(1,849)
Loss before taxation	除稅前虧損	(4,736)
Income tax expense	所得稅開支	204
Loss for the year	年內虧損	(4,532)
Loss per share	每股虧損	
Basic and diluted (HK cents)	基本及攤薄(港仙)	(0.57)

Loss for the year from discontinued operation has been arrived at after charging/(crediting):

		HK\$'000 千港元
Discontinued operation	已終止經營業務	
Auditors' remuneration	核數師薪酬	-
Directors' emoluments	董事薪酬	-
Cost of inventories sold	已售存貨成本	43,547
Depreciation (Note 17)	折舊(附註17)	13
Exchange gain, net	匯兌收益, 淨額	(12)
Operating lease rental in respect of leased premises	租賃物業的經營租賃租金	183
Staff costs (excluding directors' remuneration)	員工成本(不包括董事薪酬)	445
Amortisation of intangible assets	無形資產攤銷	815

12. 已終止經營業務/持作待售資產(續)

已計入綜合損益表的年內已終止經營業務業績如下:

已終止經營業務的年內虧損已扣除/(計入)下列各項:

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12. DISCONTINUED OPERATIONS/ASSETS HELD FOR SALE (Continued)

The following assets and liabilities were reclassified as disposal group held for sale in relation to the discontinued operation as at 31 March 2019:

		2019 2019年 HK\$'000 千港元
Assets classified as held for sale	分類為持作待售的資產	
Property, plant and equipment (Note 17)	物業、廠房及設備(附註17)	27
Intangible asset (Note 20)	無形資產(附註20)	10,907
Goodwill (Note 21)	商譽(附註21)	6,608
Trade receivables	貿易應收款項	3,244
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	93
Cash and bank balances	現金及銀行結餘	8
Total assets classified as held for sale	分類為持作待售的資產總值	20,887
Liabilities classified as held for sale	分類為持作待售的負債	
Trade payables	貿易應付款項	658
Accruals and other payables	應計費用及其他應付款項	4,799
Due to the Group (Note)	應付本集團款項(附註)	3,650
Deferred tax liabilities (Note 34)	遞延稅項負債(附註34)	2,727
Total liabilities classified as held for sale	分類為持作待售的負債總額	11,834
Net assets classified as held for sale	分類為持作待售的資產淨值	9,053

Note: Pursuant to the agreement between the Group and the independent third party purchaser of the China Forest Food Group, the balance will be settled within one year from the completion date of the disposal.

附註：根據本集團與中國森林食品集團的獨立第三方買方之間的協議，結餘將於出售事項完成日期起計一年內結算。

Non-recurring fair value measurements:

In accordance with HKFRS 5, disposal group held for sale were written down to their fair value less cost of disposal with reference to the consideration price of sale and purchase agreement under the fair value hierarchy level 2.

During the year ended 31 March 2019, the disposal group contributed a net cash outflow used in operating activities with an amounting of approximately HK\$1,676,000 to the Group. Cumulative amount of approximately HK\$27,000 relating to the disposal group classified as held for sale has been recognised in other comprehensive expenses and included in equity.

非經常性公平值計量：

根據香港財務報告準則第5號，持作待售出售集團已撇減至其公平值扣除出售成本，並已參考公平值層級第二級項下買賣協議的代價。

截至2019年3月31日止年度，出售集團為本集團貢獻經營活動所用現金流出淨額約1,676,000港元。與分類為持作待售出售集團相關的累計金額約27,000港元已於其他全面開支確認並計入權益。

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13. DIRECTORS' EMOLUMENTS

For the year ended 31 March 2020

		Directors' Fees	Salaries and other benefits	Retirement scheme contributions	Total
		董事袍金	薪金及其他福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors	執行董事				
Mr. Fong Chun Man	方俊文先生	-	755	18	773
Ms. Lo Pui Yee	勞佩儀女士	-	755	18	773
Mr. Chan Chi Fai	陳志輝先生	-	885	18	903
Mr. Li Hok Yin (Note (i))	李學賢先生(附註(i))	-	107	4	111
Independent Non-Executive Directors	獨立非執行董事				
Mr. Chui Chi Yun, Robert	崔志仁先生	120	-	-	120
Mr. Kwong Yuk Lap	鄺旭立先生	120	-	-	120
Mr. Wang Anyuan	王安元先生	120	-	-	120
		360	2,502	58	2,920

13. 董事薪酬

截至2020年3月31日止年度

For the year ended 31 March 2019

截至2019年3月31日止年度

		Directors' Fees	Salaries and other benefits	Retirement scheme contributions	Total
		董事袍金	薪金及其他福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors	執行董事				
Mr. Fong Chun Man	方俊文先生	-	600	18	618
Ms. Lo Pui Yee	勞佩儀女士	-	600	18	618
Mr. Chan Chi Fai	陳志輝先生	-	805	18	823
Mr. Li Hok Yin (Note (i))	李學賢先生(附註(i))	-	93	-	93
Independent Non-Executive Directors	獨立非執行董事				
Mr. Chui Chi Yun, Robert	崔志仁先生	120	-	-	120
Mr. Kwong Yuk Lap	鄺旭立先生	120	-	-	120
Mr. Wang Anyuan	王安元先生	120	-	-	120
		360	2,098	54	2,512

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13. DIRECTORS' EMOLUMENTS (Continued)

The executive Directors' emoluments shown were mainly for their service in connection with the management of the affairs of the Company and the Group.

The remuneration shown above represents remuneration received and receivable from the Group by these Directors in their capacity as employees to the Group and/or in their capacity as Directors of the Company during the years ended 31 March 2020 and 2019. No Directors waived or agreed to waive any emoluments during the years ended 31 March 2020 and 2019.

Note:

- (i) Mr. Li Hok Yin was appointed as executive Directors of the Company on 21 June 2018 and resigned on 21 February 2020.

14. EMPLOYEES EMOLUMENTS AND SENIOR MANAGEMENT EMOLUMENTS

The five highest paid individuals included three (2019: three) executive Directors of the Company for the years ended 31 March 2020, details of whose emoluments are set out above in Note 13. The aggregate of the emoluments in respect of the remaining two (2019: two) highest paid employees who are neither a director or chief executive of the Company are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,082	999
Retirement benefit schemes contribution	退休福利計劃供款	35	33
		1,117	1,032

The number of non-director highest paid employees whose emoluments fell within the following bands is as follows:

		Number of individuals 人數	Number of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	2	2

13. 董事薪酬 (續)

所示執行董事薪酬主要作為彼等與管理本公司及本集團事務有關的服務。

上文所示酬金指該等董事於截至2020年及2019年3月31日止年度作為本集團僱員身分及／或作為本公司董事身分已收及應收本集團的酬金。概無董事於截至2020年及2019年3月31日止年度放棄或同意放棄任何薪酬。

附註：

- (i) 李學賢先生於2018年6月21日獲委任為本公司執行董事並於2020年2月21日辭任。

14. 僱員薪酬及高級管理人員薪酬

截至2020年3月31日止年度，五名最高薪酬人士包括本公司三名(2019年：三名)執行董事，有關薪酬詳情載於上文附註13。餘下兩名(2019年：兩名)最高薪酬僱員(非本公司董事或主要行政人員)的薪酬總額如下：

其薪酬屬於以下範圍內的非董事最高薪酬僱員人數如下：

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14. EMPLOYEES EMOLUMENTS AND SENIOR MANAGEMENT EMOLUMENTS (Continued)

The number of the senior management (excluding directors) whose emoluments fell within the following bands is as follows:

		Number of individuals 人數	Number of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	1	1

During the years ended 31 March 2020 and 2019, no emoluments were paid by the Group to the directors or any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors waived or agreed to waive any emoluments during the years ended 31 March 2020 and 2019.

15. DIVIDENDS

The Directors do not recommend the payment of any dividend for the year ended 31 March 2020 (2019: HK\$Nil).

16. EARNINGS PER SHARE

Continuing and discontinued operations

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

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Earnings	盈利		
Profit attributable to owners of the Company	本公司擁有人應佔溢利	4,664	804

14. 僱員薪酬及高級管理人員薪酬 (續)

其薪酬屬於以下範圍內的高級管理人員 (不包括董事) 人數如下：

於截至2020年及2019年3月31日止年度，本集團概無支付任何薪酬予董事或任何五名最高薪僱員，作為加入或於加入本集團後的獎勵或作為離職補償。概無董事於截至2020年及2019年3月31日止年度放棄或同意放棄任何薪酬。

15. 股息

截至2020年3月31日止年度，董事並不建議派付任何股息 (2019年：零港元)。

16. 每股盈利

持續經營及已終止經營業務

本公司擁有人應佔每股基本及攤薄盈利乃按以下數據計算：

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16. EARNINGS PER SHARE (Continued)

Continuing and discontinued operations (Continued)

		2020 2020年 '000 千股	2019 2019年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculation basic earnings per share	計算每股基本盈利的普通股加權平均數	800,000	800,000

The calculation of basic earnings per share for the years ended 31 March 2020 and 2019 is based on profit attributable to owners of the Company and the weighted average number of shares.

