



# IN CONSTRUCTION HOLDINGS LIMITED 現恆建築控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(於開曼群島註冊成立之有限公司)

(Stock code 股份代號 : 1500)

ANNUAL REPORT  
年報  
2018

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## Corporate Information 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Lau Pak Man  
Cheng Wing Cheong  
Kwan Kit Sum Kit

#### Independent Non-Executive Directors

Leung Chi Kin  
Lam Chi Hung Louis  
Yau Chi Man Norman (also known as lao Chi Meng)

### AUDIT COMMITTEE

Leung Chi Kin  
Lam Chi Hung Louis  
Yau Chi Man Norman (also known as lao Chi Meng)

### REMUNERATION COMMITTEE

Yau Chi Man Norman (also known as lao Chi Meng)  
Kwan Kit Sum Kit  
Leung Chi Kin

### NOMINATION COMMITTEE

Lam Chi Hung Louis  
Cheng Wing Cheong  
Yau Chi Man Norman (also known as lao Chi Meng)

### AUTHORISED REPRESENTATIVES

Kwan Kit Sum Kit  
Ho Kam Fung

### COMPANY SECRETARY

Ho Kam Fung

### AUDITOR

KPMG

### LEGAL ADVISORS

CFN Lawyers  
In association with Broad & Bright

### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Wing Lung Bank Limited  
The Hongkong and Shanghai Banking  
Corporation Limited

### 董事會

#### 執行董事

劉伯文  
鄭榮昌  
關潔心

#### 獨立非執行董事

梁梓堅  
林志雄  
丘子敏

### 審核委員會

梁梓堅  
林志雄  
丘子敏

### 薪酬委員會

丘子敏  
關潔心  
梁梓堅

### 提名委員會

林志雄  
鄭榮昌  
丘子敏

### 授權代表

關潔心  
何錦豐

### 公司秘書

何錦豐

### 核數師

畢馬威會計師事務所

### 法律顧問

陳馮吳律師事務所  
與世澤律師事務所聯營

### 主要往來銀行

中國銀行(香港)有限公司  
永隆銀行有限公司  
香港上海滙豐銀行有限公司

## Corporate Information (continued)

### 公司資料(續)

#### REGISTERED OFFICE

Clifton House  
75 Fort Street  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### 註冊辦事處

Clifton House  
75 Fort Street  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

26/F, Park Avenue Tower  
5 Moreton Terrace  
Causeway Bay  
Hong Kong

#### 總部及香港主要營業地點

香港  
銅鑼灣  
摩頓臺5號  
百富中心26樓

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

#### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

#### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Esteria Trust (Cayman) Ltd.  
Clifton House  
75 Fort Street  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### 開曼群島股份過戶登記總處

Esteria Trust (Cayman) Ltd.  
Clifton House  
75 Fort Street  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

#### WEBSITE

[www.inconstruction.hk](http://www.inconstruction.hk)

#### 網站

[www.inconstruction.hk](http://www.inconstruction.hk)

#### STOCK CODE

Hong Kong Stock Exchange 1500

#### 股份代號

香港聯交所1500

## Chairman's Statement 主席報告

To Our Shareholders,

On behalf of the Board of Directors of In Construction Holdings Limited (the "Company"), I am pleased to present you with the annual report for the year ended 31 March 2018 (the "Financial Year 2017/18").

Founded in 1996, our Company is an experienced general and foundation contractor serving the Hong Kong building and construction industries by offering quality and flexible solutions to our customers. Using our ability to solve different and complex issues on construction projects, we continue to build trust and credibility with our existing and new customers. We could not have done it without the support of our business partners who have been working with us job-by-job over the years. The implementation of our self-developed, successful formula in project management, together with our strong bond with our customers and partners, has enabled us to withstand the up and down market conditions that we experienced the last two decades.

As mentioned in last year's Chairman Statement, the prolonged delay on granting funds for new public works has driven more public sector contractors to tender for work in the private sector. Such severe competition in the market had led to dropping in the number of open tenders and suppressed contract prices, which had negative impact on our contract revenue and profit margin. However, the Group's financial position remained strong with zero net gearing as at 31 March 2018.

When faced with cut-throat competition among contractors in tendering for new projects, we are mindful not to reduce our profit margin without considering the negative impact to our shareholders' interests. Nevertheless, we remain confident and are well-positioned in the market as our operation model of subcontracting works allows us flexibility to remain resilient to adverse impact. In this financial year, facing such severe competition, we are still able to be awarded 6 new contracts with an aggregate contract sum of HK\$345.2 million, as compared to 3 new contracts with an aggregate contract sum of HK\$186.3 million in last financial year.

Looking ahead, we remain prudently optimistic about the prospects of the construction market of Hong Kong. We will continue to adhere to our strategy of focusing on 'design and build' projects. With our long established reputation, experienced management team, the listing platform and healthy financial position, our management team is convinced that we will continue to build value over the medium to long term for our shareholders.

致我們的股東：

本人代表現恆建築控股有限公司（「本公司」）董事會，欣然向閣下呈列截至二零一八年三月三十一日止年度（「二零一七／一八財政年度」）的年報。

本公司於一九九六年創立，作為經驗豐富的總承建商及地基承建商為香港建築及建造業服務，為客戶提供優質及靈活的解決方案。憑藉我們解決各類項目不同複雜問題的能力，我們繼續贏得現有及新客戶信賴。若無多年來與我們合作了多個項目的業務夥伴支持，我們難以取得上述成果。履行我們於項目管理中自行開發的成功方式，連同我們與客戶及夥伴的穩固關係，令我們於過往二十年面臨的市況波動中屹立不倒。

誠如去年的主席報告所述，新公營工程的資金批授被長時間推遲，促使越來越多的公營承建商投標私營界別工程。市場競爭激烈導致公開招標數目減少及合約價下跌，從而對我們的合約收入及利潤造成負面影響。然而，於二零一八年三月三十一日，本集團的財務狀況仍然強勁，淨負債率為零。

在新項目投標中，當面對承建商之間的嚴峻競爭時，我們時刻緊記，在調低我們利潤率的同時亦會考慮到由此對我們股東權益所造成的負面影響。然而，由於我們分包工程的營運模式給予我們靈活性以對不利影響仍然俱備較多的適應能力，我們仍然確信及於市場上處於有利地位。於本財政年度，在面臨激烈的競爭下，我們仍然能夠獲授6項新項目，合約總額為345.2百萬港元，而上一個財政年度則獲授3項新項目，合約總額為186.3百萬港元。

展望未來，我們對香港建築市場前景繼續持樂觀態度。我們將繼續堅持專注於「設計及建築」項目的策略。憑藉本集團的悠久聲譽、具有豐富經驗的管理團隊、上市平台及穩健財務狀況，管理團隊堅信，我們將繼續為股東創造中長遠價值。

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## Chairman's Statement (continued)

### 主席報告(續)

On the behalf of our board, I would like to express our sincere gratitude to our management and all our staff for their hard work and dedication, as well as our shareholders, business associates and other professional parties for their support throughout the year.

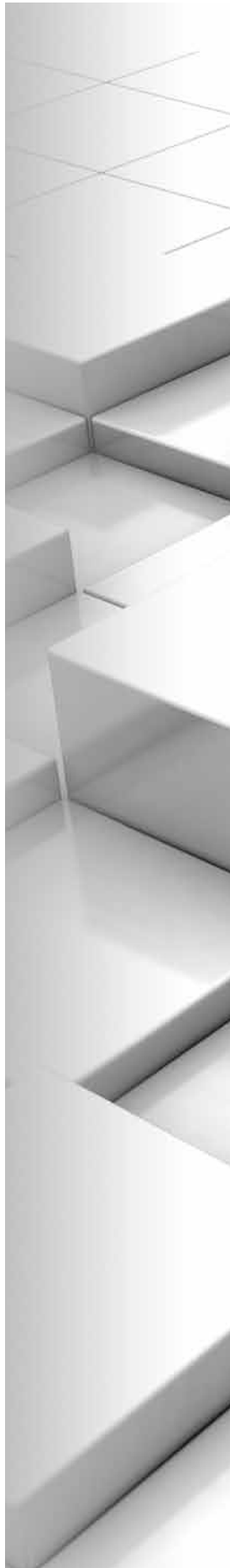
**Lau Pak Man**  
*Chairman*

Hong Kong, 22 June 2018

本人代表董事會謹此衷心感謝管理人員及全體員工的辛勤工作與奉獻，以及感謝股東、業務夥伴及其他專業人士於整個年度的鼎力支持。

**劉博文**  
*主席*

香港，二零一八年六月二十二日



## Highlights

摘要

HK\$m **287.8** 百萬港元

Down HK\$82.4m from FY16/17

較二零一六/一七財政年度減少82.4百萬港元

REVENUE 收益

HK\$m **36.4** 百萬港元

Down HK\$108.5m from FY16/17

較二零一六/一七財政年度減少108.5百萬港元

GROSS PROFIT 毛利

HK\$ **0.028** 港元

HK\$0.129 in FY16/17

二零一六/一七財政年度為0.129港元

EARNINGS PER SHARE 每股盈利

HK\$m **23.0** 百萬港元

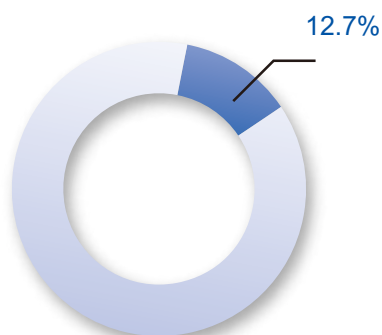
Down HK\$83.7m from FY16/17

較二零一六/一七財政年度減少83.7百萬港元

NET PROFIT 純利

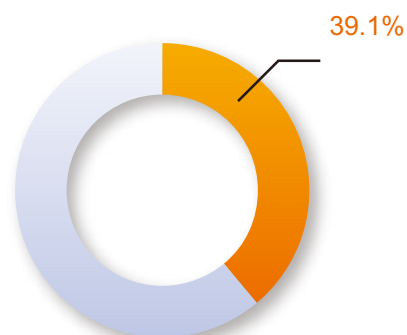
GROSS PROFIT MARGIN FY 2017/2018

二零一七/一八財政年度毛利率



GROSS PROFIT MARGIN FY 2016/2017

二零一六/一七財政年度毛利率



## Management Discussion and Analysis 管理層討論及分析

### BUSINESS AND FINANCIAL REVIEW

The Group is engaged as a contractor in the foundation industry in Hong Kong, undertaking foundation works as well as associated works including demolition works, site formation works, ground investigation field works and general building works for local customers.

#### Business Review

The Group was engaged to undertake foundation and associated works in the private sector construction projects in Hong Kong, with an emphasis on design and build projects and on undertaking the role as a main contractor.

The Group places emphasis on design and build projects because of the flexibility and capability in coming up with foundation design plan that suits its customers' requirements and the site conditions. During the Financial Year 2017/18, the Group had successfully carried out construction works with alternative design which not only complies with the technical requirements but also be more cost efficient for "design and build" contracts. The cost efficient proposals allow the Group to offer its customers a more competitive pricing and at the same time secure its profit margin for the year.

During the Financial Year 2017/18, six foundation projects with an aggregate contract value of HK\$345.2 million were awarded to the Group. Four foundation projects were completed during the year. As at 31 March 2018, seven foundation projects with the outstanding contract sum of approximately HK\$293.8 million were in progress.

#### 營業及財務回顧

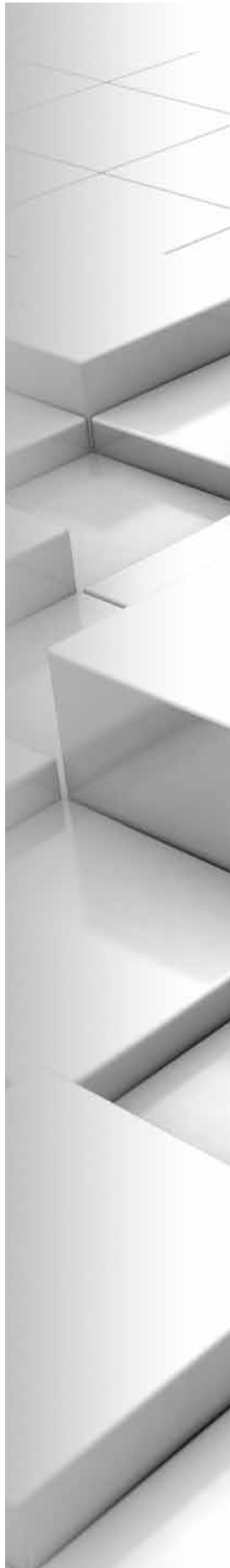
本集團作為承建商於香港從事地基業，負責本地客戶的地基工程以及相關工程，包括拆卸工程、地盤平整工程、現場土地勘测工程及一般建築工程。

#### 業務回顧

本集團獲邀承接香港私營建築項目的地基工程及相關工程，專注於設計及建造項目，並擔任總承建商。

本集團專注於設計及建造項目，乃因其靈活地且有能力制作迎合客戶要求及符合地盤狀況的地基設計計劃。於二零一七／一八財政年度，就「設計及建造」合約而言，本集團已成功以替代設計進行建築工程，不僅符合技術要求，且更具成本效益。具成本效益的方案允許本集團向其客戶提供更具競爭力的價格，並同時於本年度獲得利潤。

於二零一七／一八財政年度，本集團獲授合約總值為345.2百萬港元的六個地基項目。四個地基項目已於年內完成。於二零一八年三月三十一日，未完工合約金額約293.8百萬港元的七個地基項目仍為在建築中。





## Management Discussion and Analysis (continued)

### 管理層討論及分析(續)

## BUSINESS AND FINANCIAL REVIEW (continued)

### 營業及財務回顧(續)

### Business Review (continued)

### 業務回顧(續)

<b>Year of award/project</b> 獲授年度/項目	<b>Type of contract</b> 合約類型	<b>Status as at 31 March 2018</b> 於二零一八年 三月三十一日的狀況
<i>Year 2014-2015</i> 二零一四至二零一五年度		
A Kung Ngam Road, Shau Kei Wan 筲箕灣阿公岩道	Design and build 設計及建造	Completed 已完工
<i>Year 2015-2016</i> 二零一五至二零一六年度		
Queen's Road Central, Central 中環皇后大道中	Design and build 設計及建造	Completed 已完工
<i>Year 2016-2017</i> 二零一六至二零一七年度		
Cheung Sha, Lantau Island 大嶼山長沙	Design and build 設計及建造	Work in progress 在建
Kai Tak Road, Kowloon City 九龍城啓德道	Design and build 設計及建造	Completed 已完工
St. Paul's Primary Catholic School, Happy Valley 跑馬地聖保祿天主教小學	Build only 僅建造	Work in progress 在建
<i>Year 2017-2018</i> 二零一七至二零一八年度		
Chai Wan Kok Street, Tsuen Wan 荃灣柴灣角街	Design and build 設計及建造	Work in progress 在建
Sky City, Chek Lap Kok 赤鱗角航天城	Design and build 設計及建造	Work in progress 在建
Seymour Road, Hong Kong 香港西摩道	Design and build 設計及建造	Work in progress 在建
Robinson Road, Mid-Levels 半山區羅便臣道	Design and build 設計及建造	Work in progress 在建
Police Officers' Club, Shatin to Central Link 警官會所·沙中綫	Build only 僅建造	Completed 已完工
Waterloo Road, Kowloon 九龍窩打老道	Build only 僅建造	Work in progress 在建

## Management Discussion and Analysis (continued) 管理層討論及分析(續)

### BUSINESS AND FINANCIAL REVIEW (continued)

#### Financial Review

During the Financial Year 2017/18, there were 19 projects contributing revenue and gross profit of approximately HK\$287.8 million and HK\$36.4 million, respectively, whereas revenue and gross profit for the Financial Year 2016/17 of HK\$370.2 million and HK\$144.9 million, respectively were contributed by 15 projects. Top five projects contributed revenue amounted to HK\$219.1 million (2017: HK\$317.9 million), in which the top project contributed 26.0% of the total revenue.

As mentioned in the announcement dated 18 May 2018, the prolonged delay on granting funds for new public works has driven more public sector contractors to tender for work in the private sector. Such fierce competition in the market had led to (i) a decrease in contract revenue being recognised by the Group during the Financial Year 2017/18 by HK\$82.4 million or 22.3% as compared with that of last year, and (ii) a decrease in gross profit margin to 12.7% for the Financial Year 2017/18 from 39.1% of last year. Such decrease was primarily attributable to, among other factors, a few foundation projects with relatively low gross profit margin compared with the overall gross profit margin of last financial year.

Administrative and other operating expenses decreased by approximately HK\$6.9 million to approximately HK\$19.6 million, compared with approximately HK\$26.5 million of the Financial Year 2016/17, which was mainly due to foreign exchange gain arising from bank deposits denominated in Renminbi and successful claims for legal costs incurred in prior years.

As a result, profit before taxation for the Financial year 2017/18 decreased by HK\$100.2 million or 78.4% to HK\$27.6 million, from the last financial year of HK\$127.8 million.

### 營業及財務回顧(續)

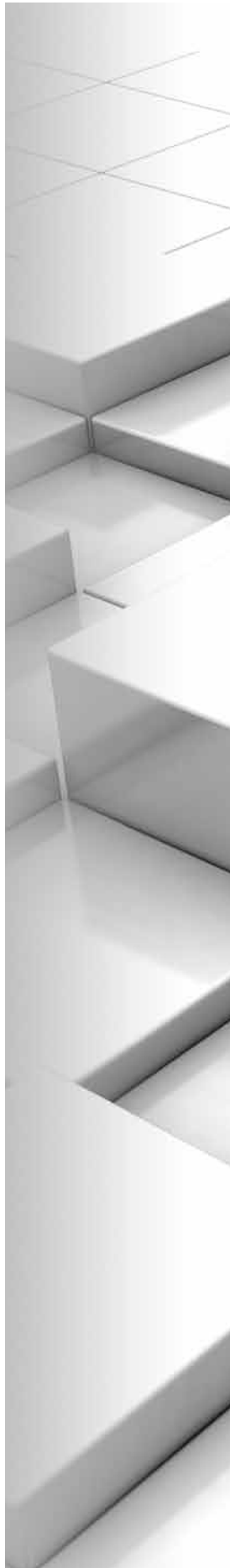
#### 財務回顧

於二零一七/一八財政年度，19個項目分別貢獻收益及毛利約287.8百萬港元及36.4百萬港元，而於二零一六/一七財政年度的收益及毛利370.2百萬港元及144.9百萬港元由15個項目貢獻。五大項目貢獻的收益為219.1百萬港元(二零一七年：317.9百萬港元)，其中最大項目貢獻總收益之26.0%。

誠如日期為二零一八年五月十八日之公佈所述，新公營工程的資金批授被長時間推遲，促使越來越多的公營承建商投標私營界別工程。市場競爭激烈導致(i)本集團於二零一七/一八財政年度確認的合約收益較去年同期減少82.4百萬港元或22.3%，及(ii)毛利率由去年同期的39.1%減少至二零一七/一八財政年度的12.7%，主要由於(其中包括)與上一個財政年度的整體毛利率相比，少數地基項目的毛利率相對偏低所致。

行政及其他經營開支減少約6.9百萬港元至約19.6百萬港元，而二零一六/一七財政年度為約26.5百萬港元，主要由於以人民幣計值之銀行存款產生匯兌收益及成功就過往年度所產生之法律費用索取賠償所致。

因此，二零一七/一八財政年度除稅前溢利減少100.2百萬港元或78.4%至27.6百萬港元，而上一個財政年度則為127.8百萬港元。



## Management Discussion and Analysis (continued) 管理層討論及分析(續)

### BUSINESS AND FINANCIAL REVIEW (continued)

#### Principal Risks and Uncertainties

##### *Highly regulated industry*

The foundation industry is a highly regulated industry and the Group is required to maintain certain registrations under the laws of Hong Kong. In order to renew and maintain these registrations, the Group is required to comply with certain criteria set by the relevant governmental departments and authorities such as the Buildings Department and the Development Bureau. These include the maintenance of certain financial criteria such as working capital level, the adequacy of our management structure and the appropriate experience and qualification of our personnel.