The weighted average number of ordinary shares is based on 800,000,000 (2019: 800,000,000) shares in issue during the year ended 31 March 2020.

Diluted earnings per share were same as the basic earnings per share as there were no potential dilutive ordinary share in existence during the years ended 31 March 2020 and 2019.

16. 每股盈利(續)

持續經營及已終止經營業務(續)

截至2020年及2019年3月31日止年度的每股基本盈利乃基於本公司擁有人應佔溢利及股份的加權平均數計算。

普通股加權平均數乃基於截至2020年3月31日止年度的800,000,000(2019年: 800,000,000)股已發行股份計算。

由於截至2020年及2019年3月31日止年度概無存在潛在攤薄普通股，故每股攤薄盈利相當於每股基本盈利。

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16. EARNINGS PER SHARE (Continued)

Continuing and discontinued operations (Continued)

Continuing operations

The calculation of basic and diluted earnings per share from continuing operations attributable to owners of the Company are based on the following data:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Earnings	盈利		
Earnings for the purpose of basic and diluted earnings per share (profit for the year from continuing operations attributable to owners of the Company)	用以計算每股基本及攤薄盈利的盈利(本公司擁有人應佔持續經營業務的年內溢利)	4,664	5,336

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted earnings per share from continuing and discontinued operations respectively.

Discontinued operation

The calculation of basic and diluted loss per share from discontinued operation attributable to owners of the Company are based on the following data:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic and diluted loss per share (loss for the year from discontinued operations attributable to owners of the Company)	用以計算每股基本及攤薄虧損的虧損(本公司擁有人應佔已終止經營業務的年內虧損)	-	(4,532)

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted loss per share from continuing and discontinued operations respectively.

16. 每股盈利(續)

持續經營及已終止經營業務(續)

持續經營業務

本公司擁有人應佔持續經營業務的每股基本及攤薄盈利乃按以下數據計算：

就分別計算持續經營及已終止經營業務的每股基本及攤薄盈利而言，此處採用的普通股加權平均數與上文所詳述者相同。

已終止經營業務

本公司擁有人應佔已終止經營業務的每股基本及攤薄虧損乃按以下數據計算：

就分別計算持續經營及已終止經營業務的每股基本及攤薄虧損而言，此處採用的普通股加權平均數與上文所詳述者相同。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 HK\$'000 千港元	Oil barge 柴油駁船 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Office equipment 辦公設備 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本						
At 1 April 2018	於2018年4月1日	662	8,500	11,431	33	-	20,626
Acquisition of subsidiaries (Note 40)	收購附屬公司(附註40)	-	-	-	39	-	39
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售 集團資產(附註12)	-	-	-	(40)	-	(40)
Exchange alignment	匯兌調整	-	-	-	1	-	1
At 31 March 2019 and 1 April 2019	於2019年3月31日 及2019年4月1日	662	8,500	11,431	33	-	20,626
Additions	添置	-	-	515	37	12,535	13,087
Disposals	出售	-	-	(2,171)	-	-	(2,171)
Exchange alignment	匯兌調整	-	-	-	(1)	(321)	(322)
At 31 March 2020	於2020年3月31日	662	8,500	9,775	69	12,214	31,220
Accumulated depreciation:	累計折舊:						
At 1 April 2018	於2018年4月1日	131	283	7,815	12	-	8,241
Charge for the year	年內支出	198	850	1,367	22	-	2,437
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售 集團資產(附註12)	-	-	-	(13)	-	(13)
Exchange alignment	匯兌調整	-	-	-	1	-	1
At 31 March 2019 and 1 April 2019	於2019年3月31日 及2019年4月1日	329	1,133	9,182	22	-	10,666
Charge for the year	年內支出	198	850	1,164	19	-	2,231
Disposals	出售	-	-	(2,171)	-	-	(2,171)
At 31 March 2020	於2020年3月31日	527	1,983	8,175	41	-	10,726
Carrying amount:	賬面值:						
At 31 March 2020	於2020年3月31日	135	6,517	1,600	28	12,214	20,494
At 31 March 2019	於2019年3月31日	333	7,367	2,249	11	-	9,960

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18. RIGHT-OF-USE ASSETS

18. 使用權資產

		Office premise 辦公室物業 HK\$'000 千港元
Cost	成本	
Adjustment upon application of HKFRS 16 as at 1 April 2019	於2019年4月1日應用香港財務報告準則第16號後的調整	1,469
Additions	添置	–
At 31 March 2020	於2020年3月31日	1,469
Accumulated depreciation	累計折舊	
Adjustment upon application of HKFRS 16 as at 1 April 2019	於2019年4月1日應用香港財務報告準則第16號後的調整	–
Charge for the year	年內支出	(1,224)
At 31 March 2020	於2020年3月31日	(1,224)
Carrying amounts	賬面值	
At 31 March 2020	於2020年3月31日	245

The Group does not have the option to purchase the right-of-use assets for a nominal amount at the end of the lease terms.

本集團並無於租期完結時以面值購買使用權資產的選擇權。

19. PREPAYMENT FOR RIGHT-OF-USE ASSETS

As at 31 March 2020, the balance represents the prepayment paid by the Group in connection with right-of-use assets in the PRC.

19. 使用權資產預付款項

於2020年3月31日，結餘乃指本集團就中國使用權資產的已付預付款項。

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20. INTANGIBLE ASSETS

20. 無形資產

		HK\$'000 千港元
Cost	成本	
At 1 April 2018	於2018年4月1日	-
Acquisition of subsidiaries	收購附屬公司	11,722
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售集團資產 (附註12)	(11,722)
At 31 March 2019, 1 April 2019 and 31 March 2020	於2019年3月31日、2019年4月1日及2020年3月31日	-
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 April 2018	於2018年4月1日	-
Charge for the year	年內支出	815
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售集團資產 (附註12)	(815)
At 31 March 2019, 1 April 2019 and 31 March 2020	於2019年3月31日、2019年4月1日及2020年3月31日	-
Carrying amount:	賬面值：	
At 31 March 2020	於2020年3月31日	-
At 31 March 2019	於2019年3月31日	-

Note:

- (1) The intangible assets represent the distribution right for sale and distribution of health food in the PRC.
- (2) The useful life of distribution right's used in calculation of amortisation is 9.58 years. The amortisation charge is included in administrative expenses in the consolidated statement of profit or loss for the year ended 31 March 2019. During the year ended 31 March 2019, the Group reclassified the intangible assets as assets of disposal group classified as held for sale upon entered the sale and purchase agreement with vendor on 28 March 2019. Detail information reference to Note 12.

The valuation of the distribution right is based on the Greenfield method and uses cash flow projections based on financial estimates covering a five-years period, the expected sales deriving from the distribution right in sale and distribution of health food. The pre-tax discount rate used is 32.86% per annum. The cash flows beyond the five-years period are extrapolated using a steady 3% growth rate per annum. Management has considered the above assumptions and valuation and also taken into account the business plan going forward. During the year ended 31 March 2019, the Directors determine that no impairment loss was recognised in respect of intangible assets.

附註：

- (1) 無形資產指於中國銷售及分銷健康食品的分銷權。
- (2) 於計算攤銷中使用的分銷權可使用年期為9.58年。攤銷開支計入截至2019年3月31日止年度綜合損益表中的行政開支。於截至2019年3月31日止年度，本集團於2019年3月28日與賣方訂立買賣協議後將無形資產重新分類為持作待售出售集團的資產。有關詳情請參閱附註12。

分銷權的估值乃基於Greenfield方法並使用基於五年期的財務估算及自銷售及分銷健康食品分銷權所產生的預計銷售計算的現金流量預測而得出。所使用的除稅前貼現率為每年32.86%。五年期以後的現金流量乃使用固定增長率每年3%推算。管理層已考慮上述假設及估值，亦已計及未來的業務計劃。於截至2019年3月31日止年度，董事確認概無就無形資產確認減值虧損。

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21. GOODWILLS

21. 商譽

		HK\$'000 千港元
Cost	成本	
At 1 April 2018	於2018年4月1日	–
Acquisition of subsidiaries (Note 40)	收購附屬公司(附註40)	9,968
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售集團資產(附註12)	(9,968)
At 31 March 2019, 1 April 2019 and 31 March 2020	於2019年3月31日、2019年4月1日及2020年3月31日	–
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 April 2018	於2018年4月1日	–
Impairment for the year (Note 12)	年內減值(附註12)	3,360
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售集團資產(附註12)	(3,360)
At 31 March 2019, 1 April 2019 and 31 March 2020	於2019年3月31日、2019年4月1日及2020年3月31日	–
Carrying amount:	賬面值：	
At 31 March 2020	於2020年3月31日	–
At 31 March 2019	於2019年3月31日	–

Note:

Particular of impairment testing on goodwill is disclosed below:

Goodwill has been allocated for impairment testing purposes to the following cash-generating units:

— Sale and distribution of health food

Impairment testing on goodwill

The recoverable amount of the above cash generating unit was determined on the basis of value in use calculations. The recoverable amount is based on certain assumptions. All value in use calculations use cash flow projections based on the financial budgets approved by the management covering a 5-year period. The pre-tax discount rate used is 31.48% per annum. Cash flows beyond 5-year period are extrapolated using a steady 3% growth rate per annum. The Directors believe that any reasonably possible further change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

The key assumption used in the value in use calculations are as follows:

Budgeted market share	Average market share in the period immediately before the budget period. The values assigned to the assumption reflect past experience.
預計市場份額	於緊接預算期前期間的平均市場份額。指派至假設的價值反映過往經驗。
Budgeted gross margin	Average gross margins achieved in the period immediately before the budget period which reflect past experience.
預計毛利率	於緊接預算期前期間達致的平均毛利率，反映過往經驗。

附註：

商譽減值測試的詳情披露如下：

商譽已就減值測試目的分配至以下現金產生單位：

— 銷售及分銷健康食品

商譽減值測試

上述現金產生單位的可收回金額乃根據使用價值計算而釐定。可收回金額乃根據若干假設而釐定。所有使用價值計算使用根據管理層批准的五年期財政預算計算的現金流量預測進行。所使用的除稅前貼現率為每年31.48%。五年期以後的現金流量乃使用固定增長率每年3%推算。董事相信可收回金額依據的主要假設的任何合理潛在進一步變動將不會導致賬面值超過其可收回金額。

使用價值計算所用的主要假設如下：

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22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

22. 按公平值計入損益的金融資產

		2020 2020年	2019 2019年
Investment in a listed equity in Malaysia (note i)	馬來西亞上市權益投資(附註i)	750	1,495
Key management personnel life insurance policy (note ii)	主要管理層人員人壽保單(附註ii)	4,678	–
		5,428	1,495
Analysed for reporting purposes as:			
	就呈報目的分析為：		
Current assets	流動資產	750	1,495
Non-current assets	非流動資產	4,678	–
		5,428	1,495

Notes:

- (i) Financial assets at fair value through profit or loss are stated at fair value which are determined by reference to quoted market bid prices.
- (ii) The Group entered into a life insurance policies with an insurance company to insure against the death and permanent disability of executive Director. Under the policy, the beneficiary and policy holder are the Company, Great Wall (International) Oil Limited, wholly owned subsidiary of the Company, and the total insured sum is approximately US\$2,600,000 (equivalent to HK\$20,280,000). The contracts will be terminated on the occurrence of the earliest of the death of the key management personnel insured or other terms pursuant to the contracts. The Company paid the total insurance premium with an aggregate amount of approximately US\$639,800 (equivalent to approximately HK\$4,987,000) at the inception of the policy. The initial premium charge was approximately US\$38,000 (equivalent to approximately HK\$309,000). The Group may request a surrender of the contracts at any time and receive cash back based on the cash value at the date of withdrawal, which is determined by the gross premium paid at inception plus accumulated guaranteed interest earned and minus insurance premium charged (the "Cash Value"). A guaranteed interest rate of 4.25% per annum applied to the contracts for the first year, followed by the discretionary portion with a minimum guaranteed interest rate of 2% per annum for the following years until termination. The fair value is based on redemption value quoted by the insurance company.

Details of fair value estimation for the year ended 31 March 2020 and 2019 are set out in Note 5(c).

附註：

- (i) 按公平值計入損益的金融資產乃按公平值列賬，並經參考市場報價後釐定。
- (ii) 本集團向保險公司投購一份人壽保單，就執行董事身故及永久傷殘投保。根據保單，受益人及保單持有人為本公司及本公司全資附屬公司長城(國際)石油有限公司，總投保額約為2,600,000美元(相當於20,280,000港元)。合約將於受保的主要管理層人員身故時或根據合約其他條款規定而予以終止(以最早發生者為準)。本公司已於保單開始時繳清全部保費合共約639,800美元(相當於約4,987,000港元)。初始保費費用約為38,000美元(相當於約309,000港元)。本集團可隨時要求退保，並根據退保日期現金價值取回現金，有關價值根據開始時已支付的保費總額加已賺取的累計保證利息所扣除保費(「現金價值」)釐定。合約首年的保證年利率為4.25厘，其後年度則為最低保證年利率2厘加酌情部分，直至終止為止。公平值按保險公司所報贖回價值計算。

有關2020年及2019年3月31日止年度公平值估計的詳情載於附註5(c)。

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

23. 按公平值計入其他全面收益的金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Unlisted equity	非上市權益		
— Investment in an unlisted equity	— 於一個非上市權益的投資	—	—
Analysed for reporting purpose as:	就呈報目的分析為：		
— Non-current assets	— 非流動資產	—	—

Notes:

The investment in an unlisted equity is measured at fair value. It is the remaining equity portion of the disposed subsidiaries. The fair value is based on the market approach. HK\$905,000 was charged to other comprehensive income relating to fair value loss on financial assets at fair value through other comprehensive income during the year ended 31 March 2020.

Details of fair value estimation for the year ended 31 March 2020 and 2019 are set out in Note 5(c).

附註：

於一個非上市權益的投資按公平值計量。其為已出售附屬公司的剩餘權益部分。公平值按市場法計算。截至2020年3月31日止年度，905,000港元已計入有關按公平值計入其他全面收益的金融資產公平值虧損的其他全面收益。

有關截至2020年及2019年3月31日止年度公平值估計的詳情載於附註5(c)。

24. INVENTORIES

24. 存貨

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Finished goods — Diesel oil	製成品 — 柴油	109	277
Finished goods — Steels products in transit	製成品 — 轉運鋼產品	11,410	—
		11,519	277

Inventories represent the merchandise of diesel and steel products at the end of the reporting period.

存貨指於報告期末的柴油及鋼產品存貨。

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25. TRADE RECEIVABLES

25. 貿易應收款項

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	貿易應收款項	78,367	72,635
Less: Allowance for impairment losses on trade receivables	減：貿易應收款項減值虧損撥備	(1,771)	(1,249)
		76,596	71,386

(a) Ageing analysis

The following is an ageing analysis of trade receivables presented based on the invoice date at the end of the reporting periods:

(a) 賬齡分析

以下為於報告期末按發票日期呈列的貿易應收款項賬齡分析：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日內	20,298	18,911
31 to 60 days	31至60日	10,825	14,581
61 to 90 days	61至90日	13,023	13,951
91 to 120 days	91至120日	25,009	6,501
121 to 150 days	120至150日	9,190	18,691
Over 150 days	超過150日	22	–
		78,367	72,635

As at 31 March 2020, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$34,221,000 (2019: HK\$23,005,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$9,212,000 (2019: HK\$12,151,000) has been past due 90 days or more and is not considered as in default due to a number of independent debtors that have a good track record with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

於2020年3月31日，計入本集團貿易應收款項結餘的債務總賬面值約34,221,000港元(2019年：23,005,000港元)已於報告期間逾期。於到期結餘中，約9,212,000港元(2019年：12,151,000港元)已到期90日或更長而不被視為違約，原因為若干獨立債務人在本集團中擁有良好往績。根據過往經驗，管理層認為由於信貸質素並無重大改變，而該等結餘仍被視為可全面收回，故毋須就該等結餘作出減值撥備。

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25. TRADE RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

The Group's average credit term with its customers is, in general, 3 days to 150 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Details on the Group's credit policy are set out in Note 5(b).

(b) Impairment assessment of trade receivables

Net losses allowance for expected credit losses on trade receivables of approximately HK\$522,000 and HK\$1,249,000 have been recognised to the consolidated profit or loss and other comprehensive income for the year ended 31 March 2020 and 2019 respectively.

Details of impairment assessment of trade receivables for the year ended 31 March 2020 and 2019 are set out in Note 5(b).

25. 貿易應收款項(續)

(a) 賬齡分析(續)

本集團與其客戶的平均信貸期一般為3日至150日。本集團致力對尚未收回的應收款項維持嚴格控制。逾期結餘由高級管理層定期審閱。本集團信貸政策詳情載於附註5(b)。

(b) 貿易應收款項減值評估

貿易應收款項預期信貸虧損的虧損撥備淨額約522,000港元及1,249,000港元已分別確認至截至2020年及2019年3月31日止年度的綜合損益及其他全面收益。

截至2020年及2019年3月31日止年度，貿易應收款項減值評估的詳情載於附註5(b)。

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

26. 預付款項、按金及其他應收款項

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Deposits	按金	1,073	1,057
Prepayments	預付款項	5,926	206
Other receivables*, net of allowance for ECL	其他應收款項*(扣除預期信貸虧損撥備)	4,314	3,650
		11,313	4,913
Less: non-current portion of deposits	減：按金非即期部分	(160)	-
Current portion	即期部分	11,153	4,913

* The other receivables include the amount due from a disposal group classified as held for sale was approximately HK\$3,650,000 and loss allowance for expected credit losses on other receivables of approximately HK\$716,000 and HK\$Nil have been recognised to the consolidated profit or loss and other comprehensive income for the year ended 31 March 2020 and 2019 respectively.

Details of impairment assessment of deposits and other receivables for the year ended 31 March 2020 and 2019 are set out in Note 5(b).

* 其他應收款項包括應收分類為持作待售出售集團款項約3,650,000港元，而其他應收款項預期信貸虧損的虧損撥備約716,000港元及零港元已分別確認至截至2020年及2019年3月31日止年度綜合損益及其他全面收益。

截至2020年及2019年3月31日止年度，按金及其他應收款項減值評估的詳情載於附註5(b)。

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27. PLEDGED BANK DEPOSITS/CASH AND BANK BALANCES

27. 已抵押銀行存款／現金及銀行結餘

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Pledged bank deposits	已抵押銀行存款	12,025	4,000
Cash and bank balances	現金及銀行結餘	6,661	6,034
		18,686	10,034

At 31 March 2020, the cash and bank balances of the Group included currencies denominated in RMB amounted to approximately HK\$1,242,000 (31 March 2019: Nil).

Cash and bank balances comprise cash at bank and cash on hand held by the Group. Bank balances earn interests at floating rate based on daily bank deposit rates and is placed with creditworthy banks with no recent history of default.

The pledged bank deposits were pledged as collateral for bank facilities and carried interest ranging from 0.31% to 1.60% (2019: 0.31%) per annum.

於2020年3月31日，本集團的現金及銀行結餘包括以人民幣計值的貨幣約1,242,000港元(2019年3月31日：無)。

現金及銀行結餘包括銀行存款及本集團持有的手頭現金。銀行結餘按每日銀行存款利率以浮動利率賺取利息，存於近期並無違約記錄且信譽良好的銀行。

已抵押銀行存款被抵押為銀行融資的抵押品，並以年利率介乎0.31%至1.60%(2019年：0.31%)計息。

28. TRADE AND BILLS PAYABLES

28. 貿易應付款項及應付票據

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables	貿易應付款項	7,729	5,796
Bills payable	應付票據	-	1,141
		7,729	6,937

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28. TRADE AND BILLS PAYABLES (Continued)

The average credit term from suppliers is up to 3 to 90 days. The following is an ageing analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 30 days	30日內	7,727	5,796
31 to 60 days	31至60日	–	–
61 to 90 days	61至90日	2	–
		7,729	5,796

Bills payable mature within 90 days.

Notes:

The bills payable are secured by:

- (a) unlimited personal guarantee provided by an executive Director of the Company Mr. Fong; and
- (b) pledge of the property which owned by an executive Director of the Company Mr. Fong.

28. 貿易應付款項及應付票據(續)

供應商給予的平均信貸期最多為3至90日。以下為於報告期末按發票日期呈列的貿易應付款項及應付票據賬齡分析：

於90日內到期的應付票據。

附註：

應付票據以下列各項擔保：

- (a) 本公司執行董事方先生提供的無限個人擔保；及
- (b) 本公司執行董事方先生擁有的物業抵押。

29. ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Accruals	應計費用	4,215	2,508
Other payables (Note)	其他應付款項(附註)	2,879	–
Deposits received	已收按金	85	80
		7,179	2,588

Note: The amount included bonds interest payable of approximately HK\$694,000 (2019: Nil).

29. 應計費用、其他應付款項及已收按金

附註：金額包括應付債券利息約694,000港元(2019年：無)。

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30. CONTRACT LIABILITIES

30. 合約負債

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Contract liabilities	合約負債		
Provision of selling steels products	提供鋼產品銷售		
— Billings in advance of performance	— 於履約前預收款項	4,509	—

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

對經確認合約負債金額構成影響的一般付款條款如下：

Provision of selling steels products

When the Company receives a deposit before the sales contract commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract.

提供鋼產品銷售

本公司在銷售合約開始前收取按金時，則將在合約開始時產生合約負債，直至就相關合約確認收益為止。

Movements in contract liabilities

合約負債變動

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
As at 1 April	於4月1日	—	—
Decrease in contract liabilities as a result of recognising revenue during the year	年內確認收益導致合約負債減少	(110,807)	—
Increase in contract liabilities as a result of receiving deposits during the year in respect of the goods not until progress as at 31 March	年內就於3月31日尚未製成商品收取按金而導致合約負債增加	115,435	—
Exchange alignment	匯兌調整	(119)	—
As at 31 March	於3月31日	4,509	—

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31. BANK BORROWINGS

31. 銀行借款

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Secured bank borrowings (Notes (i) and (ii)) 已抵押銀行借款(附註(i)及(ii))	16,090	3,000
Carrying amount repayable: 應償還的賬面值:		
On demand or within one year and shown 按要求或按流動負債所示須 under current liabilities 於一年內償還	16,090	3,000

Notes:

- (i) As at 31 March 2020, the bank borrowings of the Group was secured by the corporate guarantee, fixed deposits and life insurance policy of the Group. As at 31 March 2019, the bank borrowings of the Group was secured by the corporate guarantee and fixed deposits of the Group.
- (ii) The bank borrowings of the Group with financial institutions amounted to approximately HK\$16,090,000 with the bank facilities 1 and 2 which respectively carried at variable interest rate of the range from 3.57% to 4.88% and 2.76% to 3.97% per annum for the year ended 31 March 2020. The bank borrowings of the Group with financial institutions amounted to approximately HK\$3,000,000, carried at interest rate 4.88% per annum, for the year ended 31 March 2019.

附註:

- (i) 於2020年3月31日，本集團的銀行借款以本集團的公司擔保、定期存款及人壽保險作擔保。於2019年3月31日，本集團的銀行借款以本集團的公司擔保及定期存款作擔保。
- (ii) 截至2020年3月31日止年度，本集團與金融機構的銀行借款約為16,090,000港元，其中銀行融資1及2分別以浮動年利率3.57%至4.88%及2.76%至3.97%計息。截至2019年3月31日止年度，本集團與金融機構的銀行借款約為3,000,000港元，按年利率4.88%計息。

32. LEASE LIABILITIES

32. 租賃負債

	2020 2020年 HK\$'000 千港元
Minimum lease payments due: 到期最低租賃付款:	
Within one year 一年內	253
Less: Future finance charges 減: 未來融資費用	(1)
Present value of lease liabilities 租賃負債現值	252
Present value of lease liabilities: 租賃負債現值:	
Within one year 一年內	252

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 March 2019 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in Note 2.

本集團已透過使用經修訂追溯法首次應用香港財務報告準則第16號，並於2019年4月1日調整期初結餘以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關的租賃負債。於2019年3月31日的比較資料並無重列。有關過渡至香港財務報告準則第16號的影響的進一步詳情載於附註2。

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33. BONDS PAYABLE

The bonds payable are interest bearing at the fixed coupon rate of 10% per annum, payable annually in arrear and repayable as follow:

		2020 2020年 HK\$'000 千港元
Within one year	一年內	–
More than one year but not later than two years	超過一年但少於兩年	8,800
		8,800
Analysed as reporting purpose as:	就呈報目的分析為：	
Current liabilities	流動負債	–
Non-current liabilities	非流動負債	8,800
		8,800

The effective interest rate of the corporate bonds for the year ended 31 March 2020 is 10% (31 March 2019: Nil) per annum.

For the year ended 31 March 2020, transactions costs totalling of approximately HK\$42,000 had been incurred for the issuance of the corporate bonds.

33. 應付債券

應付債券按固定票面年利率10%計息，須於每年年底支付，並按以下方式償還：

截至2020年3月31日止年度，公司債券的實際年利率為10%（2019年3月31日：無）。

截至2020年3月31日止年度，發行公司債券已產生交易成本合共約42,000港元。

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34. DEFERRED TAX (ASSETS)/LIABILITIES

The followings are the major deferred tax balances recognised and movements thereon during the years ended 31 March 2020 and 2019:

		Expected credit loss allowance 預期信貸虧損撥備 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	–	1,183	–	1,183
Arising from acquisition of subsidiaries	自收購附屬公司所產生	–	–	2,931	2,931
Transferred to assets of disposal group classified as held for sale (Note 12)	轉至分類為持作待售出售集團資產(附註12)	–	–	(2,727)	(2,727)
Credited to consolidated statement of profit or loss during the year (Notes 11 and 12)	年內計入綜合損益表(附註11及12)	(206)	(259)	(204)	(669)
As at 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	(206)	924	–	718
Credited to consolidated statement of profit or loss during the year (Note 11)	年內計入綜合損益表(附註11)	(85)	(226)	–	(311)
At 31 March 2020	於2020年3月31日	(291)	698	–	407

At the end of the reporting period, the Group has unused tax losses of HK\$15,433,000 (2019: HK\$9,856,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$Nil (2019: HK\$Nil) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$15,098,000 (2019: HK\$9,856,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$335,000 (2019: HK\$Nil) that will expire in 2024. Other losses may be carried forward indefinitely.