Any suspension of or a failure to maintain or renew the Group's registrations could materially and adversely affect the Group's business.

##### *Uncertainty in construction progress*

Due to the nature of foundation works, the foundation and structure of any buildings adjacent to the Group's construction sites may be affected or damaged during the construction process.

The Group may incur additional cost and time in carrying out remedial works and this may cause material delay in completing a project. The Group may face claims from customers for losses and for liquidated damages due to delay. Further, the Group may also be exposed to claims and disputes from third parties arising from damage caused to the adjacent buildings. Such claims, legal and other proceedings may affect the Group's reputation and also increase the costs of the projects undertaken by the Group, resulting in adverse impact on the financial performance of the Group.

##### *Failure to bid new contract*

The Group's business relies on successful tenders that determine the award of contracts for foundation works and/or associated works. Given the non-recurring nature of these contract awards and the fact that the Group does not have long-term commitment with its customers, the number of contracts awarded to the Group may vary from year to year.

Upon the completion of its contracts on hand, the Group's financial performance may be adversely affected if the Group is unable to secure new tenders or obtain new contract awards with comparable contract sums or at all.

### 營業及財務回顧(續)

#### 主要風險及不確定因素

##### *高度規管行業*

地基行業乃受高度規管的行業，而本集團須根據香港法例保持若干註冊。為重續及保持該等註冊，本集團須遵守相關政府部門及機構，例如屋宇署及發展局，所設定的若干標準。該等標準包括達到若干財務標準，如營運資金水平、管理架構是否充足及員工的經驗及資歷是否合適。

任何本集團的註冊被暫時吊銷或未能保持或重續該等註冊，均可能對本集團業務產生重大不利影響。

##### *建築過程的不確定因素*

基於地基工程的性質，鄰近本集團的建築地盤的任何樓宇的地基及結構可能於建造過程受影響或損毀。

本集團可能就進行補救工作產生額外成本及時間，此可能導致項目完工出現重大延誤。本集團可能就因延誤造成的損失及算定賠償遭到客戶索償。此外，本集團亦可能因鄰近樓宇受損遭受第三方索償及所引起的紛爭。該等索償、法律及其他訴訟程序可能影響本集團信譽，亦增加本集團承接項目的成本，引致對本集團財務表現產生不利影響。

##### *未能中標新合約*

本集團的業務取決於成功中標，以決定是否取得地基工程及／或相關工程合約。鑒於該等獲授合約的非經常性質及事實是本集團對客戶並無長期承諾，本集團獲授的合約數量或會按年轉變。

完成手上的合約後，倘本集團未能取得新的投標或合約總額相約的新合約，或兩者均未能取得，本集團財務表現或會受到不利影響。

## Management Discussion and Analysis (continued) 管理層討論及分析(續)

### BUSINESS AND FINANCIAL REVIEW (continued)

#### Principal Risks and Uncertainties (continued)

##### *Uncertain external factors*

Despite the fact that the construction industry is one of the traditional core industries in Hong Kong and it is currently benefitting from strong housing needs and large government infrastructure projects, the construction industry may suffer adverse impact in the event of any change in government policies, sudden economic setback and unanticipated natural disasters. Since our customers are mostly private sector property developers, the future growth and profitability of the foundation industry largely depend on the continued prosperity of the property market and the construction industry in Hong Kong.

Although the Group has a number of contracts on hand, these external factors may affect the number of new construction projects available in the private sector in medium to long term.

#### Relationships with Customers, Working Partners and Employees

The Group maintains long-term relationships with its customers and working partners (including subcontractors, suppliers and consultants), some of which have established more than 10 years of working relationship with the Group. The close working relationship can also be demonstrated by the increasing number of customer portfolios and continuous cooperation with working partners which may be engaged by the Group in one or more of its projects at the same time. Building successful long-term relationships with them is a key element of the Group's business model, which is closely interlinked with all the other elements of its model. Successful long-term relationships are built on trust – a trust that the Group is able to provide quality service and excellent customer experience. To achieve this, the Group needs experienced people with the right skills and capabilities as well as continuous supports from its working partners.

### 營業及財務回顧(續)

#### 主要風險及不確定因素(續)

##### *不確定外部因素*

儘管事實為建造業乃香港傳統核心產業之一，且其現時受惠於強勁的住房需求及政府大型基建項目，倘政府政策變動、經濟突然倒退及發生無法預料的自然災害，建造業可能受到不利影響。由於我們的客戶大部分為私營物業發展商，地基業日後的增長及盈利能力很大程度上取決於香港物業市場及建造業是否持續興旺。

雖然本集團有若干份手頭合約，該等外部因素可能在中長期影響於私營市場可獲得的新建築項目數量。

#### 與客戶、工作夥伴及僱員的關係

本集團與其客戶及工作夥伴(包括分包商、供應商及顧問)維持長期關係，其中部分上述者與本集團已建立超過10年的工作關係。此緊密工作關係可從客戶組合數量日益增加及本集團同時於一個或以上項目與其工作夥伴不間斷合作得以證實。與彼等建立成功的長期關係乃本集團業務模式的關鍵要素，並與模式所有其他要素緊密互連。成功的長期關係乃建立於信任之上，即相信本集團能夠提供優質服務及非凡的客戶體驗。為達致此目標，本集團需要具備合適技能及能力的富有經驗的人士以及工作夥伴持續支持。

## Management Discussion and Analysis (continued) 管理層討論及分析(續)

### BUSINESS AND FINANCIAL REVIEW (continued)

#### Relationships with Customers, Working Partners and Employees (continued)

The Group also maintains a very stable and experienced management team and an amicable long-term relationship with its employees. The Group has a low staff turnover rate of 5% in the project management team in 2018 (2017: 5%) and many of the Group's skilled employees have worked with the Group for a number of years. The Group's key management team comprises three executive Directors and the Financial Controller, the biography of each is set out under the section headed "Biographies of Directors and Senior Management" in this report. The Group's experienced management team, coupled with a stable pool of skilled labour, is one of its key drives in delivering high quality work to customers in order to attain high customers' satisfaction.

#### Environmental Policies

The Group emphasises on environmental protection when undertaking its projects. The Group was awarded the ISO 14001:2004 (environment management system accreditation). The current ISO 14001:2004 certificate is valid from 12 August 2017 to 15 September 2018. When preparing the tender documents, the Group will take into consideration the environmental protection requirements of potential customers as well as the relevant laws and regulations in relation to environmental protection. The Group's safety and environmental officers are responsible for ensuring that the Group satisfies the applicable laws and regulations requirements and identifying and reporting on environmental issues to our project management team.

#### Compliance with Relevant Laws and Regulation

The Group mainly undertakes foundation works and associated works for construction projects in the private sector in Hong Kong and is thus subject to the rules and regulations implemented by the Buildings Department which regulates contractors in the private sector. The Directors confirmed that during the Financial Year 2017/2018 and up to the date of this report, the Group had obtained all the registrations and certifications required for its business and operations in Hong Kong, and had complied with the applicable laws and regulations in Hong Kong in all material respects.

### 營業及財務回顧(續)

#### 與客戶、工作夥伴及僱員的關係(續)

本集團亦維持非常穩定及經驗豐富的管理團隊，並與其員工保持長期友好關係。本集團於二零一八年項目管理團隊的員工流失率較低，為5%（二零一七年：5%），且本集團很多熟練員工已為本集團工作若干年。本集團的重要管理團隊包括三名執行董事及財務總監，各履歷載於本報告「董事及高級管理人員履歷」一節。本集團經驗豐富的管理團隊連同一批穩定的技能勞工，乃向客戶提供優質工程以令客戶高度滿意的主要推動力之一。

#### 環保政策

本集團在進行項目時注重環保。本集團獲授ISO 14001:2004（環保管理系統認證）。現時ISO 14001:2004證書的有效期由二零一七年八月十二日至二零一八年九月十五日。於準備投標文件時，本集團會考慮潛在客戶的環保要求以及與環保有關的相關法律及法規。本集團的安全及環境主任負責確保本集團符合適用法律及法規的規定，並找出環保方面的問題，向項目管理團隊匯報。

#### 遵守相關法律及法規

本集團主要於香港私營市場承接建築項目地基工程及相關工程，因此須遵守屋宇署規管私營承建商所頒佈的規則及規例。董事確認，於二零一七／二零一八財政年度及直至本報告日期，本集團已取得香港業務及經營所需的所有註冊及證書，並於所有重大方面遵守香港適用法律及法規。

## Management Discussion and Analysis (continued)

### 管理層討論及分析(續)

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

## 流動資金、財務資源及資本架構

		As at 31 March 於三月三十一日	
		2018 二零一八年	2017 二零一七年
Current ratio	流動比率	4.0	4.8
Gearing ratio <sup>1</sup>	資產負債比率 <sup>1</sup>	–	1.9%

Note:

1. Gearing ratio is calculated based on debts including payables incurred not in the ordinary course of business divided by the total equity as at the reporting dates.

As at 31 March 2018, the Group had cash and bank balances of HK\$68.0 million (2017: HK\$96.1 million), of which HK\$47.5 million (2017: HK\$59.1 million) were restricted bank balances. Such restricted bank balances were held for purpose of the issuance of surety bonds for our projects and requirement of our general banking facilities. As at 31 March 2018, the Group had no bank overdrafts (2017: Nil).

The capital structure of the Group consisted of equity of HK\$241.9 million, with no debts as at 31 March 2018 due to full repayment of bank loan and finance lease payable during Financial Year 2017/18.

The Group adopts a prudent approach in cash management. The Group did not have any material outstanding debts as at 31 March 2018. Payment to settle trade payable represented the significant part of the cash outflow of the Group. Taking into account the light debt leverage, the Group is able to generate cash and meet upcoming cash requirements. In any case, the Group may utilise its banking facilities of HK\$160.0 million, of which the unutilised and unrestricted banking facilities amounted to approximately HK\$131.2 million.

附註：

1. 資產負債比率按債項(包括並非在一般業務過程中產生的應付款項)除以報告日期的權益總額計算。

於二零一八年三月三十一日，本集團擁有68.0百萬港元(二零一七年：96.1百萬港元)的現金及銀行結餘，當中47.5百萬港元(二零一七年：59.1百萬港元)為受限制銀行結餘。該等受限制銀行結餘乃持作為項目發行擔保債券及用作我們的一般銀行融資需要。於二零一八年三月三十一日，本集團並無銀行透支(二零一七年：無)。

於二零一八年三月三十一日，本集團的資本架構包括241.9百萬港元之權益及並無債項，乃由於在二零一七/一八財政年度期間已悉數償還銀行貸款及應付融資租賃。

本集團採用審慎方法進行現金管理。於二零一八年三月三十一日，本集團並無任何重大未償還債項。結算應付貿易賬款的付款佔大部分本集團現金流出。考慮到負債比率較低，本集團能夠產生現金及滿足現時現金需要。本集團在任何情況下均可動用其160.0百萬港元之銀行融資，其中約131.2百萬港元為尚未動用及無限制的銀行融資。

## Management Discussion and Analysis (continued)

### 管理層討論及分析(續)

#### EMPLOYEES

The Group had 43 full-time employees as at 31 March 2018 (2017: 43). The Group offers competitive remuneration package that is based on the overall market rates and employee performance, as well as the performance of the Group. Remuneration package is comprised of salary, a performance-based bonus, and other benefits including training and provident funds.

#### CAPITAL COMMITMENTS

The Group had no capital commitments as at 31 March 2018 (2017: Nil).

#### CONTINGENT LIABILITIES

Save as disclosed in note 22 to the financial statements, the Group had no other contingent liabilities as at 31 March 2018.

#### CHARGE OVER ASSETS

Save as disclosed in note 14 to the financial statements, as at 31 March 2018, the Group had no other significant assets under pledge (As at 31 March 2017: The Group had certain construction machineries pledged to secure a bank loan. The net book value of the machineries pledged to secure a bank loan was HK\$5.2 million).

#### SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the Financial Year 2017/18. There is no other plan for material investments or capital assets as at 31 March 2018.

#### 僱員

於二零一八年三月三十一日，本集團有43名全職僱員(二零一七年：43名)。本集團根據整體市場水平及個別僱員之表現，以及本集團之業務表現，提供具競爭力之薪酬待遇。薪酬待遇包括薪金及績效花紅，以及包括培訓及公積金在內之其他福利。

#### 資本承擔

於二零一八年三月三十一日，本集團並無資本承擔(二零一七年：無)。

#### 或然負債

除於財務報表附註22所披露者外，於二零一八年三月三十一日，本集團並無其他或然負債。

#### 資產抵押

除財務報表附註14所披露者外，於二零一八年三月三十一日，本集團並無其他重大資產抵押(於二零一七年三月三十一日：本集團抵押若干建築機器以獲得銀行貸款。為獲得銀行貸款而已抵押機器的賬面淨值為5.2百萬港元)。

#### 持有重大投資、重大收購或出售附屬公司及聯屬公司，以及重大投資或資本資產的計劃

於二零一七/一八財政年度內，本集團概無持有重大投資、重大收購或出售附屬公司及聯屬公司。於二零一八年三月三十一日，概無重大投資或資本資產的其他計劃。

## Management Discussion and Analysis (continued)

### 管理層討論及分析(續)

#### USE OF NET PROCEEDS FROM LISTING

The net proceeds from the Listing will be utilised in accordance with the proposed applications set out in the section headed “Future Plans and Use of Proceeds” of the prospectus of the Company dated 31 March 2015 (the “Prospectus”) and the announcements of the Company dated 7 August 2015 and 28 March 2018. The below table sets out the proposed applications of the net proceeds and actual usage up to 31 March 2018:

		Proposed application	Actual usage up to 31 March 2018 截至 二零一八年 三月三十一日止 的實際用途
		擬定用途 HK\$'million 百萬港元	的實際用途 HK\$'million 百萬港元
Hiring of additional staff	招聘額外員工	2.9	2.9
Acquisition of additional machinery and equipment	收購額外機器和設備	29.9	29.9
Financing for the issue of surety bonds for future projects	就未來項目發行擔保債券融資	56.7	44.7
General working capital	一般營運資金	10.0	10.0
		99.5	87.5

#### FUTURE PROSPECTS

Taking into account the Government of the Hong Kong Special Administrative Region’s policy in increasing land supply and commitment to infrastructure investments, the Group expects a rebound in the foundation industry in the long run. Despite the vigorous competition in the Hong Kong construction industry, the Board is confident with the Group’s future development in its net profit and scale of operations due to its long established reputation, the listing platform and healthy financial position. To maintain its competitive edge, the Group continues to adhere to its business strategy, by expanding our capacity to capture more business opportunities, reinforcing its capability in foundation design and project management skills, and offering qualitative and flexible solution to its customers.

#### 上市所得款項淨額用途

上市所得款項淨額將根據本公司日期為二零一五年三月三十一日之招股章程(「招股章程」)「未來計劃及所得款項用途」一節及本公司日期為二零一五年八月七日及二零一八年三月二十八日之公佈所載之擬定用途使用。下表載列截至二零一八年三月三十一日止的所得款項淨額擬定用途及實際用途：

#### 未來前景

考慮到香港特別行政區政府增加土地供應的政策以及對基建投資的承諾，本集團預計從長遠來看建築業將會復甦。儘管香港建築業競爭激烈，董事會仍對本集團憑藉悠久聲譽、上市平台及穩健財務狀況令未來淨利潤及營運規模取得發展充滿信心。為保持競爭力，本集團繼續堅持其業務策略，擴大產能以捕捉更多商機，增強地基設計能力及項目管理技能，向客戶提供優質靈活的解決方案。



## Biographies of Directors and Senior Management 董事及高級管理人員履歷

### EXECUTIVE DIRECTORS

**Mr. Lau Pak Man (劉伯文)**, aged 63, is our Chairman, Chief Executive Officer, executive Director and General Manager of the Group. Mr. Lau, together with Mr. Cheng Wing Cheong, are the founders of the Group. Mr. Lau is responsible for overall strategic development, project management and client management of the Group. Mr. Lau has also been a director of In Construction Limited, an indirect wholly-owned subsidiary of the Group, since 20 December 1996. Mr. Lau obtained a Bachelor of Science degree in Civil Engineering from the University of Leeds in July 1979. Mr. Lau has nearly 27 years of extensive experience in the construction industry in Hong Kong since 1991. Prior to founding In Construction Limited in December 1996, Mr. Lau was the project manager and contract manager of Fong On Construction & Engineering Co Ltd. between January 1991 till December 1994 and January 1995 till December 1996, respectively, who was mainly responsible for H-piling foundations, supply and installations projects as well as a construction and redevelopment project. Mr. Lau has been a member of the Hong Kong Institution of Engineers since July 1992, a chartered engineer of the Institution of Civil Engineers, London, England since November 1984, a member of the Institution of Civil Engineers since December 1983, a member of the Institute of Highways and Transportation, London, England since March 1983 and is a registered professional engineer (civil) of Engineers Registration Board. Mr. Lau is the spouse of Ms. Kwan Kit Sum Kit.

**Mr. Cheng Wing Cheong (鄭榮昌)**, aged 63, is our executive Director and the Director – Construction of the Group. Mr. Cheng, together with Mr. Lau Pak Man, are the founders of the Group and is responsible for overseeing the tender process including foundation design and project budget, as well as quality control of our projects. Mr. Cheng has been a director of In Construction Limited since 20 December 1996. Mr. Cheng obtained a Bachelor of Science degree in Engineering from the University of Hong Kong in October 1977. In the course of his career, Mr. Cheng has accumulated more than 20 years of comprehensive experience in the construction industry. Between May 1989 and August 1992, Mr. Cheng worked in China Overseas Foundation Engineering Limited as a director and deputy general manager.