34. 遞延稅項(資產)/負債

以下為於截至2020年及2019年3月31日止年度確認的主要遞延稅項結餘及其變動：

於報告期末，本集團有為數15,433,000港元(2019年：9,856,000港元)的未動用稅項虧損可供抵銷未來溢利。已就有關虧損零港元(2019年：零港元)確認遞延稅項資產。由於無法預測未來溢利來源，故並無就剩餘15,098,000港元(2019年：9,856,000港元)確認遞延稅項資產。未確認稅項虧損包括虧損335,000港元(2019年：零港元)，將於2024年屆滿。其他虧損可無限期結轉。

35. CONTINGENT CONSIDERATION PAYABLES

		HK\$'000 千港元
As at 1 April 2018	於2018年4月1日	–
Recognised in acquisition of subsidiaries (Note 40)	於收購附屬公司時確認(附註40)	3,598
As at 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	3,598
Fair value change	公平值變動	(3,598)
At 31 March 2020	於2020年3月31日	–

35. 應付或然代價

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35. CONTINGENT CONSIDERATION PAYABLES

(Continued)

Pursuant to the completion of the Acquisition, as a part of consideration, the Group liable to settle the contingent consideration by cash with aggregate amount of RMB7,000,000 (equivalent to approximately HK\$7,940,000) to the vendors upon subject to the fulfilment of profit guarantee provided by the vendor for the years ending 30 June 2020 under the Sale and Purchase Agreement. The audited consolidated net profit after tax of the China Forest Food Group shall be not less than RMB5,000,000 for the period from the Completion Date to 30 June 2019 and shall be not less than RMB10,000,000 for the period from the Completion Date to 30 June 2020. The fair value of the contingent consideration payables were in aggregate amount approximately of HK\$3,598,000 at the date of the Acquisition.

The fair values as at the date of the acquisition and 31 March 2019 were determined with reference to the valuations as at those dates performed by an independent valuers. The valuations was calculated based on the expected cash flow approach which determined the expected value probability weighted discount cash flow at 31.48%. For the year ended 31 March 2020, fair value change on contingent consideration payables was HK\$3,598,000.

36. SHARE CAPITAL

35. 應付或然代價(續)

根據收購事項的完成，本集團須向賣方以現金支付合共人民幣7,000,000元(相當於約7,940,000港元)的或然代價，以作為代價的一部分，惟須根據買賣協議待賣方履行就截至2020年6月30日止年度所提供的溢利保證後，方可作實。中國森林食品集團的經審核綜合除稅後純利自完成日期起至2019年6月30日止期間不得少於人民幣5,000,000元，且自完成日期起至2020年6月30日止期間不得少於人民幣10,000,000元。於收購日期，應付或然代價的公平值合共約為3,598,000港元。

於收購日期及2019年3月31日的公平值乃經參考由獨立估值師於該等日期所進行的估值而釐定。估值乃基於預期現金流量法(其按31.48%釐定可能加權貼現現金流量的預期價值)計算得出。截至2020年3月31日止年度，應付或然代價的公平值變動為3,598,000港元。

36. 股本

		Number of Share 股份數目	HK\$'000 千港元
Authorised:	法定：		
As at 1 April 2018, 31 March 2019, 1 April 2019 and 31 March 2020	於2018年4月1日、 2019年3月31日、 2019年4月1日 及2020年3月31日	2,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
As at 1 April 2018, 31 March 2019, 1 April 2019 and 31 March 2020	於2018年4月1日、 2019年3月31日、 2019年4月1日及 2020年3月31日	800,000,000	8,000

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37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

37. 本公司財務狀況表

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current asset	非流動資產			
Investment in subsidiaries	於附屬公司之投資	39	–	13,612
Current asset	流動資產			
Prepayment, deposits and other receivables	預付款項、按金及其他應收款項		3,052	3,812
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	22	750	1,495
Amount due from subsidiaries	應收附屬公司款項		611	1,035
Cash and bank balances	現金及銀行結餘		33,323	19,477
			37,736	25,819
Current liabilities	流動負債			
Accruals	應計費用		1,847	864
			1,847	864
Net current assets	流動資產淨值		35,889	24,955
Total assets less current liabilities	資產總值減流動負債		35,889	38,567
Non-current liabilities	非流動負債			
Contingent consideration payables	應付或然代價	35	–	3,598
Bonds payable	應付債券	33	8,800	–
			8,800	3,598
Net assets	資產淨值		27,089	34,969
Capital and reserves	資本及儲備			
Share capital	股本	36	8,000	8,000
Reserves	儲備	38	19,089	26,969
Total equity	總權益		27,089	34,969

Approved and authorised for issued by the board of Directors on 26 June 2020 and signed on its behalf by:

已於2020年6月26日獲董事會批准及授權刊印，並由下列董事代表簽署：

Fong Chun Man
方俊文
Executive Director
執行董事

Lo Pui Yee
勞佩儀
Executive Director
執行董事

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38. RESERVES OF THE COMPANY

38. 本公司儲備

		Share premium 股份溢價 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 2018	於2018年4月1日	49,221	(19,237)	29,984
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	–	(3,015)	(3,015)
At 31 March 2019 and 1 April 2019	於2019年3月31日及2019年4月1日	49,221	(22,252)	26,969
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	–	(7,880)	(7,880)
At 31 March 2020	於2020年3月31日	49,221	(30,132)	19,089

As at 31 March 2020, the Company had distributable reserves of approximately HK\$19,089,000 (2019: HK\$26,969,000) calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

於2020年3月31日，本公司有可供分派儲備約19,089,000港元(2019年：26,969,000港元)，乃按第22章曼群島公司法(1961年第3號法例經綜合及修訂)計算。

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39. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at the end of the reporting period are as follows:

39. 主要附屬公司

於報告期末，本公司的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place and Date of incorporation 註冊成立地點及日期	Principle country of operation 主要業務所在國家	Issued and paid up capital or registered capital 已發行及繳足資本或註冊資本	Percentage of equity interest and voting power attributable to the company 本公司應佔權益及投票權百分比		Principle activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Ruiqin Investments Limited 瑞勤投資有限公司	The BVI, 5 January 2016 英屬處女群島， 2016年1月5日	Hong Kong 香港	US\$10.00 10.00美元	100	–	Investment holding 投資控股
Great Wall (International) Oil Limited 長城(國際)石油有限公司	Hong Kong, 22 December 2005 香港， 2005年12月22日	Hong Kong 香港	HK\$1.00 1.00港元	–	100	Sale and transportation of diesel oil and related products 柴油及相關產品銷售及運輸
江西新冀動力科技有限公司	The PRC, 10 July 2019 中國， 2019年7月10日	The PRC 中國	RMB30,000,000 人民幣30,000,000元	–	55	Manufacturing, sale and distribution of steel products 鋼產品製造、銷售及分銷

None of the subsidiaries had any debt securities outstanding at the end of the year.

The above table lists the subsidiaries of the Group, which, in the opinion of the Directors, principally affected the results or assets of the Group. To give detail of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive lengths.

於年末，概無附屬公司有任何未償還的債務證券。

上表載列董事認為主要影響本集團業績或資產的本集團附屬公司。董事認為，提供其他附屬公司的詳情會令資料冗長。

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39. PRINCIPAL SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiary of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有的所有權益及投票權比例		Loss allocated to non-controlling interests 分配予非控股權益的虧損		Accumulated non-controlling interests 累計非控股權益	
		2020	2019	2020	2019	2020	2019
		2020年	2019年	2020年	2019年	2020年	2019年
		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
江西新冀動力科技有限公司	PRC 中國	45%	-	158	-	14,762	-

Summarised financial information in respect of each of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
江西新冀動力科技有限公司			
Current assets	流動資產	19,948	-
Non-current assets	非流動資產	20,480	-
Current liabilities	流動負債	(8,005)	-
Equity attributable to owners of the Company	本公司擁有人應佔權益	17,661	-
Non-controlling interest of 江西新冀動力科技有限公司	江西新冀動力科技有限公司的非控股權益	14,762	-

39. 主要附屬公司 (續)

擁有重大非控股權益的非全資附屬公司詳情

下表顯示擁有重大非控股權益的本集團非全資附屬公司詳情：

擁有重大非控股權益的本集團各附屬公司財務資料概要載於下文。下列的財務資料概要為集團內公司間對銷前的金額。

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39. PRINCIPAL SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

39. 主要附屬公司(續)

擁有重大非控股權益的非全資附屬公司資料(續)

		2020 截至2020年 HK\$'000 千港元	2019 截至2019年 HK\$'000 千港元
江西新翼動力科技有限公司			
Revenue	收益	111,219	–
Cost of sales	銷售成本	(110,100)	–
Administrative expenses	行政開支	(1,469)	–
Loss for the period	期內虧損	(350)	–
Loss attribute to owners of the Company	本公司擁有人應佔虧損	(192)	–
Loss attribute to non-controlling interests	非控股權益應佔虧損	(158)	–
Other comprehensive loss attributable to owners of the Company	本公司擁有人應佔其他全面虧損	(565)	–
Other comprehensive loss attributable to non-controlling interests	非控股權益應佔其他全面虧損	(462)	–
Total comprehensive loss for the period	期內其他全面虧損	(1,027)	–
Total comprehensive loss attributable to owners	擁有人應佔全面虧損總額	(757)	–
Total comprehensive loss attributable to non-controlling interests	非控股權益應佔全面虧損總額	(620)	–
Total comprehensive loss for the period	期內全面虧損總額	(1,377)	–
Net cash flows used in operating activities	經營活動所用的現金流量淨額	(11,333)	–
Net cash flows used in investing activities	投資活動所用的現金流量淨額	(21,028)	–
Net cash flows generated from financing activities	融資活動所產生的現金流量淨額	34,689	–
Net cash inflow	現金流入淨額	2,328	–

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40. ACQUISITION OF SUBSIDIARIES

On 17 May 2018 and 11 July 2018, the Company entered into the 1st sale and purchase agreement (the "1st Acquisition Agreement") and 2nd sale and purchase agreement (the "2nd Acquisition Agreement") with the vendor and agreed to acquire the entire equity interest in China Forest Food Limited and its subsidiaries (the "China Forest Food Group"), with total cash consideration of RMB12,000,000 (equivalent to approximately HK\$13,612,000). The cash consideration with the amounting of approximately RMB8,500,000 (equivalent to approximately HK\$10,014,000) was paid on the completion date and the remaining cash consideration with amounting of RMB3,500,000 (equivalent to approximately HK\$3,970,000) shall be payable upon the fulfillment of profit guarantee for the years ending 30 June 2019 and 30 June 2020 respectively. The principal activity of the China Forest Food Group is provision of sale and distribution of health food. Pursuant to the 1st Acquisition Agreement and 2nd Acquisition Agreement, the vendor guaranteed a net profit after taxation of not less than RMB5,000,000 (equivalent to approximately HK\$5,753,000) for the period from 17 May 2018 to 30 June 2019 and for period from 1 July 2019 to 30 June 2020 shall be not less than RMB10,000,000 (equivalent to approximately HK\$11,505,000). The acquisition was completed on 30 July 2018.

The fair value of the identifiable assets and liabilities acquired at the date acquisition:

40. 收購附屬公司

於2018年5月17日及2018年7月11日，本公司與賣方分別訂立第一份買賣協議（「第一份買賣協議」）及第二份買賣協議（「第二份買賣協議」），並同意收購中國森林食品有限公司及其資附屬公司（「中國森林食品集團」）全部股權，總現金代價為人民幣12,000,000元（相當於約13,612,000港元）。現金代價約人民幣8,500,000元（相當於約10,014,000港元）已於完成日期支付，而餘下現金代價人民幣3,500,000元（相當於約3,970,000港元）須於實現分別截至2019年6月30日及2020年6月30日止年度的溢利保證後支付。中國森林食品集團的主要業務是提供健康食品銷售分銷。根據第一份收購協議及第二份收購協議，賣方保證自2018年5月17日起至2019年6月30日止期間的除稅後純利不低於人民幣5,000,000元（相當於約5,753,000港元），而自2019年7月1日起至2020年6月30日止期間的除稅後純利亦不低於人民幣10,000,000元（相當於約11,505,000港元）。收購事項已於2018年7月30日完成。

於收購日期所收購可識別資產及負債的公平值：

		HK\$'000 千港元
Net assets acquired:	所收購的資產淨值：	
Property, plant and equipment (Note 17)	物業、廠房及設備(附註17)	39
Intangible asset (Note 20)	無形資產(附註20)	11,722
Inventories	存貨	1
Trade and bills receivables	貿易應收款項及應付票據	2,596
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	97
Cash and cash equivalents	現金及現金等價物	1,710
Trade and bills payables	貿易應付款項及應付票據	(1,243)
Accruals, receipts in advance and other payables	應計費用、預收款項及其他應付款項	(4,698)
Amount due to Group	應付本集團款項	(3,650)
Deferred tax liabilities (Note 34)	遞延稅項負債(附註34)	(2,930)
Total identifiable net assets at fair value	按公平值計量的可識別資產淨值總額	3,644
Goodwill arising on the Acquisition (note 21)	收購事項所產生的商譽(附註21)	9,968
		13,612

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40. ACQUISITION OF SUBSIDIARIES (Continued)

Total consideration satisfied by:

		HK\$'000 千港元
Cash consideration	現金代價	10,014
Add: Contingent consideration payables (Note 35)	加：應付或然代價(附註35)	3,598
Total consideration	總代價	13,612

40. 收購附屬公司(續)

按以下方式償付的總代價：

Net cash outflow on acquisition of subsidiaries

收購附屬公司的現金流出淨額

		HK\$'000 千港元
Consideration paid or payable in cash	已付或應付現金代價	(10,014)
Less: Cash and cash equivalents balance acquired	減：已收購的現金及現金等價物結餘	1,710
Net cash outflow arising from acquisition	收購事項所產生的現金流出淨額	(8,304)

Included in the loss for the year of approximately HK\$4,532,000 and revenue for the year of approximately HK\$44,808,000 attributable to the Group during the year end 31 March 2019.

截至2019年3月31日止年度，約4,532,000港元及約44,808,000港元已分別計入本集團應佔年內虧損及年內收益。

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41. COMMITMENTS

(a) Capital commitments

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Capital expenditure in respect of the construction in progress, contracted for but not provided in the consolidated financial statements	就在建工程已訂約但尚未於綜合財務報表計提撥備的資本開支	15,883	—
Capital injection payable to a subsidiary	應付一間附屬公司注資	12,014	—
Acquisition of right-of-use assets	使用權資產收購事項	28,570	—

(b) Operating lease commitments

The Group as lessee

At the end of each reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2019 2019年 HK\$'000 千港元
— Within one year	— 一年內	1,496
— In the second to fifth years, inclusive	— 第二至第五年(包括首尾兩年)	312
		1,808

Operating lease payments represent rentals payable by the Group for certain of office premises. Leases are negotiated at terms which range from 1 to 3 years. The Group does not have an option to purchase the leased premises at the expiry of the lease period.

經營租賃付款為本集團就若干處所之應付租金。租賃以介乎一至三年的租期進行磋商。本集團並無於租賃期屆滿後購買租賃物業的選擇權。

41. 承擔

(a) 資本承擔

(b) 經營租賃承擔

本集團作為承租人

於各報告日期末，本集團就不可撤銷經營租賃之未來最低租賃付款須於下列年期支付：

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42. RETIREMENT BENEFITS SCHEME

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Under the MPF Scheme, employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,500 (2019: HK\$1,500) and they can choose to make additional contributions. Employers' monthly contributions are calculated at 5% of the employee's monthly salaries or up to a maximum of HK\$1,500 (2019: HK\$1,500) (the "mandatory contributions"). Employees are entitled to 100% of the employer's mandatory contributions upon their retirement at the age of 65, death or total incapacity.

The retirement benefits scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss and other comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The contributions paid and payable to the schemes by the Group are disclosed in Note 10.

43. SHARE OPTION SCHEME

A summary of the share option schemes of the Company are set out in the section headed "Share Option Scheme" in the Report of the Board of Directors of this report.

The Company adopted a share option scheme on 23 March 2017 (the "Share Option Scheme"). The Share Option Scheme became effective on the date of the Company's listing (12 April 2018) and, unless otherwise cancelled or amended, will remain in force for ten years from that date.

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and to promote the success of the business of our Group.

42. 退休金福利計劃

本集團根據強制性公積金計劃條例設立一項界定供款之強制性公積金退休福利計劃(「強積金計劃」)。根據強積金計劃，僱員須按彼等之月薪供款5%，最高供款額為1,500港元(2019年：1,500港元)，彼等亦可選擇作出額外供款。僱主之每月供款乃按有關僱員月薪5%計算，最高供款額為1,500港元(2019年：1,500港元)(「強制供款」)。僱員在65歲退休、身故或完全喪失工作能力時，可全數獲取僱主為其作出之強制供款。

於綜合損益及其他全面收益表扣除的強積金計劃產生的退休福利計劃供款指本集團按計劃規則訂明的比率向基金已付或應付的供款。

本集團已付及應付計劃的供款披露於附註10。

43. 購股權計劃

本公司的購股權計劃的概要載於本報告董事會報告「購股權計劃」一節。

本公司已於2017年3月23日採納一項購股權計劃(「購股權計劃」)。購股權計劃於本公司上市日期(2018年4月12日)生效及，除非另有撤銷或修訂，否則將自該日期起計十年內一直生效。

購股權計劃旨在吸引及挽留最優秀的人員、向本集團僱員(全職及兼職)、董事、諮詢人、顧問、分銷商、承建商、供應商、代理、客戶、商業夥伴及服務供應商提供額外獎勵以及推動本集團業務創出佳績。

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43. SHARE OPTION SCHEME (Continued)

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, including, where required under the GEM Listing Rules, the independent non-executive Directors) from time to time on the basis of the participant's contribution or potential contribution to the development and growth of our Group.