### 執行董事

**劉伯文先生**，63歲，為本集團的主席、行政總裁、執行董事及總經理。劉先生(連同鄭榮昌先生)為本集團的創辦人。劉先生負責本集團的整體策略發展、項目管理及客戶管理。劉先生自一九九六年十二月二十日起亦為現恆建築有限公司(本集團間接全資附屬公司)的董事。劉先生於一九七九年七月獲利茲大學頒授土木工程學士學位。劉先生自一九九一年起於香港建造業擁有將近27年的豐富經驗。於一九九六年十二月成立現恆建築有限公司之前，自一九九一年一月至一九九四年十二月及自一九九五年一月至一九九六年十二月，劉先生分別為晃安建築工程有限公司的項目經理及合同經理，主要負責工字樁地基、供應及安裝項目以及建築及再開發項目。自一九九二年七月起，劉先生一直為香港工程師協會的會員；自一九八四年十一月起，為英國倫敦土木工程師協會特許工程師；自一九八三年十二月起，為土木工程師協會的會員；自一九八三年三月起為英國倫敦高速公路及運輸協會會員及工程師註冊管理局的註冊專業工程師(土木)。劉先生為關潔心女士的配偶。

**鄭榮昌先生**，63歲，為本集團的執行董事及建築總監。鄭先生連同劉伯文先生為本集團的創辦人並負責監督投標程序，包括地基設計及項目預算，以及項目質量控制。鄭先生自一九九六年十二月二十日起擔任現恆建築有限公司的董事。鄭先生於一九七七年十月獲香港大學頒授工程學理學士學位。於其職業生涯中，鄭先生已於建造業累積逾20年的豐富經驗。於一九八九年五月至一九九二年八月，鄭先生於中國海外基礎工程有限公司擔任董事及副總經理。

## Biographies of Directors and Senior Management (continued) 董事及高級管理人員履歷 (續)

**Ms. Kwan Kit Sum Kit (關潔心)**, aged 46, is our executive Director and the Director – Operations of the Group. Ms. Kwan is responsible for project management and coordination, as well as daily operations of the Group. Ms. Kwan has been a director of In Construction Limited since 1 December 2014. Ms. Kwan obtained a Bachelor of Business Administration degree in Management from the Hong Kong University of Science and Technology in November 1994. Ms. Kwan has accumulated over 20 years of experience in the construction industry. She joined In Construction Limited as an assistant manager in April 1997. Prior to joining our Group, Ms. Kwan worked in Sam Woo Engineering Equipment Limited from February 1995 to April 1997, as an assistant manager. Ms. Kwan is the spouse of Mr. Lau Pak Man.

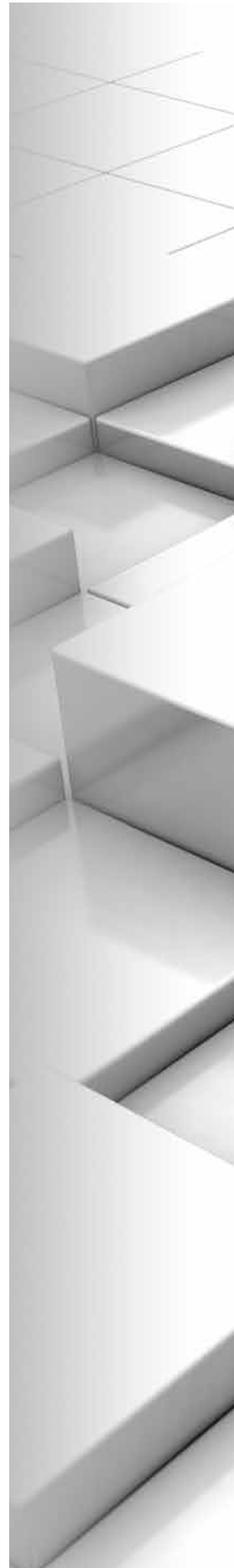
### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Leung Chi Kin (梁梓堅)**, aged 64, is an independent non-executive Director appointed by the Company on 26 March 2015. Mr. Leung obtained a high diploma in accountancy from the Hong Kong Polytechnic University (formerly known as the Hong Kong Polytechnic) in November 1976. In the course of his career, Mr. Leung has accumulated over 40 years of working experience in auditing, accounting, taxation and financial management. Mr. Leung is currently a practicing Certified Public Accountant and managing director of Chang Leung Hui & Li C.P.A. Limited. He is also a Certified Tax Adviser of the Taxation Institute of Hong Kong for the year 2018. Mr. Leung is a fellow member of the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales, and a member of the Hong Kong Institute of Chartered Secretaries. Between June 1976 and November 1980, Mr. Leung worked in Lowe Bingham & Matthews Price Waterhouse & Co., and then started his own accounting practice in January 1981 and has been in public practice up to now.

**關潔心女士**，46歲，為本集團的執行董事及營運總監。關女士負責項目管理及協調以及本集團的日常營運。關女士自二零一四年十二月一日起為現恆建築有限公司的董事。關女士於一九九四年十一月獲香港科技大學頒授管理學工商管理學士學位。關女士已於建造業累積超過20年的經驗。彼於一九九七年四月加入現恆建築有限公司，擔任助理經理。於加入本集團之前，自一九九五年二月至一九九七年四月，關女士於三和機械有限公司工作，擔任助理經理。關女士為劉伯文先生的配偶。

### 獨立非執行董事

**梁梓堅先生**，64歲，由本公司於二零一五年三月二十六日委任為獨立非執行董事。梁先生於一九七六年十一月獲頒授香港理工大學(前稱香港理工學院)會計學高級文憑。於其職業生涯中，梁先生於審計、會計、稅務及財務管理方面累積逾40年的工作經驗。梁先生現時為張梁許李會計師事務所有限公司的執業會計師及董事總經理。彼亦為二零一八年度香港稅務學會的執業稅務顧問。梁先生為特許會計師協會及英格蘭及威爾士特許會計師協會的資深會員以及香港特許秘書公會的會員。於一九七六年六月至一九八零年十一月，梁先生任職於Lowe Bingham & Matthews Price Waterhouse & Co.，及隨後於一九八一年一月開設其自己的會計師事務所及直至現在一直公開執業。



## Biographies of Directors and Senior Management (continued)

### 董事及高級管理人員履歷(續)

**Mr. Lam Chi Hung Louis (林志雄)**, aged 70, is an independent non-executive Director appointed by the Company on 26 March 2015. Mr. Lam obtained a Bachelor of Science degree in November 1969, and after that he obtained a degree of Doctor of Philosophy from the University of Hong Kong in November 1972. Mr. Lam has over 45 years of experience in engineering. Mr. Lam has been the managing director and founder of LR Construction Technologies Limited since August 2012, the managing director and co-founder of LR Construction and Consultancy Limited since April 2012, the managing director and co-founder of LR IoT Limited since June 2009. From November 1996 to August 2004, Mr. Lam was a principal lecturer of the Vocational Training Council. From 1976 to 1977, and from 1986 to 1987, Mr. Lam was an appointed lecturer in the Department of Civil and Structural Engineering of the University of Hong Kong. Mr. Lam has been a member of the Hong Kong Institute of Engineers since November 1975 and is also a registered professional engineer of Engineers Registration Board.

**Mr. Yau Chi Man Norman (also known as lao Chi Meng) (丘子敏)**, aged 55, is an independent non-executive Director appointed by the Company on 26 March 2015. Mr. Yau is qualified as a Barrister-at-law in Hong Kong in March 2011. Mr. Yau obtained a Bachelor of Science degree in Electronic and Electrical Engineering from Loughborough University of Technology, England in July 1987. He subsequently obtained a Juris Doctor in Laws and Postgraduate Certificate in Laws from City University of Hong Kong in November 2008 and July 2010, respectively. Mr. Yau has over 20 years of experience in electric power engineering. Mr. Yau worked in CLP Power Hong Kong Limited between January 1991 and April 2010, during which Mr. Yau undertook various positions, with his last position being a senior project engineer at CLP Engineering Limited, a subsidiary of CLP Power Hong Kong Limited.

Mr. Yau has been a member of the Institution of Engineering and Technology, England (formerly known as the Institution of Electrical Engineers, England) and a chartered electrical engineer of the Engineering Council, England since 2000. He has been a member of the Hong Kong Institution of Engineers since 2001 and a member of the Chartered Institution of Building Services Engineers, England since 2004. Mr. Yau has also been a fellow of the Hong Kong Institute of Arbitrators since 2011.

林志雄先生，70歲，由本公司於二零一五年三月二十六日委任為獨立非執行董事。林先生於一九六九年十一月獲得理學學士，其後彼於一九七二年十一月獲得香港大學哲學博士學位。林先生於工程業擁有逾45年的經驗。自二零一二年八月起至今，林先生為LR Construction Technologies Limited的董事總經理及創辦人；自二零一二年四月起為LR Construction and Consultancy Limited的董事總經理及聯合創辦人；自二零零九年六月起，為LR IoT Limited的董事總經理及聯合創辦人。從一九九六年十一月至二零零四年八月，林先生為職業訓練局的首席講師。從一九七六年至一九七七年及一九八六年至一九八七年，林先生獲委任為香港大學土木工程及結構工程系的講師。自一九七五年十一月起，林先生為香港工程師學會會員及亦為工程師註冊管理局的註冊專業工程師。

丘子敏先生，55歲，由本公司於二零一五年三月二十六日委任為獨立非執行董事。丘先生於二零一一年三月為香港合資格執業大律師。丘先生於一九八七年七月獲英國Loughborough University of Technology頒授電子及電機工程學理學學士學位。彼隨後於二零零八年十一月及二零一零年七月分別獲香港城市大學頒授法律博士及法學專業證書。丘先生於電力工程方面積逾20年經驗。丘先生於一九九一年一月至二零一零年四月服務於中華電力有限公司，期間曾出任不同職位，彼最後職位為在中華電力有限公司之附屬公司中電工程有限公司任職高級項目工程師。

丘先生自二零零零年起為英國工程及技術學會(前稱英國電機工程師學會)的會員及英國工程師學會的特許電力工程師。彼自二零零一年起為香港工程師學會的會員及自二零零四年起為英國特許屋宇設備工程師學會的會員。丘先生亦自二零一一年起為香港仲裁師學會的資深會員。

## Biographies of Directors and Senior Management (continued)

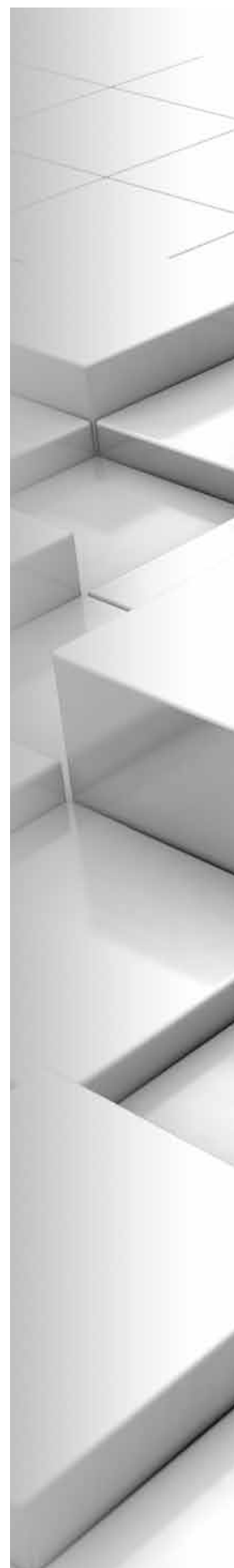
### 董事及高級管理人員履歷 (續)

#### SENIOR MANAGEMENT FINANCIAL CONTROLLER AND COMPANY SECRETARY

**Mr. Ho Kam Fung** (何錦豐), aged 38, has joined us as the Financial Controller of the Group since 1 February 2017, and was appointed as our company secretary on 7 February 2017. Mr. Ho is responsible for the accounting and financial functions, internal control as well as the company secretary affairs of the Group. Mr. Ho is a full member of CPA Australia. He holds a Bachelor Degree in Commerce and a Master Degree in International Business from the University of Wollongong in Australia. Prior to joining the Group, Mr. Ho previously worked for various Hong Kong listed companies for more than 6 years and various positions as finance manager, company secretary and authorised representative. He also worked at two international accounting firms for about 5 years. He has over 10 years of experience in accounting, auditing and financial management.

#### 高級管理層 財務總監及公司秘書

何錦豐先生，38歲，自二零一七年二月一日起加入本集團出任財務總監，並於二零一七年二月七日獲委任為本公司的公司秘書。何先生負責本集團的會計及財務職能、內部監控以及公司秘書事宜。何先生為澳洲會計師公會會員。彼持有澳洲卧龍崗大學商學學士學位及國際商業碩士學位。加入本集團前，何先生曾於多間香港上市公司任職逾六年，並擔任財務經理、公司秘書及授權代表等多個職位。彼曾亦於兩間國際會計師事務所任職約五年。彼於會計、審計及財務管理方面擁有逾十年經驗。



## Directors' Report 董事會報告

The Board presents this annual report together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2018.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company, and its subsidiaries are principally engaged in foundation works as well as associated works including demolition works, site formation works, ground investigation field works and general building works. The activities and particulars of the Company's subsidiaries are shown under note 12 to the financial statements.

### RESULTS

The results of the Group for the financial year ended 31 March 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on page 59 of this report.

### DIVIDENDS

The Board has resolved not to declare a final dividend for the Financial Year 2017/18.

### CLOSURE OF REGISTER OF MEMBERS

In order to establish entitlements to attend and vote at the forthcoming annual general meeting of the Company to be held on Friday, 31 August 2018, the register of members of the Company will be closed from Monday, 27 August 2018 to Friday, 31 August 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders of the Company 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, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 24 August 2018.

董事會謹此提呈本集團截至二零一八年三月三十一日止財政年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司，其附屬公司主要從事地基工程以及相關工程，包括拆卸工程、地盤平整工程、現場土地勘測工程及一般建築工程。本公司附屬公司的活動及詳情載於財務報表附註12。

### 業績

本集團截至二零一八年三月三十一日止財政年度之業績載於本報告第59頁之綜合損益及其他全面收益表。

### 股息

董事會議決不宣派二零一七／一八財政年度之末期股息。

### 暫停辦理股東名冊登記

為確保享有出席本公司將於二零一八年八月三十一日(星期五)舉行之應屆股東週年大會並於會上投票的權利，本公司將由二零一八年八月二十七日(星期一)至二零一八年八月三十一日(星期五)(包括首尾兩日)暫停辦理股東名冊登記，期間將不會登記本公司股份過戶。本公司股東務請確保所有填妥之股份過戶表格連同有關股票，最遲必須於二零一八年八月二十四日(星期五)下午四時三十分前送達本公司之香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

## Directors' Report (continued) 董事會報告(續)

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

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

### EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2018 and up to the date of this report.

### FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last five financial years, is set out on page 124. This summary does not form part of the audited consolidated financial statements in this report.

### SHARE CAPITAL

Details of movements in the Financial Year 2017/18 in the share capital are set out in note 19(c) to the financial statements.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Financial Year 2017/18.

### DISTRIBUTABLE RESERVES

As at 31 March 2018, the Company's reserves available for distribution to equity shareholders of the Company amounted to approximately HK\$119,556,000.

### PLANT AND EQUIPMENT

Details of the movements in plant and equipment of the Group during the year ended 31 March 2018 are set out in note 11 to the financial statements.

### 購買、出售或贖回本公司上市證券

年內，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

### 報告期後事項

董事會並不知悉於二零一八年三月三十一日後直至本報告日期所發生任何重大事項須予以披露。

### 財務資料概要

本集團於過往五個財政年度的業績及資產負債概要載於第124頁。該概要並不構成本報告經審核綜合財務報表的一部分。

### 股本

於二零一七/一八財政年度股本變動詳情載於財務報表附註19(c)。

### 管理層合約

於二零一七/一八財政年度，並無訂立或存續涉及管理及執行本公司業務之全部或任何主要部分之合約。

### 可供分派儲備

於二零一八年三月三十一日，本公司可供分派予本公司權益股東的儲備總額約為119,556,000港元。

### 廠房及設備

本集團於截至二零一八年三月三十一日止年度的廠房及設備變動詳情載於財務報表附註11。

## Directors' Report (continued)

### 董事會報告(續)

#### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the articles of association of the Company (the "Articles"), or the law of Cayman Islands being the jurisdiction in which the Company is incorporated.

#### DIRECTORS

##### (a) Directors of the Company

The Directors during the year ended 31 March 2018 and up to the date of this report, are:

##### Executive Directors

Mr. Lau Pak Man (*Chairman and Chief Executive Officer*)  
Mr. Cheng Wing Cheong  
Ms. Kwan Kit Sum Kit

##### Independent Non-Executive Directors

Mr. Leung Chi Kin  
Mr. Lam Chi Hung Louis  
Mr. Yau Chi Man Norman (*also known as lao Chi Meng*)

Pursuant to Article 108(a) of the Articles, one-third of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to but not less than one-third, shall retire from office by rotation at every annual general meeting of the Company. A retiring Director shall be eligible for re-election. Mr. Lau Pak Man and Mr. Leung Chi Kin shall retire from office by rotation at the 2018 AGM and, being eligible, will offer themselves for re-election at the said meeting.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company considers all of the independent non-executive Directors to be independent.

##### (b) Directors of the Company's subsidiaries

During the year and up to the date of this report, Mr. Lau Pak Man, Mr. Cheng Wing Cheong and Ms. Kwan Kit Sum Kit are also directors in certain subsidiaries of the Company.

#### 優先購買權

本公司組織章程細則(「章程細則」)或開曼群島(即本公司註冊成立所在司法權區)法律並無有關優先購買權的任何規定。

#### 董事

##### (a) 本公司董事

截至二零一八年三月三十一日止年度及直至本報告日期之董事如下：

##### 執行董事

劉伯文先生(*主席兼行政總裁*)  
鄭榮昌先生  
關潔心女士

##### 獨立非執行董事

梁梓堅先生  
林志雄先生  
丘子敏先生

根據章程細則第108(a)條，於本公司每屆股東週年大會上，佔當時董事人數三分之一(或當人數非三或三的倍數時，則為接近，但不少於三分之一的人數)之董事須輪席告退。退任董事合資格膺選連任。劉伯文先生及梁梓堅先生將於二零一八年股東週年大會上輪席告退，並合資格及將於該大會上膺選連任。

本公司已接獲各獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條就其獨立性發出的年度確認。本公司認為全體獨立非執行董事均為獨立人士。

##### (b) 本公司附屬公司董事

於本年度直至本報告日期，劉伯文先生、鄭榮昌先生及關潔心女士亦為本公司若干附屬公司董事。

## Directors' Report (continued) 董事會報告(續)

### DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company and each of the independent non-executive Directors has signed an appointment letter with the Company. The appointment of each of the Directors is for a period of three years and shall continue thereafter until being terminated by either party giving not less than three months' written notice.

None of the Directors who are proposed for election or re-election at the forthcoming AGM has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

### PERMITTED INDEMNITY PROVISION

The Articles provide that every Director shall be indemnified out of the assets and profits of the Company against liabilities (to the extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) incurred by him as such Director in the execution of his duties or otherwise in relation thereto, provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any such director. The Company has taken out insurance against the liabilities and costs associated with defending any proceedings which may be brought against the Directors of the Company.

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

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, any of its subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or during the financial year ended 31 March 2018.