The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme is 80,000,000 shares, representing 10% of the shares of the Company in issue as at the date of adoption of the Share Option Scheme and as at the date of this annual report. The maximum number of share issuable under share options granted to each eligible participant in the Share Option Scheme (including both exercised and outstanding options) within any 12-month period is limited to 1% of the shares of the Company in issue. Any grant or further grant of share options in excess of this limit must be separately approved by shareholders in general meeting. Any grant of share options under the Share Option Scheme to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Option). In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their associates, which would result in the total number of share issues and to be issued, upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding), to such person under the Share Option Scheme and any other share option schemes of the Company to such person in any 12-month period up to and including the date of the grant in aggregate over 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's share at the date of each grant) in excess of HK\$5 million, such further grant of options is required to be approved by shareholders of the Company at a general meeting of the Company, with voting to be taken by way of poll.

43. 購股權計劃(續)

董事會(視情況而定(倘GEM上市規則要求),或包括獨立非執行董事)可不時根據參與者對本集團發展及增長所作出或可能作出的貢獻決定獲授任何購股權的參與者資格。

因行使根據購股權計劃授出及將予授出的所有購股權而可予發行的股份數目上限為80,000,000股,佔於購股權採納日期及本年報日期本公司已發行股份的10%。於任何12個月內向購股權計劃內每名合資格參與者授出的購股權(包括已行使及尚未行使的購股權)所涉及的可予發行股份數目上限為本公司已發行股份的1%。授出或進一步授出超過此上限的購股權須獲股東於股東大會上單獨批准。向本公司董事、行政人員或主要股東或彼等的任何聯繫人授出購股權計劃下的購股權須獲獨立非執行董事(不包括本身為購股權承授人的任何獨立非執行董事)批准。此外,向主要股東或獨立非執行董事或彼等各自的任何聯繫人授出任何購股權而導致在截至授出日期(包括該日)止任何12個月期間內,上述人士因行使根據購股權計劃及本公司任何其他購股權計劃已獲授及將予獲授的全部購股權(包括已行使、已註銷及尚未行使的購股權)而向有關人士發行及將予發行的股份總數合共超過本公司已發行股份的0.1%;及(根據股份於各授出日期收市價計算)總值超過5百萬港元,則額外授出購股權須經股東在本公司股東大會上以投票方式表決批准。

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43. SHARE OPTION SCHEME (Continued)

The offer for the grant of share option must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer or the grant of an option is HK\$1. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to provision of early termination thereof. There is no requirement of a minimum period for which an option must be held before it can be exercised. The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

At the end of the years ended 31 March 2020 and 2019, no option has been granted by the Company under the Share Option Scheme.

44. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere in the consolidated financial statements, the Group had also entered into the following material related party transaction during the reporting period:

(a) Transaction with related parties

Name of the related parties 關聯方名稱	Nature of transaction 交易性質	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Yuk Shing Engineering Co., Limited (Note (i)) 鈺成工程有限公司(附註(i))	Sales of products 產品銷售	–	3,154
Kit Ho Engineering Limited (Note (ii)) 傑浩工程有限公司(附註(ii))	Sales of products 產品銷售	–	7
Kit Ho Earth Works Limited (Note (iii)) 傑浩土力營造有限公司(附註(iii))	Sales of products 產品銷售	3,373	1,961
Wisdri (Xinyu) Cold Processing Engineering Co., Ltd (Note (iv)) 中冶南方(新余)冷軋新材料技術有限公司(附註(iv))	Purchase of products 產品採購	12,291	–
New Steel (Shanghai) Trade Co., Ltd (Note (v)) 新鋼(上海)貿易有限公司(附註(v))	Purchase of products 產品採購	5,632	–

43. 購股權計劃(續)

授出購股權的要約限於作出有關要約日期(包括該日)起計七日內接納。購股權承授人須於接納要約時就獲授的購股權向本公司支付1港元。承授人可於董事會可能釐定的期間，隨時根據購股權計劃的條款行使購股權，惟行使期不得超過授出日期起計十年，並受有關提前終止條文所規限。現時並無有關購股權獲行使前的最少持有期的規定。根據購股權計劃授出的任何特定購股權的股份認購價由董事會全權釐定並通知參與者，但不得低於下列較高者：(i)於購股權授出日期(必須為營業日)於聯交所每日報價表所報的股份收市價；(ii)於緊接購股權授出日期前五個營業日在聯交所每日報價表所報的股份平均收市價；及(iii)於購股權授出日期的股份面值。

於截至2020年及2019年3月31日止年度，本公司並無根據購股權計劃授出購股權。

44. 重大關聯方交易

除綜合財務報表其他地方所披露者外，於報告期間，本集團亦訂立以下重大關聯方交易：

(a) 與關聯方的交易

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44. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Balances with related parties

Name of the related parties 關聯方名稱	Nature of transaction 交易性質	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Yuk Shing Engineering Co., Limited (Note (i)) 鈺成工程有限公司(附註(i))	Trade receivables 貿易應收款項	–	1,244
Kit Ho Earth Works Limited (Note (iii)) 傑浩土力營造有限公司(附註(iii))	Trade receivables 貿易應收款項	768	427
Wisdri (Xinyu) Cold Processing Engineering Co., Ltd (Note (iv)) 中冶南方(新余)冷軋新材料技術有限公司(附註(iv))	Prepayment 預付款項	58	–

Notes:

- (i) A close family member of an executive Director of the Company has beneficial interest in Yuk Shing Engineering Co., Limited for the year ended 31 March 2019.
- (ii) A close family member of an executive Director of the Company are the director of Kit Ho Engineering Limited.
- (iii) A close family member of an executive Director of the Company has beneficial interests in Kit Ho Earth Works Limited.
- (iv) A non-controlling shareholders of non-wholly owned subsidiary has beneficial interest in Wisdri (Xinyu) Cold Processing Engineering Co., Ltd.
- (v) A non-controlling shareholders of subsidiary has beneficial interest in New Steel (Shanghai) Trade Co., Ltd.

For the transactions constitute connected transactions under the GEM Listing Rules, please refer to the sections "Connected Transactions and Continuing Connected Transactions" under the "Report of the Board of Directors".

(c) Personal guaranteed provided by key management personnel

The bank borrowings of the Group as at 31 March 2020 were secured by personal guarantee of an executive Director of the Company, Mr. Fong, life insurance and a property owned by Mr. Fong.

(d) Compensation of key management personnel

The Directors of the Company are identified as key management members of the Group and the compensation of Directors and key management personnel during the reporting period is set out in Notes 13 and 14.

44. 重大關聯方交易(續)

(b) 與關聯方的結餘

附註：

- (i) 截至2019年3月31日止年度，本公司一名執行董事的一名近親於鈺成工程有限公司擁有實益權益。
- (ii) 本公司一名執行董事的一名近親為傑浩工程有限公司的董事。
- (iii) 本公司一名執行董事的一名近親於傑浩土力營造有限公司擁有實益權益。
- (iv) 非全資附屬公司的一名非控股股東於中冶南方(新余)冷軋新材料技術有限公司擁有實益權益。
- (v) 一名附屬公司非控股股東於新鋼(上海)貿易有限公司擁有實益權益。

有關就上市規則項下構成關聯交易的交易，請參閱「董事會報告」項下「關連交易及持續關連交易」一節。

(c) 由主要管理人員提供的個人擔保

本集團於2020年3月31日的銀行借款由本公司執行董事方先生擁有的個人擔保及方先生擁有的人壽保險及物業作抵押。

(d) 主要管理人員的補償

本公司董事獲確定為本集團的主要管理人員，於報告期間董事及主要管理人員補償載於附註13及14。

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45. PLEDGE OF ASSETS

Assets with the following carrying amounts have been pledged to secure the borrowings of the Group as follow:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets at fair value through profit or loss	按公平值計入損益金融資產		
— Key management personnel life insurance policy	— 主要管理層人員人壽保單	4,678	—
Pledged bank deposits	已抵押銀行存款	12,025	4,000
		16,703	4,000

45. 資產抵押

已將以下賬面值資產作抵押，以作為本集團借款擔保：

46. DISPOSAL OF SUBSIDIARIES

China Forest Food Limited

As referred to Note 12, on 28 March 2019, the Group entered into a sale and purchase agreement to dispose of the 90% equity interest in China Forest Food Limited (the "Disposal") whose subsidiaries included the De-consolidated Subsidiaries (as defined below), which were principally engaged in sale and distribution of health food in the PRC, at a consideration of approximately HK\$8,148,000. The Disposal was completed on 9 April 2019.