### 董事服務合約

每名執行董事已與本公司訂立服務協議，而每名獨立非執行董事與本公司已簽訂委任函。各董事的任期為期三年，其後可繼續留任，直至其中一方給予不少於三個月事先書面通知終止為止。

擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立不可由本公司於一年內終止而毋須賠償(法定賠償除外)之服務合約。

### 獲准許的彌償保證條文

章程細則規定，每位董事有權就因執行其董事職務或相關的其他事宜而可能發生與此相關之債務(按公司條例(香港法例第622章)容許的最大程度)，將獲本公司從其資產及溢利中賠償，惟本彌償保證不延伸至任何與該董事欺詐或不忠誠有關之事宜。本公司就可能對本公司董事提起的任何法律訴訟相關的負債及成本投保。

### 董事於涉及本集團業務之重要交易、安排及合約中之重大權益

本公司或其任何附屬公司或其母公司概無訂立任何涉及本集團業務而董事於其中直接或間接擁有重大權益之於截至二零一八年三月三十一日止財政年度結束或年內任何時間續存的重要交易、安排及合約。



## Directors' Report (continued) 董事會報告(續)

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save for Mr. Cheng Wing Cheong's interest in Longo Piling Company, details of which were set out in the section headed "Relationships with Controlling Shareholders" of the Prospectus, none of the Directors nor the controlling shareholders of the Company nor their respective associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the business of the Group in the Financial Year 2017/18.

Mr. Lau Pak Man, Ms. Kwan Kit Sum Kit, In Play Limited and Kinetic Kingdom Limited, being the controlling shareholders of the Company declared that they have complied with the undertakings given under the Deed of Non-competition as disclosed in the Prospectus. Mr. Cheng Wing Cheong, Longo Piling Company and Wealth Celebration Limited declared that they have complied with the undertakings given under the Longo Deed of Non-competition as disclosed in the Prospectus.

The independent non-executive Directors were delegated with the authority to review, on an annual basis, the compliance with the Deed of Non-competition and the Longo Deed of Non-competition. The independent non-executive Directors were not aware of any non-compliance of both Deeds of Non-competition since the respective dates of the deeds and up to the date of this report.

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out in the section headed "Biographies of Directors and Senior Management" of this report.

### DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in note 8 to the financial statements.

### 董事於競爭業務之權益

除鄭榮昌先生於Longo Piling Company擁有權益(詳情載於招股章程「與控股股東的關係」一節)外,於二零一七/一八財政年度,本公司董事或控股股東或彼等各自之聯繫人(定義見上市規則)概無擁有與本集團業務構成或可能構成競爭之業務的任何權益。

本公司控股股東劉伯文先生、關潔心女士、In Play Limited及Kinetic Kingdom Limited表明彼等已遵守招股章程所披露不競爭契約項下作出的承諾。鄭榮昌先生、Longo Piling Company及Wealth Celebration Limited已表明彼等已遵守招股章程所披露Longo不競爭契約項下作出的承諾。

獨立非執行董事獲授權每年審閱不競爭契約及Longo不競爭契約的遵守情況。獨立非執行董事概無知悉自契約日期以來及直至本報告日期有任何違反兩份不競爭契約的行為。

### 董事及高級管理人員履歷

董事及高級管理人員履歷詳情載於本報告「董事及高級管理人員履歷」一節內。

### 董事薪酬

董事薪酬詳情載於財務報表附註8。

## Directors' Report (continued) 董事會報告(續)

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 March 2018, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations, within the meaning of the Securities and Futures Ordinance (the "SFO"), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules, were as follows:

#### Long positions in the shares:

Name of Director 董事姓名	Capacity/ Nature of Interest 身份/權益性質	Number of shares 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司 已發行股本的 概約百分比
Mr. Lau Pak Man 劉伯文先生	Beneficial owner 實益擁有人	7,520,000	0.91%
	Interest in a controlled corporation (Note 1) 於受控制公司的權益 (附註1)	270,000,000	32.53%
	Interest of spouse (Note 2) 配偶權益 (附註2)	60,000,000	7.23%
	Total 合計	337,520,000	40.67%
Mr. Cheng Wing Cheong 鄭榮昌先生	Beneficial owner 實益擁有人	5,900,000	0.71%
	Interest in a controlled corporation (Note 3) 於受控制公司的權益 (附註3)	270,000,000	32.53%
	Total 合計	275,900,000	33.24%
Ms. Kwan Kit Sum Kit 關潔心女士	Interest in a controlled corporation (Note 4) 於受控制公司的權益 (附註4)	60,000,000	7.23%
	Interest of spouse (Note 5) 配偶權益 (附註5)	277,520,000	33.44%
	Total 合計	337,520,000	40.67%

### 董事及主要行政人員的證券權益

於二零一八年三月三十一日，董事及本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）股份、相關股份或債券中擁有(a)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的該等條文彼等被當作或視為擁有的權益及淡倉）；或(b)根據證券及期貨條例第352條須登記於該條規定存置的登記冊內的權益及淡倉；或(c)根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

#### 股份的好倉：

## Directors' Report (continued) 董事會報告(續)

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES (continued)

Notes:

1. In Play Limited is 100.0% owned by Mr. Lau Pak Man. Mr. Lau Pak Man is therefore deemed to be interested in the shares held by In Play Limited under the SFO.
2. Mr. Lau Pak Man is the spouse of Ms. Kwan Kit Sum Kit. By virtue of the SFO, Mr. Lau Pak Man is deemed to be interested in the same number of shares in which Ms. Kwan Kit Sum Kit is deemed to be interested.
3. Wealth Celebration Limited is 100.0% owned by Mr. Cheng Wing Cheong. Mr. Cheng Wing Cheong is therefore deemed to be interested in the shares held by Wealth Celebration Limited under the SFO.
4. Kinetic Kingdom Limited is 100.0% owned by Ms. Kwan Kit Sum Kit. Ms. Kwan Kit Sum Kit is therefore deemed to be interested in the shares held by Kinetic Kingdom Limited under the SFO.
5. Ms. Kwan Kit Sum Kit is the spouse of Mr. Lau Pak Man. By virtue of the SFO, Ms. Kwan Kit Sum Kit is deemed to be interested in the same number of shares in which Mr. Lau Pak Man is deemed to be interested.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

The shares of the Company were listed on the Main Board of the Stock Exchange on 16 April 2015. The register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that, as at 31 March 2018, the following shareholders, other than those disclosed in the section headed "Directors' and Chief Executive's Interest in Securities", had notified the Company of its interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

### 董事及主要行政人員的證券權益 (續)

附註:

1. In Play Limited由劉伯文先生全資擁有。根據證券及期貨條例，劉伯文先生因此被視為於In Play Limited所持有股份中擁有權益。
2. 劉伯文先生為關潔心女士之配偶。根據證券及期貨條例，劉伯文先生被視為於關潔心女士被視為擁有權益的相同數目股份中擁有權益。
3. Wealth Celebration Limited由鄭榮昌先生全資擁有。根據證券及期貨條例，鄭榮昌先生因此被視為於Wealth Celebration Limited所持有股份中擁有權益。
4. Kinetic Kingdom Limited由關潔心女士全資擁有。根據證券及期貨條例，關潔心女士因此被視為於Kinetic Kingdom Limited所持有股份中擁有權益。
5. 關潔心女士為劉伯文先生之配偶。根據證券及期貨條例，關潔心女士被視為於劉伯文先生被視為擁有權益的相同數目股份中擁有權益。

### 主要股東的證券權益

本公司股份於二零一五年四月十六日在聯交所主板上市。本公司根據證券及期貨條例第336條存置的主要股東名冊顯示，於二零一八年三月三十一日，除「董事及主要行政人員的證券權益」一節所披露者外，下列股東已知會本公司其於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的權益或淡倉：

## Directors' Report (continued) 董事會報告(續)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (continued)

#### Long positions in the shares:

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number of shares 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
In Play Limited	Beneficial owner 實益擁有人	270,000,000	32.53%
Wealth Celebration Limited	Beneficial owner 實益擁有人	270,000,000	32.53%
Kinetic Kingdom Limited	Beneficial owner 實益擁有人	60,000,000	7.23%

### MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases and sales for the financial year ended 31 March 2018 attributable to the Group's major suppliers and customers are as follows:

Purchases	
– the largest supplier	14.8%
– five largest suppliers combined	57.6%
Sales	
– the largest customer	26.0%
– five largest customers combined	76.1%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had an interest in the major suppliers or customers noted above.

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "Directors' and chief executives' interests in securities" above, at no time during the year was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company or their associates to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### 主要股東的證券權益(續)

#### 股份的好倉：

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number of shares 股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
In Play Limited	Beneficial owner 實益擁有人	270,000,000	32.53%
Wealth Celebration Limited	Beneficial owner 實益擁有人	270,000,000	32.53%
Kinetic Kingdom Limited	Beneficial owner 實益擁有人	60,000,000	7.23%

### 主要供應商及客戶

於截至二零一八年三月三十一日止財政年度，本集團主要供應商及客戶應佔採購及銷售百分比如下：

採購	
– 最大供應商	14.8%
– 五大供應商合計	57.6%
銷售	
– 最大客戶	26.0%
– 五大客戶合計	76.1%

董事、彼等之聯繫人或任何股東(據董事所深知，持有本公司已發行股份數目5%以上)概無於上文所述主要供應商或客戶中擁有權益。

### 董事認購股份或債券之權利

除上文「董事及主要行政人員的證券權益」一段所披露者外，本公司、其控股公司、附屬公司或同系附屬公司於本年度任何時間概無作為任何安排之參與方，致使本公司董事或主要行政人員或其聯繫人士藉購入本公司或任何其他法人團體之股份或債券而獲益。

## Directors' Report (continued) 董事會報告(續)

### CONNECTED TRANSACTIONS

During the year ended 31 March 2018, there were no connected transactions or continuing connected transactions of the Company which require compliance with any of the reporting, announcement or independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Details of material related party transactions undertaken in the usual course of business of the Group are set out in note 23 to the financial statements. However, these transactions were either exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, or did not fall under the definition of connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that was publicly available and to the best belief and knowledge of the Directors, the Company has maintained the public float as required by the Listing Rules throughout the year ended 31 March 2018 and up to the date of this report.

### BUSINESS REVIEW

The business review of the Group for the Financial Year 2017/2018 is included in the Management Discussion and Analysis in this report on pages 7 to 15 and forms part of this Directors' Report.

### RETIREMENT SCHEMES

The Group participates in the mandatory provident fund prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). Save as the aforesaid, the Group did not participate in any other pension schemes during the Financial Year 2017/18.

### 關連交易

於截至二零一八年三月三十一日止年度，本公司並無關連交易或持續關連交易須遵守上市規則第14A章項下的申報、公佈或獨立股東批准的規定。於本集團日常業務過程中進行的重大關聯方交易詳情載於財務報表附註23。然而，該等交易或獲豁免遵守上市規則第14A章項下的申報、公佈及獨立股東批准規定，或不屬上市規則第14A章所界定的關連交易或持續關連交易。

### 充足公眾持股量

根據公開可得資料及就董事所確信及深知，於截至二零一八年三月三十一日止整個年度及直至本報告日期止，本公司已維持上市規則規定之公眾持股量。

### 業務回顧

本集團二零一七／二零一八財政年度的業務回顧載於本報告第7至15頁的管理層討論及分析，並構成董事會報告一部分。

### 退休計劃

本集團參加由香港法例第485章強制性公積金計劃條例所規定的強制性公積金。除上文所述外，本集團於二零一七／一八財政年度並無參與任何其他退休金計劃。

## Directors' Report (continued) 董事會報告(續)

### SPECIFIC PERFORMANCE OF CONTROLLING SHAREHOLDERS UNDER RULE 13.18 OF THE LISTING RULES

On 26 June 2015 and 6 January 2016, the Company as guarantor and In Construction Limited (an indirect wholly-owned subsidiary of the Company) as borrower, entered into facility agreements relating to a HK\$80 million general banking and term loan facilities (the "Facilities 1") and HK\$10 million revolving term loan facilities (the "Facilities 2") with licensed banks in Hong Kong as lenders ("Lenders"), respectively. The maturity date of the Facilities 1 and the Facilities 2 are three years and six months from the date of drawdown, respectively.

Pursuant to the Facilities 1, the Company, as guarantor, has undertaken to the Lender that (i) Mr. Lau Pak Man, Mr. Cheng Wing Cheong and Ms. Kwan Kit Sum Kit will maintain an aggregate beneficial shareholding of not less than 50% of the entire issued share capital of the Company; and (ii) any of Mr. Lau Pak Man, Mr. Cheng Wing Cheong and Ms. Kwan Kit Sum Kit will remain as the chairman of the Company.

Pursuant to the Facilities 2, the Company, as the guarantor, has undertaken to the Lender that Mr. Lau Pak Man and Mr. Cheng Wing Cheong will together ultimately hold more than 50% of the entire issued share capital of the Company.

A breach of the above undertakings will constitute an event of default, and the Lenders may cancel or suspend the facilities and demand repayment of any outstanding amount under the facility agreement together with interest accrued thereon.

The above undertakings contain covenants relating to specific performance of the controlling shareholders of the Company which was subject to disclosure under Rule 13.21 of the Listing Rules.

### AUDITOR

A resolution will be proposed at the forthcoming AGM to re-appoint KPMG as the auditor of the Company.

By order of the Board

**Lau Pak Man**  
Chairman

Hong Kong, 22 June 2018

### 控股股東根據上市規則第13.18 條須履行的特定責任

於二零一五年六月二十六日及二零一六年一月六日，本公司(作為擔保人)及現恆建築有限公司(本公司間接全資附屬公司，作為借款人)與香港持牌銀行(作為貸款人(「貸款人」))就為數80,000,000港元的一般銀行及定期貸款融資(「融資一」)及為數10,000,000港元的循環定期貸款融資(「融資二」)而訂立融資協議。融資一及融資二的到期日分別為自提取日期起計三年及六個月。

根據融資一，本公司(作為擔保人)已向貸款人承諾，(i)劉伯文先生、鄭榮昌先生及關潔心女士將維持實益股權總額不少於本公司全部已發行股本之50%；及(ii)劉伯文先生、鄭榮昌先生及關潔心女士中任何一位仍將為本公司主席。

根據融資二，本公司(作為擔保人)已向貸款人承諾，劉伯文先生及鄭榮昌先生將共同最終持有本公司全部已發行股本50%以上。

違反上述承諾將構成違約事件，貸款人可取消或暫停融資及要求償還融資協議項下任何尚未償還的款項連同應計利息。

上述承諾載有有關本公司控股股東根據上市規則第13.21條須披露的特定責任的承諾。

### 核數師

應屆股東週年大會上將提呈一項決議案以續聘畢馬威會計師事務所為本公司核數師。

承董事會命

主席  
劉伯文

香港，二零一八年六月二十二日

## Corporate Governance Report 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of corporate transparency and accountability. The Company is committed in achieving a high standard of corporate governance and leading the Group to attain better results and improve its corporate image with effective corporate governance procedures.

Since Listing, the Board is of the opinion that the Company had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 to the Listing Rules except for the deviation from provision A.2.1 of the Code.

According to provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lau Pak Man is the Chairman and Chief Executive Officer, responsible for overall strategic development, project management and client management of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in Mr. Lau Pak Man has the benefit of ensuring consistent and continuous planning and execution of the Company’s strategies. The Board considers that the balance of power and authority, accountability and independent decision-making under the present arrangement will not be impaired in light of the diverse background and experience of the independent non-executive Directors, and the composition of the Board which comprises equal number of independent non-executive Directors and executive Directors also provides added independence to the Board. Further, the Audit Committee composed exclusively of independent non-executive Directors has free and direct access to the Company’s external auditors and independent professional advisers when it considers necessary.

### 企業管治常規

本公司知悉公司透明度及問責十分重要，致力於達致高水準的企業管治及通過更有效的企業管治程序帶領本集團取得更好業績及提升公司形象。

自上市後，董事會認為，本公司一直採用、應用及遵守上市規則附錄十四的企業管治守則（「守則」）所載守則規定，惟偏離守則條文A.2.1條者除外。

根據守則條文A.2.1條，主席與行政總裁的角色應分開並不應由同一人士擔任。劉伯文先生為主席兼行政總裁，負責本集團整體策略性發展、項目管理及客戶管理。董事會認為，劉伯文先生同時擔任主席及行政總裁可確保一致及持續規劃及執行本公司的策略。董事會認為，考慮到獨立非執行董事的不同背景及經驗，現時安排下的權力平衡、問責制度及獨立決策將不會受損，而董事會由相同數目的獨立非執行董事及執行董事組成，亦令董事會的獨立性有所提升。此外，審核委員會僅由獨立非執行董事組成，可於其認為有必要時自由及直接聯絡本公司的外部核數師及獨立專業顧問。

## Corporate Governance Report (continued) 企業管治報告(續)

### (A) THE BOARD

#### Board Composition

The Board consists of six Directors including Mr. Lau Pak Man (Chairman and Chief Executive Officer), Mr. Cheng Wing Cheong and Ms. Kwan Kit Sum Kit as the executive Directors and Mr. Leung Chi Kin, Mr. Lam Chi Hung Louis and Mr. Yau Chi Man Norman (also known as Lao Chi Meng) as the independent non-executive Directors. Their names and biographical details are set in the section headed "Biographies of Directors and Senior Management" in this report. The overall management of the Company's operation was vested in the Board.

Save that Mr. Lau Pak Man and Ms. Kwan Kit Sum Kit are spouses, there are no financial, business, family or other material relationships among members of the Board.

During the year ended 31 March 2018, the Board has at all times met the requirements of Rules 3.10(1) and (2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The three independent non-executive Directors represent half of the Board, the proportion of which is higher than what is required by Rule 3.10A of the Listing Rules whereby independent non-executive directors of a listed issuer must represent at least one-third of the board. The Board believes there is sufficient independence element in the Board to safeguard the interest of shareholders of the Company.

#### Directors' Responsibilities

The Board takes the responsibility to oversee all major matters of the Company, including the formulation and approval of all policy matters, overall strategies, internal control and risk management systems, and monitor the performance of the senior executives. The Directors have to make decisions objectively in the interests of the Company.

Liability insurance for the Directors and senior management officers of the Company was maintained by the Company with coverage for any legal liabilities which may arise in the course of performing their duties.

### (A) 董事會

#### 董事會組成

董事會由六名董事組成，包括執行董事劉伯文先生(主席兼行政總裁)、鄭榮昌先生及關潔心女士以及獨立非執行董事梁梓堅先生、林志雄先生及丘子敏先生。彼等的姓名及履歷詳情載於本報告「董事及高級管理人員履歷」一節。董事會負責本公司的整體營運管理。

除劉伯文先生及關潔心女士為夫妻外，董事會成員概無財務、業務、家族或其他重大關係。

截至二零一八年三月三十一日止年度，董事會一直遵守上市規則第3.10(1)及(2)條所載有關最少委任三名獨立非執行董事及最少其中一名獨立非執行董事須具備適當之專業資格或會計或相關財務管理專長之規定。

三名獨立非執行董事相當於董事會一半成員人數，比例高於上市規則第3.10A所規定。據規定，上市發行人之獨立非執行董事須佔董事會至少三分之一成員人數。董事會相信，董事會成員的組成有足夠之獨立性以保障本公司股東利益。

#### 董事責任

董事會的職責為監督本公司所有主要事務，包括制定及批准所有政策事務、整體策略、內部監控及風險管理系統，以及監察高級行政人員的表現。董事須以本公司之利益作出客觀的決定。

本公司已為董事及高級管理人員購買責任保險，就彼等履行職責時引起的任何法律責任提供保障。



## Corporate Governance Report (continued) 企業管治報告 (續)

### (A) THE BOARD (continued) Delegation by the Board

The management, consisting of executive Directors along with other senior executives, is delegated with responsibilities for implementing the strategy and direction as adopted by the Board from time to time, and conducting the day-to-day operations of the Group. Executive Directors and senior executives meet regularly to review the performance of the businesses of the Group as a whole, co-ordinate overall resources and make financial and operational decisions. The Board also gives clear directions as to their powers of management including circumstances where the management should report back, and will review the delegation arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

### Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by Directors (the "Model Code"). Upon specific enquiries of all the Directors, each of them confirmed that he/she has complied with the required standards set out in the Model Code during the Financial Year 2017/18.

### Independent Non-Executive Directors

The independent non-executive Directors play a significant role in the Board by virtue of their independent judgement and their views carry significant weight in the Board's decision. They bring an impartial view on issues of the Company's strategies, performance and control.

All independent non-executive Directors possess extensive academic, professional and industry expertise and management experience and have provided their professional advice to the Board.

The Board also considers that the independent non-executive Directors can provide independent advice on the Company's business strategies, results and management so as to safeguard the interests of the Company and its shareholders.

### (A) 董事會 (續) 董事會轉授權力

董事會授權管理層(由執行董事及其他高級行政人員組成)，負責實行由董事會不時採納的策略及方針，並處理本集團日常營運業務。執行董事及高級行政人員定期會面，檢討本集團整體的業務表現、協調整體資源及作出財務及營運決定。董事會亦對於彼等之管理權力，包括管理層須向董事會作報告的情況，作出清晰的指引，並會定期檢討轉授權力的安排，確保一直切合本集團的需要。

### 遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則作為董事買賣本公司證券的操守準則(「標準守則」)。經向全體董事作出特定查詢後，各董事均確認彼於二零一七／一八財政年度已遵守標準守則所載的規定標準。

### 獨立非執行董事

獨立非執行董事憑藉獨立判斷於董事會擔任重要角色，其意見對於董事會的決策舉足輕重，並就本公司的策略、績效及監控提供不偏不倚的意見。

全體獨立非執行董事擁有廣泛的學術、專業及行業專長以及管理經驗，向董事會提供專業意見。

董事會亦認為獨立非執行董事能就本公司業務策略、業績及管理方面提供獨立意見，以保障本公司及其股東之利益。

## Corporate Governance Report (continued) 企業管治報告(續)

### (A) THE BOARD (continued) Independent Non-Executive Directors (continued)

All independent non-executive Directors are appointed for a term of three years commencing from 26 March 2015. All of their appointments are extended for three years commencing from 16 April 2018. None of the independent non-executive Directors held any other offices in the Company or any of its subsidiaries or is interested in any shares of the Company. All independent non-executive Directors have confirmed their independence to the Company in accordance with Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors are independent.

#### Appointment, Re-election and Removal of Directors

Each of the executive Directors and independent non-executive Directors has entered into a service contract or a letter of appointment with the Company for a specific term. Such term is subject to his/her re-election by the Company at an annual general meeting ("AGM") upon retirement. Article 112 of the Articles provides that any Director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first general meeting of the members of Company and shall then be eligible for re-election at such meeting.

In accordance with Article 108 of the Articles, at each AGM of the Company, one-third of the Directors for the time being shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years and, being eligible, offer themselves for re-election. Mr. Lau Pak Man and Mr. Leung Chi Kin shall retire from office by rotation at the next AGM and, being eligible, will offer themselves for re-election at the said meeting.

The members of the Company may, at any general meetings convened and held in accordance with the Articles, remove a Director by ordinary resolution at any time before the expiration of his/her period of office notwithstanding anything contrary in the Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his/her stead.

### (A) 董事會(續) 獨立非執行董事(續)

所有獨立非執行董事獲委任，任期自二零一五年三月二十六日起計為三年。彼等之任期均由二零一八年四月十六日起延長三年。概無任何獨立非執行董事於本公司或其任何附屬公司擔任任何其他職位，亦並無於本公司任何股份中擁有權益。全體獨立非執行董事已按照上市規則第3.13條向本公司確認彼等之獨立性。本公司認為全體獨立非執行董事均為獨立人士。

#### 董事之委任、重選及罷免

每名執行董事及獨立非執行董事均與本公司以指定任期訂立服務合約或簽訂委任函，並於本公司日後股東週年大會（「股東週年大會」）告退及膺選連任。章程細則第112條列明，任何由董事會委任以填補董事會臨時空缺的董事，任期僅直至本公司首次股東大會為止，屆時於該大會上合資格膺選連任。

按照章程細則第108條，於本公司每屆股東週年大會上，佔當時董事人數三分之一之董事須輪席告退，惟各董事（包括以指定任期委任之董事）須最少每三年輪席告退一次，屆時均符合資格並願意膺選連任。劉柏文先生及梁梓堅先生將於下一屆股東週年大會上輪席退任，並合資格及將於該大會上膺選連任。

本公司股東可於按照章程細則召開及舉行的任何股東大會上以普通決議案隨時罷免一名任期並未屆滿的董事，而不論章程細則或本公司與該名董事之間訂立之任何協議有相反規定，彼等亦可以普通決議案選舉另一名人士代替其職位。

## Corporate Governance Report (continued)

### 企業管治報告 (續)

#### (A) THE BOARD (continued)

##### Board Meetings

The Board meets regularly to discuss and formulate the overall strategy as well as the operation and financial performance of the Group. Directors may participate either in person or through electronic means of communications.

The Board had convened four regular meetings during the year. The attendance of the respective Directors to the Board meetings and the AGM are set out below:

#### (A) 董事會 (續)

##### 董事會會議

董事會定期會面商討及制定本集團的整體策略以及營運及財務表現。董事可親自出席或以電子通訊方式參與會議。

董事會於本年度已召開四次定期會議。各董事出席董事會會議及股東週年大會的記錄載列如下：

		Attendance/Number of meetings held	
		出席次數/舉行會議次數	
		Regular	
		Board meetings	AGM
		定期董事會會議	股東週年大會
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Lau Pak Man (Chairman and Chief Executive Officer)	劉伯文先生 (主席及行政總裁)	4/4	1/1
Mr. Cheng Wing Cheong	鄭榮昌先生	4/4	1/1
Ms. Kwan Kit Sum Kit	關潔心女士	4/4	1/1
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Leung Chi Kin	梁梓堅先生	4/4	1/1
Mr. Lam Chi Hung Louis	林志雄先生	4/4	1/1
Mr. Yau Chi Man Norman (also known as lao Chi Meng)	丘子敏先生	4/4	1/1

All Directors received training in the form of seminar and provision of training materials to ensure that he/she is fully aware of his/her duties and responsibilities as a director under applicable rules and requirements. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills.

全體董事以研討會的形式接受培訓並獲提供培訓材料，確保其充分理解其於適用規則及規定下身為董事的職責及責任。本公司鼓勵全體董事參與持續專業發展，以發展及更新彼等的知識及技能。

## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (A) THE BOARD (continued) Board Meetings (continued)

Pursuant to the requirements of the Code, all Directors should provide their training record to the Company. According to the training records provided by the Directors, the training attended by them during the reporting period is summarised as follows:

	Name of director 董事姓名	Corporate Governance, Regulatory Development and Trainings on other relevant topics 企業管治、監管發展及其他相關主題培訓
<b>Executive Directors</b>		
	<b>執行董事</b>	
	Mr. Lau Pak Man 劉伯文先生	✓
	Mr. Cheng Wing Cheong 鄭榮昌先生	✓
	Ms. Kwan Kit Sum Kit 關潔心女士	✓
<b>Independent Non-Executive Directors</b>		
	<b>獨立非執行董事</b>	
	Mr. Leung Chi Kin 梁梓堅先生	✓
	Mr. Lam Chi Hung Louis 林志雄先生	✓
	Mr. Yau Chi Man Norman (also known as lao Chi Meng) 丘子敏先生	✓

#### Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the Code.

#### (A) 董事會(續) 董事會會議(續)

根據守則的規定，全體董事須向本公司提供其培訓記錄。根據董事提供的培訓記錄，彼等於報告期間內參加的培訓概述如下：

#### Corporate Governance, Regulatory Development and Trainings on other relevant topics 企業管治、監管發展及其他相關主題培訓

#### 企業管治職能

董事會負責履行的企業管治職務包括：

- (a) 發展及審閱本公司企業管治政策及常規；
- (b) 審閱及監督董事及高級管理人員的培訓及持續專業發展；
- (c) 審閱及監督本公司政策及常規，以遵守法律及監管規定；
- (d) 發展、審閱及監督適用於僱員及董事的操守準則及合規手冊(如有)；及
- (e) 檢討本公司有否遵守守則。

## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (A) THE BOARD (continued)

##### Board Committees

The Board has established three committees and has delegated various responsibilities to the committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”). All the Board committees perform their distinct roles in accordance with their respective terms of reference which are available to shareholders of the Company on the websites of both the Company and the Stock Exchange. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

##### Audit Committee

The Company established the Audit Committee on 26 March 2015 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to make recommendations to the Board on appointments and removal of external auditors; review and to supervise the financial reporting process and the effectiveness of the Group’s internal controls and risk management. The Audit Committee meets regularly with management and external auditors in reviewing the interim and annual reports of the Company before submission to the Board for approval.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Leung Chi Kin (being the chairman of the Audit Committee), Mr. Lam Chi Hung Louis and Mr. Yau Chi Man Norman (also known as Lao Chi Meng). In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee possesses the appropriate professional and accounting qualifications.

#### (A) 董事會(續)

##### 董事委員會

董事會轄下已成立三個委員會，並將各種職責分派至各委員會，分別為審核委員會(「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」)。全部董事委員會均按其各自的職權範圍履行其特定的職務，而該職權範圍於本公司及聯交所網站可供本公司股東查閱。董事委員會有充足資源以履行其職責，另在合理要求下，可由本公司付費在適合情況下尋求獨立專業意見。

##### 審核委員會

本公司於二零一五年三月二十六日成立審核委員會，並遵照上市規則第3.21條及上市規則附錄十四守則第C.3段的規定，訂立書面職權範圍。審核委員會的主要職責為就外部核數師的委任及罷免向董事會提供建議；審閱及監察財務申報過程及本集團內部監控及風險管理效能。審核委員會與管理層及外部核數師定期會面，在向董事會提呈本公司中期及年度報告供批准前，審閱該等中期及年度報告。

審核委員會由三名獨立非執行董事組成，包括梁梓堅先生(審核委員會主席)、林志雄先生及丘子敏先生。遵照上市規則第3.21條規定，審核委員會主席具備適當專業及會計資歷。

## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (A) THE BOARD (continued) Audit Committee (continued)

The Audit Committee convened five meetings during the year with attendance of each member as follows:

		Attendance/Number of meetings held 出席次數／舉行會議次數
Mr. Leung Chi Kin ( <i>Chairman</i> )	梁梓堅先生(主席)	5/5
Mr. Lam Chi Hung Louis	林志雄先生	5/5
Mr. Yau Chi Man Norman (also known as lao Chi Meng)	丘子敏先生	5/5

#### Remuneration Committee

The Company established the Remuneration Committee on 26 March 2015 with written terms of reference in compliance with paragraph B.1 of the Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of our Group; review performance based remuneration; and ensure none of our Directors determine their own remuneration.

The Remuneration Committee consists of 3 members, being Mr. Yau Chi Man Norman (also known as lao Chi Meng) (being the chairman of the Remuneration Committee), Ms. Kwan Kit Sum Kit and Mr. Leung Chi Kin.

The Remuneration Committee convened one meeting during the year with the attendance of each member as follows:

		Attendance/Number of meetings held 出席次數／舉行會議次數
Mr. Yau Chi Man Norman (also know as lao Chi Meng) ( <i>Chairman</i> )	丘子敏先生(主席)	1/1
Ms. Kwan Kit Sum Kit	關潔心女士	1/1
Mr. Leung Chi Kin	梁梓堅先生	1/1

#### (A) 董事會(續) 審核委員會(續)

審核委員會於本年度舉行五次會議，各成員出席記錄如下：

Attendance/Number of  
meetings held  
出席次數／舉行會議次數

#### 薪酬委員會

本公司於二零一五年三月二十六日成立薪酬委員會，並遵照上市規則附錄十四所載守則第B.1段的規定，訂立書面職權範圍。薪酬委員會的主要職責為就本集團所有董事及高級管理層的整體薪酬政策及架構向董事會提供建議、檢討按表現釐定的薪酬，以及確保董事並無釐定其本身的薪酬。

薪酬委員會由三名成員組成，即丘子敏先生(薪酬委員會主席)、關潔心女士及梁梓堅先生。

薪酬委員會於本年度舉行一次會議，各成員出席記錄如下：

Attendance/Number of  
meetings held  
出席次數／舉行會議次數

## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (A) THE BOARD (continued) Remuneration Committee (continued)

Pursuant to code provision B.1.5 of the Code, the annual remuneration (including bonus) of the members of the senior management of the Group by band for the year ended 31 March 2018 is set out below:

Remuneration Band 薪酬範圍		Number of Senior Management 高級管理人員數目
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Up to HK\$1,000,000		
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	1,000,000港元或以下	
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#### Nomination Committee

The Company established the Nomination Committee on 26 March 2015 with written terms of reference in compliance with paragraph A.5 of the Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board on the appointment of Directors and the management of the Board succession.

The Nomination Committee consists of 3 members, being Mr. Lam Chi Hung Louis (being the chairman of the Nomination Committee), Mr. Cheng Wing Cheong and Mr. Yau Chi Man Norman (also known as lao Chi Meng).

The Nomination Committee convened one meeting during the year with the attendance of each member as follows:

#### (A) 董事會(續) 薪酬委員會(續)

根據守則之守則條文第B.1.5條，於截至二零一八年三月三十一日止年度，本集團高級管理人員之年度薪酬(包括花紅)按範圍載列如下：

#### 提名委員會

本公司於二零一五年三月二十六日成立提名委員會，並遵照上市規則附錄十四所載守則第A.5段的規定，訂立書面職權範圍。提名委員會的主要職責為就委任董事向董事會提供建議及管理董事會的繼任事宜。

提名委員會由三名成員組成，即林志雄先生(提名委員會主席)、鄭榮昌先生及丘子敏先生。

提名委員會於本年度舉行一次會議，各成員出席記錄如下：

## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (A) THE BOARD (continued)

##### Nomination Committee (continued)

#### (A) 董事會(續)

##### 提名委員會(續)

		Attendance/Number of meetings held 出席次數/舉行會議次數
Mr. Lam Chi Hung Louis ( <i>Chairman</i> )	林志雄先生(主席)	1/1
Mr. Cheng Wing Cheong	鄭榮昌先生	1/1
Mr. Yau Chi Man Norman (also known as lao Chi Meng)	丘子敏先生	1/1

##### Board Diversity Policy

The Company has adopted a board diversity policy (the "Policy") which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to the talent, skill, regional and industry experience, background, gender and other qualities.

The Board will consider putting in place measurable objectives to implement the Policy and review such objectives annually to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

The Nomination Committee will review the Policy annually to ensure its continued effectiveness.

##### 董事會成員多元化政策

本公司已採納董事會成員多元化政策(「該政策」)，當中載列為達致及維持董事會成員多元化以提升董事會之有效性而採取之方針。

根據該政策，本公司擬透過考慮多項因素(包括但不限於才能、技能、地區及行業經驗、背景、性別及其他資歷)以達致董事會成員多元化。

董事會將考慮落實可計量目標以實施該政策，並每年檢討該等目標以確保其合適度及確定達致該等目標之進度。

提名委員會將每年檢討該政策，以確保其持續有效。



## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (B) FINANCIAL REPORTING AND INTERNAL CONTROL

##### Financial Reporting

The Directors acknowledge their responsibilities for preparing the financial statements of the Group for the year ended 31 March 2018 in accordance with statutory requirements and applicable accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements of the Group are published in a timely manner. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going concern basis.

The reporting responsibilities of our Company's external auditors on the financial statements of the Group are set out in the "Independent Auditor's Report" in this report.

##### External Auditor's Remuneration

For the year ended 31 March 2018, the remunerations paid or payable to KPMG in respect of its audit services and non-audit services are HK\$1,050,000 and HK\$400,000, respectively. The non-audit services represent the service fee paid to KPMG for the review of interim results of the Group for the six months ended 30 September 2017. The Audit Committee was satisfied that the non-audit services in the Financial Year 2017/18 did not affect the independence of the auditor.

#### (B) 財務申報及內部監控

##### 財務申報

董事確認彼等的責任為根據法定要求及適用會計準則編製本集團截至二零一八年三月三十一日止年度的財務報表。董事亦確認彼等須負責確保本集團及時刊發財務報表。董事並不知悉有任何會對本公司繼續持續經營之能力構成重大疑問之事件或狀況之重大不明朗因素。據此，董事已按持續經營基準編製本公司之財務報表。

本公司外聘核數師對本集團財務報表之申報責任載於本報告「獨立核數師報告」。

##### 外聘核數師酬金

截至二零一八年三月三十一日止年度，本公司就畢馬威會計師事務所向本公司提供的審核服務及非審核服務已付或應付之酬金分別為1,050,000港元及400,000港元。非審核服務指畢馬威會計師事務所審閱本集團截至二零一七年九月三十日止六個月的中期業績獲支付的服務費。審核委員會信納，二零一七／一八財政年度非審核服務並不影響核數師之獨立性。

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## Corporate Governance Report (continued)

### 企業管治報告(續)

## (B) FINANCIAL REPORTING AND INTERNAL CONTROL (continued)

### Internal Control

The Board is responsible for the internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorized use or disposition, the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publications and the compliance of applicable laws, rules and regulations.

The Company does not have an internal audit function and has engaged an external consultant to conduct an assessment on the effectiveness of risk management and internal controls of the Group for the period from 1 January 2017 to 31 December 2017. The Board has conducted a review of the effectiveness of the internal control system of the Group and is satisfied that the Group has complied with the Code in respect of internal control from the date of Listing up to the date of this report. The internal control is reviewed and assessed on an on-going basis by the executive Directors, and will be further reviewed and assessed at least once each year by the Board.

### Company Secretary

The Company has appointed Mr. Ho Kam Fung, who is an employee of the Company, as its company secretary. Mr. Ho has confirmed that for the year under review, he has taken no less than 15 hours of relevant professional training. The biography of Mr. Ho is set out in the section headed "Biographies of Directors and Senior Management" of this report.