Details of the aggregate net assets of China Forest Food Limited and its subsidiaries included in the consolidated financial statements of the Group as at the completion date of the Disposal are set out below:

		HK\$'000 千港元
Consideration transferred:	已轉讓代價：	
Cash consideration	現金代價	8,148

46. 出售附屬公司

中國森林食品有限公司

參照附註12，於2019年3月28日，本集團訂立買賣協議以出售中國森林食品有限公司(該公司主要於中國從事銷售及分銷健康食品，其附屬公司包括取消綜合入賬附屬公司(定義見下文))的90%股權(「出售事項」)，代價為約8,148,000港元。出售事項於2019年4月9日完成。

於出售事項完成日期計入本集團綜合財務報表的中國森林食品有限公司及其附屬公司資產總淨值總額的詳情載列如下：

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綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

46. DISPOSAL OF SUBSIDIARIES (Continued)

China Forest Food Limited (Continued)

Analysis of assets and liabilities derecognised from the consolidated financial statements of the Group upon completion of the Disposal:

46. 出售附屬公司(續)

中國森林食品有限公司(續)

出售事項完成後，自本集團綜合財務報表終止確認的資產及負債分析：

		HK\$'000 千港元
Total assets classified as held for sale	分類為持作待售資產總值	20,887
Total liabilities classified as held for sale	分類為持作待售負債總額	(11,834)
Net assets disposed of	已出售資產淨額	9,053
Gain on disposal of subsidiaries:	出售附屬公司收益	
Consideration	代價	8,148
Net assets disposed of	已出售資產淨額	(9,053)
Non-controlling interests	非控股權益	905
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss upon loss of control of the subsidiary	失去附屬公司控制權後有關附屬公司資產淨值累計匯兌差額由權益重新分類至損益	(27)
Loss on disposal of subsidiaries	出售附屬公司虧損	(27)
Net cash inflow arising on disposal:	出售所產生現金流入淨額：	
Cash consideration	現金代價	8,148
Less: cash and bank balances classified as assets held for sales	減：分類為持作待售資產的現金及銀行結餘	(7)
Less: other receivables (Note 26)	減：其他應收款項(附註26)	(3,650)
Net cash inflow	現金流入淨額	4,491

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

47. 活動所產生負債的對賬

		Obligations under					Total 總計
		Bank overdraft 銀行透支	Bank borrowings 銀行借貸	finance leases 融資租賃承擔	Lease liabilities 租賃負債	Bonds payables 應付債券	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於2018年4月1日	-	-	188	-	-	188
Changes from financing cash flows:	來自融資現金流量的變動：						
Proceed from bank borrowings	銀行借款所得款項	-	3,000	-	-	-	3,000
Repayment of obligation under finance leases	償還融資租賃承擔	-	-	(188)	-	-	(188)
Interest paid	已付利息	(1)	(134)	(2)	-	-	(137)
Total changes in financing cash flows	融資現金流量變動總額	(1)	2,866	(190)	-	-	2,675
Other changes:	其他變動：						
Interest expenses	利息開支	1	134	2	-	-	137
At 31 March 2019 and 1 April 2019	於2019年3月31日及 2019年4月1日	-	3,000	-	-	-	3,000
Impact on initial application of HKFRS 16 (note)	首次應用香港財務報告準則第16號的影響(附註)	-	-	-	1,469	-	1,469
At 1 April 2019	於2019年4月1日	-	3,000	-	1,469	-	4,469
Changes from financing cash flows:	來自融資現金流量的變動：						
Proceed from bank borrowings	銀行借款所得款項	-	48,990	-	-	-	48,990
Repayment of bank borrowings	償還銀行借款	-	(35,900)	-	-	-	(35,900)
Proceed from issuing bonds	發行中債券所得款項	-	-	-	-	8,800	8,800
Payment of lease liabilities	租賃負債付款	-	-	-	(1,217)	-	(1,217)
Interest paid	已付利息	(8)	(632)	-	(29)	-	(669)
Total changes in financing cash flows	融資現金流量變動總額	(8)	12,458	-	(1,246)	8,800	20,004
Other changes:	其他變動：						
Interest expenses	利息開支	8	632	-	29	694	1,363
Accrued interest	應計利息	-	-	-	-	(694)	(694)
At 31 March 2020	於2020年3月31日	-	16,090	-	252	8,800	25,142

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. See Note 2.

附註：本集團已首次採用經修訂追溯法應用香港財務報告準則第16號，並於2019年4月1日調整期初結餘以確認與先前根據香港會計準則第17號分類為經營租賃的租賃有關租賃負債。請見附註2。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

48. EVENT AFTER THE REPORTING PERIOD

- (a) On 23 March 2020, the Company and the Vendor entered into the SPA, pursuant to which the Vendor have conditionally agreed to sell and the Company has conditionally agreed to purchase 51% equity interest in the Meijia Shell (Global) Lubricant Technology Limited at an aggregate consideration of approximately HK\$16,380,000. The consideration was satisfied by the allotment and issuance of 78,000,000 Consideration Shares under general mandate at the Issue Price of HK\$0.21 by the Company to the Vendor. The acquisition was completed on 21 April 2020. Upon the completion, 78,000,000 new Shares, representing approximately 8.9% of the issued share capital of the Company as at 21 April 2020 (as enlarged by the issue of the consideration shares), have been duly allotted and issued as fully paid to the Vendors at the issue price of HK\$0.21 each under the general mandate. Accordingly, immediately after the completion, there are 878,000,000 Shares in issue. Please refer to the announcements respectively of the Company dated 23 March 2020, 31 March 2020 and 21 April 2020 respectively for details.
- (b) The coronavirus disease 2019 outbreak since early 2020 has brought additional uncertainties in the global macroeconomic situation. The Group's financial performance may have impact. The degree of impact could not be reasonably estimated at this stage. The Group will closely monitor the development of the epidemic and assess its impact on the financial position and operating results of the Group.

49. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 April 2019. Under the transition methods, comparative information is not restated.

50. AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements were approved and authorised for issued by the Board of Directors on 26 June 2020.

48. 報告期後事項

- (a) 於2020年3月23日，本公司與賣方訂立買賣協議，據此，賣方已有條件同意出售，而本公司已有條件同意購買美嘉殼(環球)潤滑科技有限公司51%股權，總代價為約16,380,000港元。代價以本公司根據一般授權按發行價0.21港元向賣方配發及發行78,000,000股代價股份結算。收購事項於2020年4月21日完成。於完成後，根據一般授權按每股發行價0.21港元向賣方正式配發及發行入賬列為繳足之78,000,000股新股份(相當於本公司於2020年4月21日經發行代價股份擴大後已發行股本約8.9%)。因此，緊隨完成後，本公司有878,000,000股已發行股份。有關詳情請參閱本公司日期分別為2020年3月23日、2020年3月31日及2020年4月21日的公告。
- (b) 自2020年初以來爆發2019年新型冠狀病毒為全球宏觀經濟形勢帶來更多不確定性。本集團的財務表現可能因而產生影響。此階段的受影響程度無法獲得合理估計。本集團將密切監察疫情的發展，並評估其對本集團財務狀況及經營業績的影響。

49. 比較數字

本集團已於2019年4月1日首次應用香港財務報告準則第16號。於過渡方法下，比較資料並無重列。

50. 授權刊發綜合財務報表

綜合財務報表已於2020年6月26日由董事會批准及授權刊發。

Financial Summary

財務概要

RESULT

For the year ended 31 March 2020

業績

截至2020年3月31日止年度

		For the year ended 31 March 截至3月31日止年度				
		2016	2017	2018	2019	2020
		2016年	2017年	2018年	2019年	2020年
		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
Continuing operations	持續經營業務					
Revenue	收益	146,920	180,616	164,491	229,718	439,338
Cost of sales	銷售成本	(125,964)	(155,773)	(139,670)	(207,995)	(415,521)
Gross profit	毛利	20,956	24,843	24,821	21,723	23,817
Profit and total comprehensive income for the year attributable to the owners of the Company from continuing operations	本公司擁有人應佔來自持續經營業務的年度溢利及全面收益總額	12,303	7,282	1,241	5,336	4,506
Discontinued operation	已終止經營業務					
Loss for the year from discontinued operation	來自已終止經營業務的 年內虧損	-	-	-	(4,532)	-
Profit for the year	年內溢利	12,303	7,282	1,241	804	4,506
Attributable to	下列人士應佔					
Owners of the Company	本公司擁有人	12,303	7,282	1,241	804	4,664
Non-controlling interest	非控股權益	-	-	-	-	(158)
		12,303	7,282	1,241	804	4,506

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於3月31日				
		2016	2017	2018	2019	2020
		2016年	2017年	2018年	2019年	2020年
		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
Non-current asset	非流動資產	2,189	1,073	12,385	10,166	34,103
Current assets	流動資產	33,933	49,825	88,234	108,992	118,704
Non-current liabilities	非流動負債	1,552	188	1,183	4,522	9,498
Current liabilities	流動負債	12,540	21,398	11,662	26,085	36,775
Net current assets	流動資產淨值	21,393	28,427	76,572	82,907	81,929
Net assets	資產淨值	22,030	29,312	87,774	88,551	106,534

The summary above does not form part of the audited consolidated financial statements.

上述概要不構成經審核綜合財務報表的一部分。

The financial information for the years ended 31 March 2016 were extracted from the prospectus of the Company dated 29 March 2017. Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years and is presented on the basis as set out in Note 3 to the consolidated financial statements.

截至2016年3月31日止年度之財務資料摘自本公司日期為2017年3月29日之招股章程。有關概要乃獲編制猶如本集團現行架構於該等財政年度已存在，並以綜合財務報表附註3所載的基礎呈列。

F8 Enterprises (Holdings) Group Limited
F8 企業(控股)集團有限公司