## (B) 財務申報及內部監控(續)

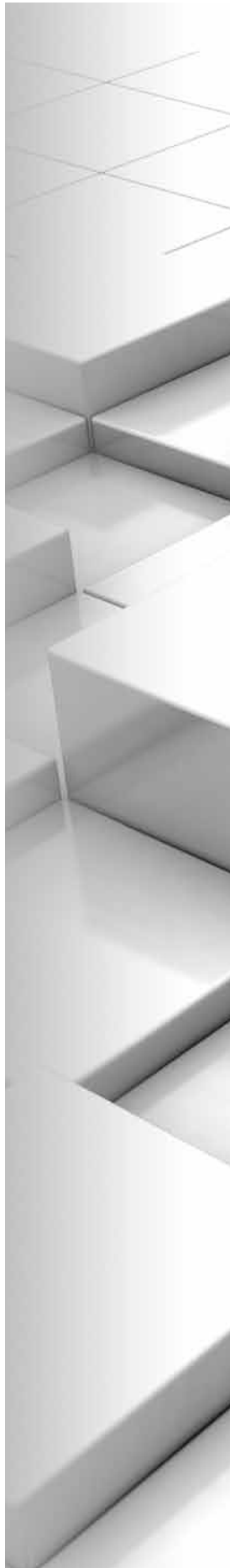
### 內部監控

董事會負責本集團的內部監控及檢討其成效，並設有程序以保障資產以防其未經授權使用或處置、確保適當保存賬簿記錄以提供可靠的財務資料供內部使用或發佈，並確保遵守適用法例、規則及規例。

本公司並無設立內部審核職能，而委任一名外聘顧問於二零一七年一月一日至二零一七年十二月三十一日期間內評估本集團風險管理及內部監控的有效性。董事會已檢討其內部監控系統的有效性，並對本集團自上市日期起直至本報告日期止就內部監控遵守守則感到滿意。執行董事會持續檢討及評估內部監控，董事會更會每年至少進行一次檢討與評估。

### 公司秘書

本公司已委任何錦豐先生(為本公司僱員)為公司秘書。何先生已確認，於回顧年度，彼已參加不少於15個小時的相關專業培訓。何先生的履歷載於本報告「董事及高級管理人員履歷」一節。



## Corporate Governance Report (continued)

### 企業管治報告(續)

#### (C) COMPANY SECRETARY AND SHAREHOLDERS' RIGHTS

##### Shareholders' Right

Pursuant to Article 64 of the Articles, extraordinary general meetings may be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 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 may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

Subject to the provisions of the Articles, the Listing Rules, and the applicable laws and regulations, shareholders may propose a resolution at general meetings of the Company by following the "Procedures for Shareholders to Convene General Meetings" to convene an extraordinary general meeting and propose a resolution to be resolved at that extraordinary general meeting. Please refer to the document titled "Procedures for Shareholders to Convene General Meetings" on the Company's website for details.

#### (C) 公司秘書及股東權利

##### 股東權利

根據章程細則第64條，股東特別大會可由一名或多名股東要求召開，該等股東於提出要求當日須持有本公司實繳股本不少於十分之一並有權在股東大會上投票。有關要求須以書面形式向董事會或公司秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須在遞交該要求後2個月內召開。如董事會在要求遞交日期起計21日內未有進行安排召開有關會議，則請求人(或多名請求人)可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而招致的所有合理費用，須由本公司補償請求人。股東可根據上述程序召開股東特別大會以處理有關書面要求提出的任何事務。

根據章程細則條文、上市規則及適用法例及法規，股東可遵照「股東召開股東大會之程序」於本公司股東大會上提呈決議案，以召開股東特別大會及提呈將於股東特別大會上決議的決議案。詳情請參閱本公司網站「股東召開股東大會之程序」一節的文件。

## Corporate Governance Report (continued) 企業管治報告(續)

### (C) COMPANY SECRETARY AND SHAREHOLDERS' RIGHTS (continued) Shareholders' Right (continued)

Pursuant to Article 113 of the Articles, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office of the Company. The period for lodgement of the notices required will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

Detailed procedures for shareholders to propose a person for election as a Director are available on the Company's website.

#### Constitutional Documents

There was no change to the Company's constitutional documents since the Listing Date. The Articles are available on the websites of both the Company and the Stock Exchange.

#### Enquiries to the Board

Enquiries may be put to the Board through the Company's principal place of business in Hong Kong at 26/F, Park Avenue Tower, 5 Moreton Terrace, Causeway Bay, Hong Kong (email: info@incon.hk).

### (C) 公司秘書及股東權利(續)

#### 股東權利(續)

根據章程細則第113條，除非獲董事推薦膺選外，否則除會上退任董事外，概無任何人士合資格於任何股東大會上膺選董事，惟已發出書面通知表明建議提名相關人士膺選董事，亦附上獲提名人士簽署的書面通知表明願意膺選，交予本公司總辦事處或過戶登記處除外。發出所要求通知的限期，將自不早於寄發有關推選董事之股東大會通告翌日起至不遲於該股東大會舉行日期前七日，惟可向本公司發出通知的期限不得少於七日。

股東提名個別人士參選董事的詳細程序於本公司網站可供查閱。

#### 章程文件

自上市日期起，本公司的章程文件概無變動。章程細則於本公司及聯交所網站可供查閱。

#### 向董事會作出查詢

股東可透過本公司的香港主要營業地點向董事會作出查詢，地址為香港銅鑼灣摩頓臺5號百富中心26樓(電郵：info@incon.hk)。

## Environmental, Social and Governance Report 環境、社會及管治報告

We are pleased to present this Environmental, Social and Governance (“ESG”) Report for the year ended 31 March 2018 in compliance with the applicable code provision set out in the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Listing Rules. Information on the environmental and social aspects of the report is set out below whilst information on the governance aspect is set out in the Corporate Governance Report on pages 30 to 43. During the year ended 31 March 2018, the Company has complied with the “comply or explain” provisions set out in the ESG Guide.

We strive to offer our customers a high degree of service, quality control and site management in all our foundation and construction work. We are also committed to fulfill our corporate social responsibility through working with the key stakeholders including our employees, suppliers and sub-contractors. We believe that the stakeholders’ interest must be taken into account in order to enhance our relationship with the society and other stakeholders. We have integrated Environmental, Social and Governance considerations into daily operations and we believe that our existing businesses are not expected to pose a material impact on the environment.

### ENVIRONMENTAL Emissions and use of resources

We place an emphasis on environmental protection when undertaking our projects. Our environmental management system is accredited with ISO 14001. We have policies in place to reduce emissions and waste. We conserve resources for environmental and operating efficiency purposes.

Construction inert waste is disposed to public fill for reuse, while non-inert waste is reused and recycled by qualified waste collectors. Wastewater is treated by wastewater treatment plant on site and recycled within site. Soak-away pit is adopted so as to avoid water discharge out of sites. Our teams are encouraged to switch off idle machineries to avoid energy wastage as well as greenhouse gas emissions. Certain types of machinery are only used during permitted hours to reduce noise impact to nearby residents. We conduct regular air monitoring for Total Suspended Particulates and noise monitoring for construction noise levels around the sites to meet the prescribed standards.

我們欣然呈列截至二零一八年三月三十一日止年度的環境、社會及管治（「環境、社會及管治」）報告，以遵守上市規則附錄 27 載列的環境、社會及管治報告指引（「環境、社會及管治指引」）所載適用守則條文。報告中有關環境及社會方面的資料載於下文，而有關管治方面的資料載於第 30 至 43 頁的企業管治報告。於截至二零一八年三月三十一日止年度，本公司已遵守環境、社會及管治指引載列的「不遵守就解釋」條文。

我們致力在我們所有的基礎建設工作為客戶提供高質素的服務、品質監控和現場管理。我們亦通過與主要持份者（包括我們的僱員、供應商及分包商）一起工作，履行我們的企業社會責任。我們相信，為增強我們與社會及其他持份者的關係，必須顧及持份者的利益。我們將環境、社會及管治考慮因素融入至日常營運中，且我們相信，預計現有業務將不會對環境造成重大影響。

### 環境 排放及資源使用

我們在承接項目時重視環境保護。我們的環境管理系統獲得 ISO 14001 認證。我們制定了減少排放物及廢物的政策，並為環境及營運效益節約資源。

惰性建築廢物倒入公眾填料以供回收重用，非惰性廢物由合資格廢物收集商重用及循環使用。污水由污水處理裝置在工地處理後工地循環再用。我們採用滲水井以避免水從工地排出。我們鼓勵團隊關掉閒置機器，避免浪費資源以及排放溫室氣體。若干類型的機器限於准予作業時間使用，以減少對鄰近居民造成的噪音影響。我們定期在工地周圍監控空氣中的總懸浮粒子及建築噪音水平，以符合規定標準。

## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### ENVIRONMENTAL (continued)

##### Emissions and use of resources (continued)

We embrace the waste management principle of “Avoid, Reduce, Reuse and Recycle”. Our project team ensures efficient use of materials by well designed project plan and avoid over-ordering by accurate forecast on quantities. Excavated materials from construction sites are sorted, segregated and reused as fill materials as much as possible. Also, metal or timber materials for temporary works are re-used and recycled among our construction sites if possible. Through actively monitoring and managing the use of resources, we aim to reduce our operating costs as well as our carbon footprints.

##### Total Greenhouse Gas Emissions and Total Waste Produced in the Year

#### 環境(續)

##### 排放及資源使用(續)

我們秉持「避免污染、物盡其用、廢物利用及循環再用」的廢物管理原則。項目團隊確保通過精心設計的項目計劃高效使用物料及通過準確預測數量，避免訂購過量物料。我們盡量將在建築地盤挖掘的物料分類、隔離及當作填料再用。此外，在可能情況下，臨時工程的金屬或木材物料可在我們的建築地盤重用及循環使用。通過積極地監控及管理資源使用，我們旨在減少經營成本以及碳足印。

##### 年內溫室氣體排放總量及所產生廢棄物總量

Emission/Waste 排放物／廢棄物	Item 項目	Unit 單位	Amount 數量	Intensity (per HK\$' million project turnover payment) 密度(每百萬港元 項目營業額 付款)
GHG Emissions 溫室氣體排放	Scope 1 (Direct Emission) 範圍 1 (直接排放)	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	1,607	-
	Scope 2 (Energy Indirect Emission) 範圍 2 (能源間接排放)	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	157	-
	Total (Scope 1 & 2) 總計(範圍 1 及 2)	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	1,764	6
Non-hazardous Waste 無害廢棄物	Solid Waste 固體廢棄物	Tonnes 噸	307	1

## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### ENVIRONMENTAL (continued)

#### Emissions and use of resources (continued)

#### Total Resource Consumption in the Year

#### 環境(續)

#### 排放及資源使用(續)

#### 年內資源消耗總量

Resource Category 資源類別	Unit 單位	Amount 數量	Intensity (per HK\$' million project turnover payment) 密度(每百萬港元 項目營業額 付款)
Electricity 電力	KWh 千瓦時	221,627	770
Diesel 柴油	Litres 升	614,617	2,135
Water 水	m <sup>3</sup> 立方米	6,287	22

#### The Environment and Natural Resources

Our operating activities are in compliance with applicable environmental legislation and have no significant impact on the environment and natural resources. We regularly assess the environmental risks of our operation, and adopt preventive measures as necessary to reduce the risks and ensure the compliance of relevant laws and regulations.

When preparing the tender documents, we take into consideration the environmental protection requirements of potential customers as well as the relevant laws and regulations in relation to environmental protection. Throughout our operations, we comply with environmental protection requirements (e.g. applicable environmental legislation and BEAM Plus Scheme). In addition to regular environmental protection inspections, our projects are under close monitoring of independent environmental protection consultants.

#### 環境及天然資源

我們的經營活動遵守適用的環境規例，並無對環境及天然資源造成重大影響。我們定期評估營運帶來的環境風險，並採取必要的預防措施以降低風險，並確保遵守相關法律法規。

於編製投標文件時，我們考慮準客戶的環境保護要求以及有關環保的相關法律法規。在整個營運期間，我們遵守環保規定(例如適用的環境規例及綠建環評計劃)。除定期進行環保視察外，我們的項目受獨立的環保顧問密切監控。

## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### SOCIAL

##### Employment and Labor Practices

We consider employees as our valuable assets and we consider a respectful and fair working environment to be vital to the operation of the Group. We ensure strict compliance with all relevant regulatory standards, particularly the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) in respect of recruitment, compensation, and dismissal. We treat all the employees equally, and their employment, remuneration and promotion will not be affected by their social identities such as age, gender, marital status, family status, gender orientation, race, nationality or religion.

Employees are entitled to annual leave, sick leave and maternity leave. Employees enjoy provident fund scheme and other benefits such as overtime allowance, subject to the Group's policies. The level of compensation of our employees is reviewed annually on a performance basis with reference to the market standard. We motivate employees by promotion and salary increment based on results of annual performance appraisal, and to award discretionary bonus in addition to basic salary.

##### Health and Safety

We are determined to ensure that all construction works are carried out to achieve at practically high health and safety standards. We consider health and safety at work are the interests and responsibilities of both the Group and employees. Employees are required to take reasonable care for the health and safety of themselves and of others with a view to maintaining an injury-free workplace.

We are accredited with OHSAS 18001 (Occupational Health and Safety Assessment Series). All personnel shall comply with all relevant health and safety legislation as well as the requirements of OHSAS 18001.

#### 社會

##### 僱傭及勞工實務

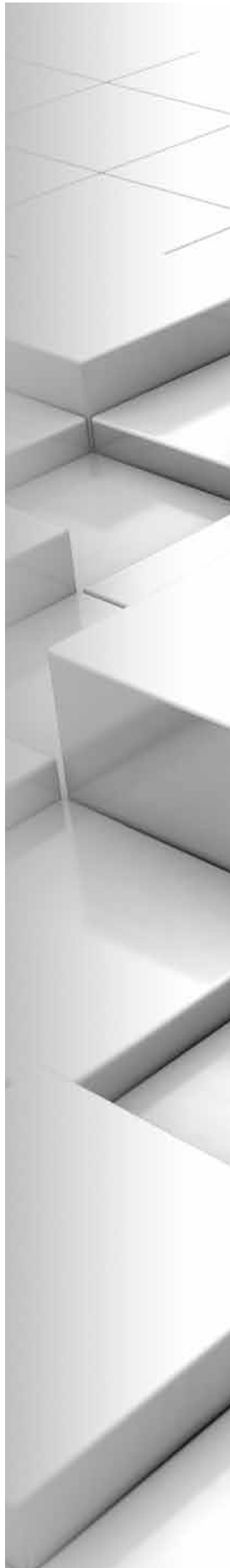
我們視僱員為寶貴資產，並認為互相尊重及公平的工作環境對本集團營運至關重要。我們確保嚴格遵守所有相關監管標準，特別是有關招聘、薪酬及解僱的香港僱傭條例(香港法例第57章)。我們平等對待所有僱員，且彼等受僱、薪酬及晉升將不會受其年齡、性別、婚姻狀況、家庭狀況、性取向、種族、國籍或宗教等社會身份的影響。

僱員享有年假、病假及產假。我們為僱員設立公積金計劃及按照本集團政策，提供加班津貼等其他福利。我們每年參照市場標準，按表現檢討僱員的薪酬水平。我們基於年度表現評估結果，我們通過晉升及加薪激勵僱員，並在基本薪金以外授予酌情花紅。

##### 健康及安全

我們矢志確保開展的所有建築工程達致高的健康及安全標準。我們認為，工作健康及安全乃本集團及僱員的權益及責任。僱員須合理關注其自身及他人的健康及安全，以盡量避免發生工傷意外。

我們獲授 OHSAS 18001 (職業健康及安全評估系列) 認證。所有人員須遵守所有相關健康及安全法例以及 OHSAS 18001 規定。





## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### SOCIAL (continued)

##### Health and Safety (continued)

We have implemented a health and safety management system at the headquarter and at construction sites. We are committed to ensure that employees at all levels will receive appropriate safety training and are competent to carry out their safety duties. In particular, we provide site specific induction training programs for employees and subcontractors to enhance their safety awareness, allocate safety officers to ensure that we satisfy the applicable laws and regulations requirements. The health and safety management system is carried out, monitored and reviewed by our safety committee.

There were no non-compliance cases noted in relation to health and safety laws and regulations during the year ended 31 March 2018.

#### 社會(續)

##### 健康及安全(續)

我們在總部及建築工地實施健康及安全系統。我們承諾確保所有層次的僱員接受適當的安全培訓及能夠安全地工作。尤其是，我們為僱員及分包商提供特定的入職培訓計劃以提高其安全意識，委派安全主任以確保我們達致適用的法律及法規規定。健康及安全系統由我們的安全委員會執行、監控及檢討。

於截至二零一八年三月三十一日止年度，概無發生違反健康及安全法律法規的事件。

Work Injury Statistics	工傷統計數字	Result 結果
<b>Work-related fatalities</b>	<b>工作相關死亡</b>	
Number	人數	0
Rate (%)	比率(%)	0
<b>Work injury</b>	<b>工傷</b>	
Lost man-days	損失工作日數	0

#### Development and Training

We acknowledge the importance of training for the development of our employees as well as our Group. We provide appropriate training to enable employees to improve their job performance and to prepare them for future development in the Group. We believe this is a mutually beneficial practice for achieving both personal and corporate goals as a whole. In particular, induction sessions are provided for the employees on the information of safety. On-going safety training on the use of different machinery or toolbox is provided on a regular basis and records of such training is kept.

#### 發展及培訓

我們確認為培育僱員以及發展本集團提供培訓的重要性。我們提供適當培訓以令僱員提升其工作表現並為其在本集團的未來發展作好準備。我們相信，這對達致個人及公司整體目標有互惠作用，尤其是為僱員提供有關安全資訊的入職講座。我們定期提供有關使用不同機器或工具箱的持續安全培訓，並存置培訓記錄。

## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### SOCIAL (continued)

##### Labour Standards

We do not employ under-age employees, and we do not engage in forced labour. We have implemented policies and procedures to prevent, monitor and report the use of child and forced labour. We expect our sub-contractors and suppliers to adhere to the same standards of behavior when working with us. We fully comply with relevant regulations that prohibit child or forced labour.

##### Supply Chain Management

We evaluate and select suppliers and sub-contractors based on a wide range of aspects and standards, including but not limited to the professional qualification, services/products quality, financial status and integrity. We also put much emphasis on the legal compliance of their operations in addition to cost consideration. We advocate the standards and expectations in respect of environment issues and labour practices to suppliers and sub-contractors, with the expectation that they will uphold standards that are similar to that of the Group.

##### Product and Service Responsibility

We have experience as a general and foundation contractor serving the Hong Kong building and construction industries. Over the last decades, we have completed projects both for the public and private sectors. In respect of our existing foundation business, we are a registered specialist contractor in the categories of foundation, demolition, site formation and ground investigation field works and registered general building contractor with the Buildings Department and are also on the list of approved suppliers of materials and specialist contractors of the Development Bureau for public works in the category of land piling (Group II).

We have achieved timely completion on all projects in the past by good management, technical knowledge and effective utilisation of plant, machinery and labour resources. Apart from above, we also provide services in Design & Build projects. We can offer our customers a high degree of service, quality control and site management in all our foundation and construction work and have the requisite knowledge of work practices and safety procedures required by the industry. We also pride ourselves on our high standard of reports and presentations.

#### 社會(續)

##### 勞工標準

我們並無僱用未成年僱員，亦無從事強迫勞動。我們執行政策及程序，防止、監控及匯報使用童工及強迫勞工。我們期望分包商及供應商與我們工作時遵守相同的行為標準。我們完全遵守禁止僱傭童工或強迫勞動的相關規例。

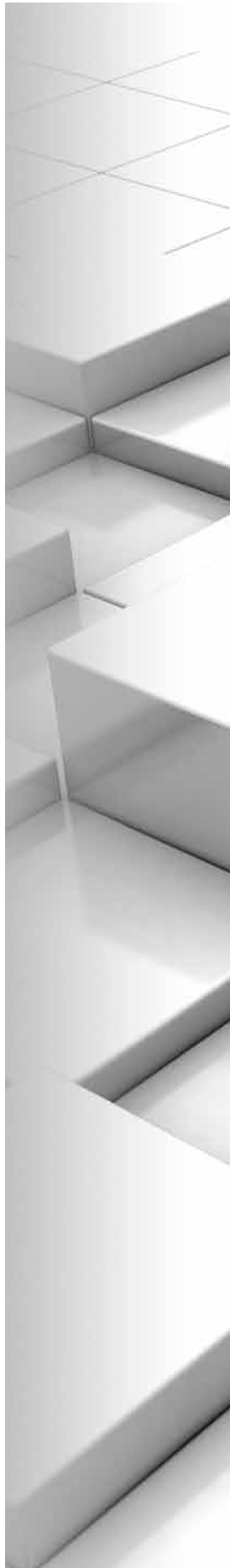
##### 供應鏈管理

我們在多方面及按各種標準(包括但不限於專業資格、服務/產品質素、財務狀況及誠信)評估及甄選供應商及分包商。除了考慮成本外，我們亦非常看重其營運的法律合規情況。我們提倡供應商及分包商達致有關環境問題及勞工實務的標準及期望，希望其堅守與本集團類似的標準。

##### 產品及服務責任

我們擁有作為服務香港建築及建造行業的一般及地基工程承建商的經驗。數十年來，我們已完成多項公營及私營機構的項目。就現時的地基工程業務而言，本集團為屋宇署地基、拆卸、地盤平整及現場土地勘測工程類別的註冊專門承建商及註冊一般建築承建商，亦名列發展局土地打樁(第II組)的認可公共工程物料供應商及專門承造商名冊。

過往通過良好的管理、技術知識及有效地利用廠房、機器及勞工資源，我們已按時完成所有項目。除上述者外，我們亦於設計及建造項目提供服務。我們可在所有我們的地基及建造工程中為客戶提供高水平的服務、品質監控及地盤管理，並擁有行業所要求的工作實務及安全程序的必要知識。我們亦為高水準的報告和展示而感到自豪。



## Environmental, Social and Governance Report (continued)

### 環境、社會及管治報告(續)

#### SOCIAL (continued)

##### Anti-corruption

We aim to maintain high moral standards in conducting businesses. We believe in fairness and honesty in business dealing and we do not tolerate corruption, bribery, extortion, money-laundering and other fraudulent activities in connection with any of our business operations. Clear guidelines and code of conduct in the staff handbook are conveyed to the employees. We have also made available a whistle-blowing reporting channel to report any suspected fraud, malpractice, corruption, or any other unethical actions.

We have strictly adhered to relevant laws and regulations, including the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong). During the year ended 31 March 2018, there was no legal case or dispute in respect of bribery, extortion, fraud or money laundering against employees of the Group and the Group itself.

##### Community Investment

We recognise the need to participate in the community and therefore we both encourage and motivate our employees to better serve our community at work and during their personal time. Employees are encouraged to participate in community enhancement events such as volunteer and fundraising activities etc.

As the main contractor of the St Paul's Primary Catholic School project working in progress during the year, we are committed to avoid causing any damages to all the features of the existing Grade II historic school building constructed in 1907. We are prepared to incur extra costs and time for complying with all the requirements imposed by the Government Departments, working along with conservation and heritage consultant and providing all necessary protective and precautionary measures to this heritage building.

#### 社會(續)

##### 反貪污

我們旨在於進行業務時維持高道德標準。我們信奉公平及誠信的商業交易，不容忍在我們經營任何業務中的貪污、賄賂、勒索、清洗黑錢及其他欺詐活動。在員工手冊中已載有清晰的指引及操守準則。我們亦設立可用的舉報渠道以匯報任何涉嫌欺詐、不當行為、貪污或任何其他不道德的行為。

我們嚴格遵守相關法律法規，包括防止賄賂條例(香港法例第201章)。於截至二零一八年三月三十一日止年度，並無針對本集團僱員及本集團自身的有關賄賂、勒索、欺詐或清洗黑錢的法律案件或糾紛。

##### 社區投資

我們認同需要參與社區，因此我們鼓勵及激勵僱員在工作及其個人時間投入服務社區。我們鼓勵僱員參與社區發展活動，例如義工及籌款活動等。

聖保祿天主教小學項目於年內在建中，作為主承建商，我們盡量避免對這座於一九零七年建造的現有二級歷史學校的所有建築特色造成任何損壞。我們準備付出額外成本及時間以遵守政府部門施加的所有規定，與保育及文物顧問緊密合作，為該文物建築提供所有必要的保護及防範措施。

## Independent Auditor's Report 獨立核數師報告

**Independent auditor's report to the shareholders of  
In Construction Holdings Limited**  
(Incorporated in the Cayman Islands with limited liability)

### OPINION

We have audited the consolidated financial statements of In Construction Holdings Limited ("the Company") and its subsidiaries ("the Group") set out on pages 59 to 123, which comprise the consolidated statement of financial position as at 31 March 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致現恆建築控股有限公司全體股東的獨立  
核數師報告  
(於開曼群島註冊成立的有限公司)

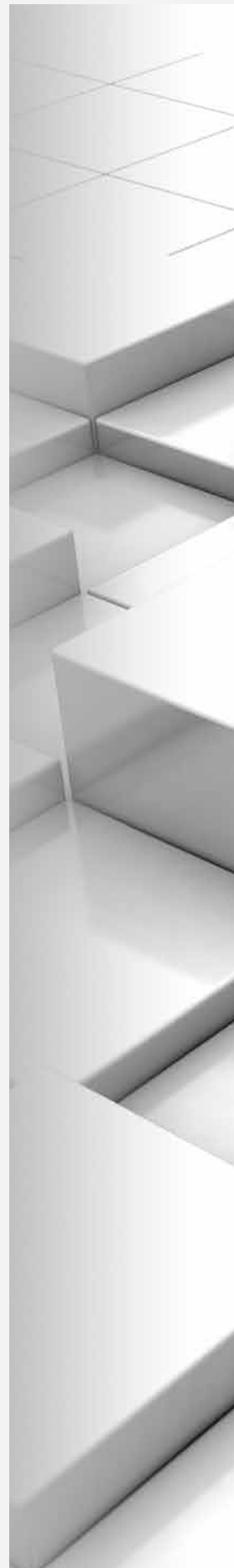
### 意見

本核數師(以下簡稱「我們」)已審計列載於第59至123頁的現恆建築控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一八年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為編製。

### 意見的基礎

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



## Independent Auditor's Report (continued)

### 獨立核數師報告(續)

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

#### Contract accounting estimates

Refer to accounting policies (h) & (p)(i) and notes 4 and 15 to the consolidated financial statements

#### The Key Audit Matter

The Group recorded revenue from the provision of foundation construction works in Hong Kong totalling HK\$287.8 million for the year ended 31 March 2018.

Contract revenue and profit are recognised using the percentage of completion method, measured by reference to the percentage of the estimated total revenue for the contracts entered into by the Group that have been performed to date. The recognition of revenue and profit therefore relies on management's estimate of the final outcome of each contract, which involves the exercise of significant management judgement, particularly in forecasting the costs to complete a contract, in valuing contract variations, claims and liquidated and ascertained damages and in assessing the ability of the Group to deliver services according to the agreed timetable.

We identified contract accounting estimates as a key audit matter because the estimation of the total revenue and total costs to complete contracts is inherently subjective and requires significant management judgement and estimation and because errors in the forecast of contract revenue and contract costs could result in a material variance in the amount of profit or loss recognised from contracts to date and, therefore, in the current period.

#### 合約會計估計

請參閱會計政策(h)和(p)(i)及綜合財務報表附註4和15

#### 關鍵審計事項

截至二零一八年三月三十一日止年度，貴集團在香港提供基建工程錄得收益總計287.8百萬港元。

合約收益及溢利乃按完工百分比法予以確認，參照迄今為止貴集團所訂立合約中已完成部分的估計總收入的百分比進行估量。因此，收益及溢利的確認倚賴於管理層對各項合約的最終結果的估計，當中涉及行使重大管理層判斷，尤其是在預測完成合約的成本、評估合約變量、申索及算定賠償以及評估貴集團根據協定的時間表提供服務的能力方面。

我們將合約會計估計確定為關鍵審計事項，因為總收益及完成合約的總成本估計原本具有主觀性且需要重大的管理層判斷及估計及由於合約收益及合約成本預測的錯誤可能會導致迄今為止（及因此於當前期間內）透過合約確認的損益金額出現重大差異。

#### 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。我們不會對這些事項提供單獨的意見。

#### How the matter was addressed in our audit

Our audit procedures to assess contract accounting estimates included the following:

- assessing the design and implementation of key internal controls over the contract revenue and profit recognition processes;
- discussing with management the performance of all contracts in progress during the year and challenging the key estimates and assumptions adopted in the forecast of contract revenue and contract costs, including estimated costs to completion, the recognition of variation orders, the adequacy of contingency provisions and the assessment of potential liquidated and ascertained damages for contracts which were behind schedule, by obtaining and assessing information in connection the assumptions adopted, including contract agreements and sub-contracts, correspondence with customers regarding contract variations and claims and by considering historical outcomes for similar contracts and industry norms;

#### 我們的審計如何處理該事項

我們就評估合約會計估計進行的審計程序包括：

- 評估對合約收益及溢利確認流程的關鍵內部控制的設計及實施；
- 透過獲取及評估與所採納的假設有關於資料（包括合約協議及分包合約、就合約變動及申索與客戶通信）以及透過考慮類似合約的歷史結果，與管理層討論年內所有正在進行的合約的績效並對在預測合約收益及合約成本時所採納的關鍵估計及假設提出質疑，包括估計的完成成本、合約變量的確認、應計經費的充足性及其對落後於預定計劃的潛在算定及確定損害賠償的評估；

## Independent Auditor's Report (continued)

### 獨立核數師報告(續)

## KEY AUDIT MATTERS (continued)

### The Key Audit Matter

#### How the matter was addressed in our audit

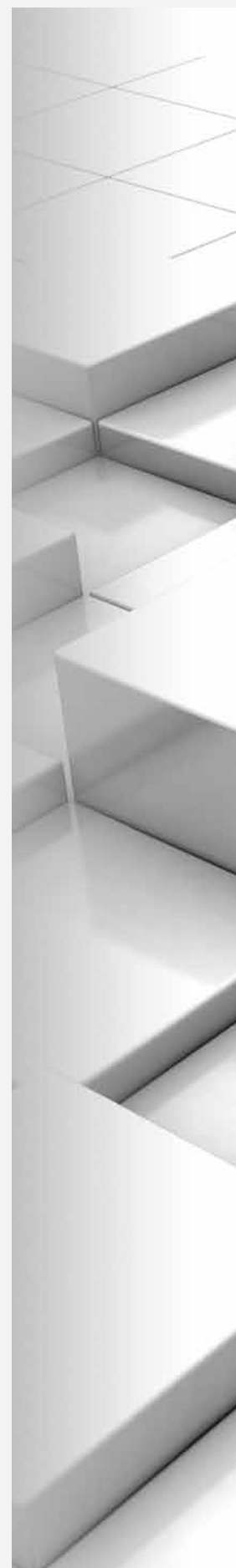
- obtaining a detailed breakdown of the total estimated costs to completion for all contracts in progress during the year and comparing, on a sample basis, actual costs incurred at the reporting date and cost estimates with agreements, certifications or correspondence with subcontractors and suppliers and other documentation referred to by management in its assessment of the estimated costs to completion;
- challenging the assumptions and critical judgements made by management which impacted their estimations of the liquidated and ascertained damages assessments by comparing the key terms and conditions in the assessments with contract agreements with customers and by comparing the estimated contract completion time with the Group's updated progress report or correspondence from customers;
- comparing the percentage of contract revenue recognised for all contracts in progress during the year with certifications from the surveyors appointed by the customers or payment applications from the in-house surveyor;

### 關鍵審計事項(續)

#### 關鍵審計事項

#### 我們的審計如何處理該事項

- 取得年內所有正在進行的合約的完成估計總成本的詳盡明細，並以抽樣方式比較於報告日期產生的實際成本和估計費用，與分包商及供應商間的協議、認證或通訊以及管理層在評估完成估計成本時提述的其他文件；
- 通過比較與評估客戶合約協議的主要條款及條件，並將估計的合約完成時間與貴集團更新的進度報告或客戶信函進行比較，對管理層作出的假設及重大判斷提出質疑，有關假設及重大判斷可影響對算定及確定損害賠償的估計；
- 將就年內正在進行的所有合約確認的合約收益的百分比與來自客戶委聘的測量師的認證或內部測量師的付款申請進行對比；



## Independent Auditor's Report (continued)

### 獨立核數師報告(續)

## KEY AUDIT MATTERS (continued)

### The Key Audit Matter

### How the matter was addressed in our audit

- conducting site visits, on a sample basis, to observe the progress of individual contracts and discussing with site personnel the status of each project and evaluating whether the project progress was consistent with the agreed timetable and the Group's financial accounting records;
- performing a retrospective review for contracts completed during the current year by comparing the final outcome of the contracts with previous estimates made for those contracts to assess the reliability of the management's forecasting process; and
- inspecting a sample of contract agreements with customers and subcontractors to identify key terms and conditions, including contracting parties, the contract period, contract sum, the scope of work, the methodology for calculating liquidated and ascertained damages, and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and costs to complete in the forecast of the outcome of the contract.

### 關鍵審計事項(續)

#### 關鍵審計事項

#### 我們的審計如何處理該事項

- 按抽樣基準進行實地視察以觀察個別合約的進度，並與現場人員討論各個項目的狀態及評估項目進度與協定的時間表及貴集團的財務會計記錄是否一致；
- 通過將合約的最終結果與之前對該等合約作出的估計進行對比，對本年度完成的合約進行追溯審計，以評估管理層預測流程的可靠性；及
- 抽樣檢查與客戶及分包商的合約協議以確定關鍵條款及條件(包括訂約方、合約期、合約金額、工作範圍、算定及確定損害賠償之計算方法)並評估該等關鍵條款及條件是否根據合約預測結果於估計收益總額及完成成本中得到恰當的反映。

## Independent Auditor's Report (continued)

### 獨立核數師報告(續)

#### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

#### 綜合財務報表及其核數師報告以外的資料

董事需對其他資料負責。其他資料包括刊載於年報內的全部資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他資料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資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

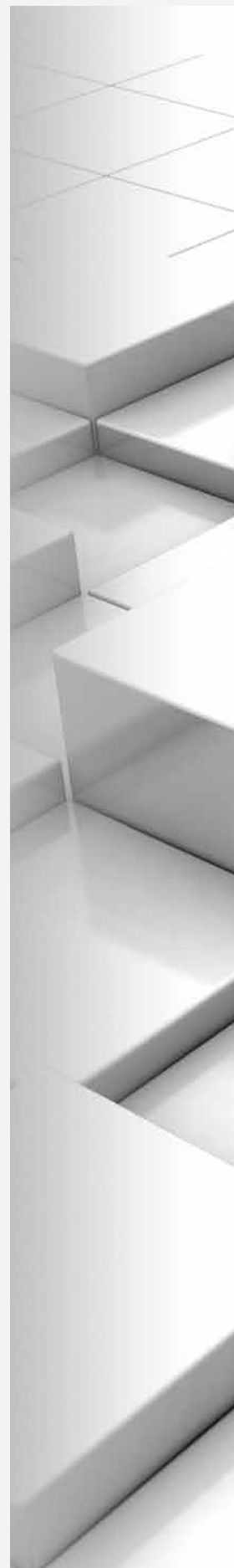
基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

#### 董事就綜合財務報表須承擔的責任

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》的披露要求編製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編製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。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並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。

審核委員會協助董事履行監督貴集團的財務報告過程的責任。





## Independent Auditor's Report (continued) 獨立核數師報告 (續)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made 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 judgement and maintain professional scepticism 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承擔 的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理鑒證，並出具包括我們意見的核數師報告。我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理鑒證是高水平的鑒證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭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。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

## Independent Auditor's Report (continued) 獨立核數師報告(續)

### AUDITOR'S 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

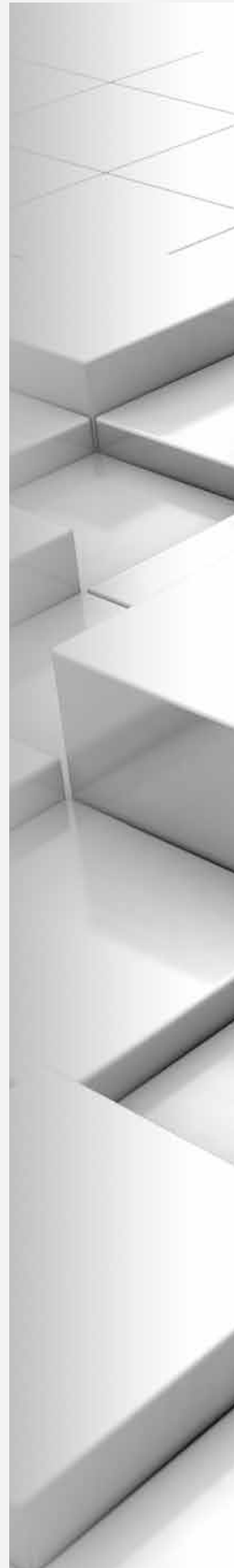
We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

### 核數師就審計綜合財務報表承擔 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。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。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、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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 Auditor's Report (continued)

### 獨立核數師報告(續)

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Cheung Wing Han, Ivy.

#### **KPMG**

Certified Public Accountants

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
22 June 2018

#### 核數師就審計綜合財務報表承擔 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產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是張穎嫻。

#### **畢馬威會計師事務所**

執業會計師

香港中環  
遮打道10號  
太子大廈8樓  
二零一八年六月二十二日

## 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 2018 截至二零一八年三月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Revenue</b>	收益	4	<b>287,846</b>	370,235
<b>Direct costs</b>	直接成本		<b>(251,418)</b>	(225,325)
<b>Gross profit</b>	毛利		<b>36,428</b>	144,910
Other revenue	其他收益	5	<b>10,851</b>	9,620
Administrative and other operating expenses	行政及其他營運開支		<b>(19,617)</b>	(26,469)
<b>Profit from operations</b>	經營溢利		<b>27,662</b>	128,061
Finance costs	融資成本	6(a)	<b>(96)</b>	(264)
<b>Profit before taxation</b>	除稅前溢利	6	<b>27,566</b>	127,797
Income tax	所得稅	7(a)	<b>(4,548)</b>	(21,100)
<b>Profit and total comprehensive income for the year</b>	年內溢利及全面 收入總額		<b>23,018</b>	106,697
<b>Earnings per share (Hong Kong cents)</b>	每股盈利(港仙)			
Basic and diluted	基本及攤薄	10	<b>2.8</b>	12.9

The notes on pages 64 to 123 form part of these financial statements. Details of dividend payable to equity shareholders of the Company attributable to the profit for the year are set out in note 19(b).

第64至123頁的附註構成此等財務報表之一部分。歸屬於本年度溢利的應付本公司權益股東的股息詳情載於附註19(b)。

## Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日  
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Non-current asset</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	11	12,986	20,726
<b>Current assets</b>	<b>流動資產</b>			
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	15	105,892	50,613
Finance lease receivables	應收融資租賃款項	17(a)	-	1,201
Trade and other receivables	貿易及其他應收款項	13	116,184	242,127
Tax recoverable	可收回稅項	7(c)(i)	16,649	-
Cash and bank balances	現金及銀行結餘	14(a)	68,035	96,127
			<b>306,760</b>	<b>390,068</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	15	7,354	21,089
Trade and other payables	貿易及其他應付款項	16	69,280	49,291
Bank loan – secured	銀行貸款—已抵押	18	-	5,116
Obligations under finance leases	融資租賃承擔	17(b)	-	1,201
Tax payable	應付稅項	7(c)(i)	-	5,353
			<b>76,634</b>	<b>82,050</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>230,126</b>	<b>308,018</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>243,112</b>	<b>328,744</b>

## Consolidated Statement of Financial Position (continued)

### 綜合財務狀況表(續)

As at 31 March 2018 於二零一八年三月三十一日  
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	7(c)(ii)	1,250	2,000
			<u>1,250</u>	<u>2,000</u>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>241,862</b>	326,744
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	19	8,300	8,300
Reserves	儲備	19(c)	<b>233,562</b>	318,444
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>241,862</b>	326,744

Approved and authorised for issue by the board of directors on 22 June 2018.

由董事會於二零一八年六月二十二日批准及授權刊發。

**Lau Pak Man**  
Director

**Cheng Wing Cheong**  
Director

**劉伯文**  
董事

**鄭榮昌**  
董事

The notes on pages 64 to 123 form part of these financial statements.

第64至123頁的附註構成此等財務報表之一部分。

## Consolidated Statement of Changes in Equity

### 綜合權益變動表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔				
	Note	Share capital	Share premium	Capital reserve	Retained profits	Total equity
	附註	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>At 1 April 2016</b>	於二零一六年四月一日	8,300	186,673	(35,952)	172,246	331,267
<b>Changes in equity for 2017:</b>	二零一七年權益變動：					
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	106,697	106,697
Dividend approved in respect of the previous year	就去年已批准的股息	19(b)(i)	(28,220)	-	-	(28,220)
Dividend approved in respect of the current year	就當前年度已批准的股息	19(b)(ii)	(83,000)	-	-	(83,000)
<b>At 31 March 2017 and 1 April 2017</b>	於二零一七年三月三十一日及二零一七年四月一日	8,300	75,453	(35,952)	278,943	326,744
<b>Changes in equity for 2018:</b>	二零一八年權益變動：					
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	23,018	23,018
Dividend approved in respect of the previous year	就去年已批准的股息	19(b)(i)	-	-	(83,000)	(83,000)
Dividend approved in respect of the current year	就當前年度已批准的股息	19(b)(ii)	-	-	(24,900)	(24,900)
<b>At 31 March 2018</b>	於二零一八年三月三十一日	8,300	75,453	(35,952)	194,061	241,862

The notes on pages 64 to 123 form part of these financial statements.

第64至123頁的附註構成此等財務報表之一部分。

## Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度  
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Cash generated from operations</b>	<b>經營所得現金</b>	14(b)	<b>109,664</b>	17,926
Tax paid	已付稅項		<b>(27,300)</b>	(30,450)
<b>Net cash generated from/(used in) operating activities</b>	<b>經營活動所得/(所用)現金淨額</b>		<b>82,364</b>	(12,524)
<b>Investing activities</b>	<b>投資活動</b>			
Payment for the purchase of property, plant and equipment	就購置物業、廠房及設備付款		<b>(702)</b>	(33)
Proceeds from sale of property, plant and equipment	銷售物業、廠房及設備之所得款項		<b>2,548</b>	-
Interest received	已收利息		<b>796</b>	815
Capital element of finance lease rentals received	已收融資租賃租金之資本元素		<b>1,201</b>	2,929
Interest element of finance lease rentals received	已收融資租賃租金之利息元素		<b>14</b>	98
Decrease/(increase) in restricted bank deposits	受限制銀行存款減少/(增加)		<b>11,615</b>	(11,809)
<b>Net cash generated from/(used in) investing activities</b>	<b>投資活動所得/(所用)現金淨額</b>		<b>15,472</b>	(8,000)
<b>Financing activities</b>	<b>融資活動</b>			
Interest paid	已付利息	14(c)	<b>(82)</b>	(166)
Capital element of finance leases rentals paid	已付融資租賃租金之資本元素	14(c)	<b>(1,201)</b>	(2,929)
Interest element of finance leases rentals paid	已付融資租賃租金之利息元素	14(c)	<b>(14)</b>	(98)
Repayment of loans from shareholders	償還股東貸款		-	(9,000)
Dividends paid	已付股息		<b>(107,900)</b>	(111,220)
Repayment of bank loan	償還銀行貸款	14(c)	<b>(5,116)</b>	(1,337)
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>		<b>(114,313)</b>	(124,750)
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>		<b>(16,477)</b>	(145,274)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>年初的現金及現金等價物</b>		<b>37,019</b>	182,293
<b>Cash and cash equivalents at the end of the year</b>	<b>年末的現金及現金等價物</b>	14(a)	<b>20,542</b>	37,019

The notes on pages 64 to 123 form part of these financial statements.

第64至123頁的附註構成此等財務報表之一部分。



## Notes to the Financial Statements 財務報表附註

(Expressed in Hong Kong dollars) (以港元列示)

### 1 GENERAL INFORMATION

In Construction Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged as a contractor in the foundation industry in Hong Kong. The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 29 September 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company’s shares were listed on the Stock Exchange on 16 April 2015.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

### 1 一般資料

現恆建築控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要作為承建商於香港從事地基業。本公司於二零一四年九月二十九日根據開曼群島法例第22章公司法(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。

本公司股份於二零一五年四月十六日在聯交所上市。

### 2 重大會計政策

#### (a) 合規聲明

此等財務報表乃按照由香港會計師公會(「香港會計師公會」)頒佈之所有適用之香港財務報告準則(「香港財務報告準則」)(其為包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港公認會計原則以及香港公司條例之披露規定而編製。此等財務報表亦遵守聯交所證券上市規則之適用披露規定。以下披露本集團所採納的主要會計政策。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則，該等準則於本集團當前會計期間首次生效或可供提早採納。附註2(c)提供與初次應用上述發展所引致會計政策之任何變動有關之資料，該等發展於本期間及以往會計期間對本集團而言屬相關並在此等財務報表中反映。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2018 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

## 2 重大會計政策(續)

### (b) 編製財務報表的基準

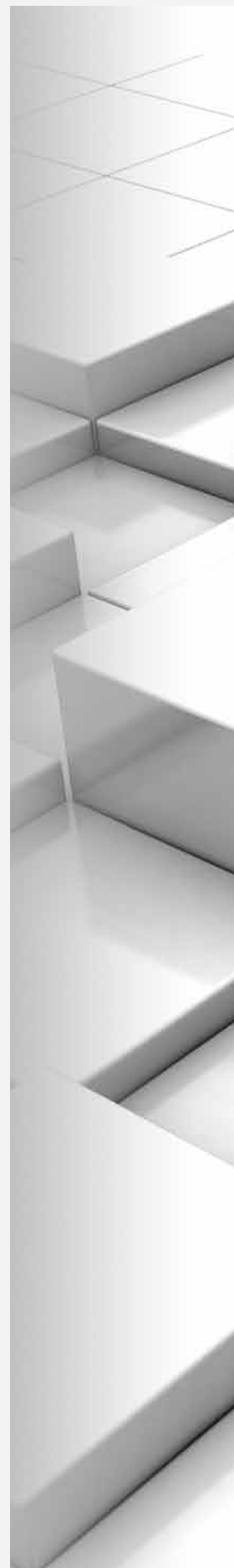
截至二零一八年三月三十一日止年度之綜合財務報表包括本公司及其附屬公司。

編製此等財務報表乃以歷史成本法作為計量基準。

編製符合香港財務報告準則的財務報表，要求管理層作出可影響政策應用及所呈報資產、負債、收入及支出數額的判斷、估計及假設。這些估計及相關假設乃根據以往經驗和管理層因應當時情況認為合理的多項其他因素作出，其結果構成了管理層在無法依循其他途徑即時得知資產與負債的賬面值時所作出判斷的基礎。實際結果可能有別於估計數額。

估計及相關假設乃按持續基準檢討。倘會計估計的修訂僅影響某一期間，其影響將於該期間內確認，或倘修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間內確認。

管理層就應用對財務報表有重大影響的香港財務報告準則所作的判斷，以及估計不明朗因素的主要來源，乃於附註3中討論。



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (c) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in note 14(c) to satisfy the new disclosure requirements introduced by the amendments to HKAS 7, *Statement of cash flows: Disclosure initiative*, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

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

### (d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

## 2 重大會計政策(續)

### (c) 會計政策之變動

香港會計師公會已刊發多項於本集團當前會計期間首次生效之香港財務報告準則之修訂。該等變動對本集團的會計政策並無影響。然而，為符合香港會計準則第7號(修訂本)·*現金流量表：披露計劃*所引入的新披露規定，已於附註14(c)加入額外披露，該準則規定實體所作出的披露須可讓財務報表使用者評估融資活動所產生的負債變動(包括因現金流量及非現金變動而產生的變動)。

本集團並無應用於當前會計期間並未生效之任何新準則或詮釋。

### (d) 附屬公司

附屬公司為本集團所控制之實體。當本集團對其參與投資於實體所面對或擁有回報變化之權利及能夠對實體行使權力以影響回報金額時，則本集團已控制該實體。當評估本集團是否有權力時，只會考慮由本集團及其他各方所持有之實質性權利。

於附屬公司之投資自控制開始之日起至控制結束之日止綜合至綜合財務報表。集團內公司間的結餘、交易及現金流以及集團內公司間交易產生的任何未變現溢利於編製綜合財務報表時悉數抵銷。集團內公司間的交易所產生的未變現虧損僅在未出現減值跡象時以與抵銷未變現溢利相同的方法予以抵銷。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (d) Subsidiaries (continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(g)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

### (e) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses (see note 2(g)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

## 2 重大會計政策(續)

### (d) 附屬公司(續)

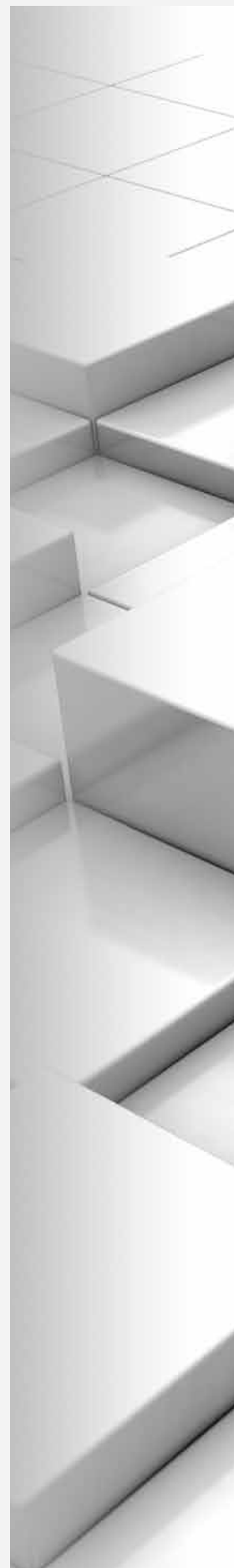
倘本集團失去一間附屬公司的控制權，列賬為出售其在該附屬公司的全部權益，由此產生的收益或虧損於損益內確認。於失去控制權當日在前附屬公司保留的任何權益按公平值確認，該金額將被視為初步確認金融資產時的公平值。

於本公司之財務狀況表中，於附屬公司之投資乃按成本扣除減值虧損列賬(見附註2(g))，除非該投資乃分類為持作出售(或計入分類為持作出售之出售組別)。

### (e) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及減值虧損列賬(見附註2(g))。

報廢或出售物業、廠房及設備所產生之損益乃以出售所得款項淨額與項目賬面金額之間之差額釐定，並於報廢或出售之日在損益中確認。



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (e) Property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

– Furniture and fixtures	5 years
– Leasehold improvements	Shorter of lease term and 5 years
– Motor vehicles	3 <sup>1</sup> / <sub>3</sub> years
– Plant and machinery	5 years
– Office equipment	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

### (f) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

## 2 重大會計政策(續)

### (e) 物業、廠房及設備(續)

物業、廠房及設備之折舊是以直線法在以下估計可使用期限內撇銷其成本(扣除估計剩餘價值(如有))計算:

– 傢俬及裝置	5年
– 租賃物業裝修	於租賃期及5年(以較短者為準)
– 汽車	3 <sup>1</sup> / <sub>3</sub> 年
– 廠房及機器	5年
– 辦公室設備	5年

倘一項物業、廠房及設備各部分之可使用年期並不相同,則該項目各部分之成本將按合理基礎分配,而每部分將作個別折舊。一項資產之可使用年期及剩餘價值(如有)將每年進行審閱。

### (f) 租賃資產

倘本集團評定一項安排具有在協定期限內通過支付一項或一系列交易,從而獲得使用於一項特定資產或多項特定資產之權利,則該安排(由一宗交易或一系列交易組成)為租賃或包括租賃。該釐定乃根據安排之實質內容評估而作出,不論安排是否具備租賃之法律形式。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (f) Leased assets (continued)

#### (i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

#### (ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(e). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(g). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

## 2 重大會計政策(續)

### (f) 租賃資產(續)

#### (i) 本集團租賃資產之分類

對於本集團以租賃持有之資產，如果租賃使所有權之絕大部分風險和回報轉移至本集團，相關資產便會劃歸為以融資租賃持有。如果租賃不會使所有權之絕大部分風險和回報轉移至本集團，則劃歸為經營租賃。

#### (ii) 根據融資租賃購入之資產

倘屬本集團根據融資租賃獲得資產使用權之情況，便會將相當於租賃資產公平值或最低租賃付款額之現值(如為較低之數額)列為物業、廠房及設備，而相應負債(不計融資費用)則列為融資租賃承擔。折舊乃按照附註2(e)所述，在相關租賃期或資產之可用年限(如本集團很可能取得資產之所有權)內，撇銷其成本或估值。減值虧損按照附註2(g)所述之會計政策入賬。租賃付款內含之融資費用會在租賃期內之損益中扣除，使每個會計期間之融資費用與負債餘額之比率大致相同。或然租金自其產生之會計期間之損益中扣除。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (f) Leased assets (continued)

#### (iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

### (g) Impairment of assets

#### (i) Impairment of trade and other receivables

Trade and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

## 2 重大會計政策(續)

### (f) 租賃資產(續)

#### (iii) 經營租賃費用

如屬本集團擁有根據經營租賃持有之資產之使用權，則根據租賃作出之付款會在租賃期所涵蓋會計期間內，以等額方式自損益扣除，但如有其他基準能更清楚地反映租賃資產所產生收益模式則除外。所獲取租賃優惠在損益中確認為租賃淨付款總額之組成部分。或然租金於其產生之會計期內於損益扣除。

### (g) 資產減值

#### (i) 貿易及其他應收款項之減值

以成本或攤銷成本列賬之貿易及其他即期及非即期應收款項，將會於各報告期末審閱以確定是否有減值之客觀證據。客觀之減值證據包括本集團從可觀察數據中注意到以下一項或多項虧損事項：

- 債務人出現重大財務困難；
- 違反合約，如拖欠或無法如期償還利息或本金；
- 債務人很可能將會申請破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境之重大改變為債務人帶來負面影響。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (g) Impairment of assets (continued)

#### (i) Impairment of trade and other receivables (continued)

If any such evidence exists, impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

## 2 重大會計政策(續)

### (g) 資產減值(續)

#### (i) 貿易及其他應收款項之減值(續)

如存在任何有關證據，倘折現影響重大，則減值虧損以資產之賬面值與以金融資產初始實際利率(即在初步確認有關資產時計算之實際利率)折現之預計未來現金流量現值之間之差額計量。如此等金融資產具備類似風險特徵，例如類似逾期情況及並未單獨被評估為減值，則有關評估會集體進行。集體評估減值之金融資產之未來現金流量，乃根據與整個組別信貸風險特徵類似之資產之過往虧損經驗作出。

倘減值虧損在其後期間減少，且客觀上與減值虧損確認後發生之事件有關，則減值虧損會透過損益轉回。減值虧損之轉回不得導致資產之賬面值超過倘以往年度沒有確認任何減值虧損而應釐定之數額。

減值虧損直接於相關資產撇銷，惟收回款項之可能性存疑但非極微之貿易及其他應收款項中之應收貿易款項之減值虧損除外。在此情況下，呆賬減值虧損會於撥備賬記錄。倘本集團信納將能收回應收賬款之機會極低，視為不可收回之金額將直接從應收貿易款項中撇銷，而在撥備賬中有關該債務之任何金額會撥回。倘之前計入撥備賬之金額其後收回，則有關款項於撥備賬撥回。撥備賬之其他變動及其後收回先前直接撇銷之款項均於損益確認。



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (g) Impairment of assets (continued)

#### (ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investment in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

## 2 重大會計政策(續)

### (g) 資產減值(續)

#### (ii) 其他資產減值

於各報告期末均會審閱內部及外部資料，以識別以下資產是否可能出現減值跡象或之前已確認之減值虧損是否不再存在或已減少：

- 物業、廠房及設備；及
- 於本公司之財務狀況表中，於附屬公司之投資。

如發現減值跡象，則會估計該資產之可收回金額。

- 計算可收回金額

資產之可收回金額以其公平值減出售成本及使用價值兩者中之較高數額為準。在評估使用價值時，會使用除稅前貼現率將估計未來現金流量貼現至現值。該貼現率反映市場當時所評估貨幣時間價值和該資產之獨有風險。如資產並不產生大致獨立於其他資產之現金流入，則以資產所屬可獨立產生現金流入之最小組別資產(即現金產生單位)釐定可收回金額。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (g) Impairment of assets (continued)

#### (ii) Impairment of other assets (continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

## 2 重大會計政策(續)

### (g) 資產減值(續)

#### (ii) 其他資產減值(續)

- 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過其可收回金額，則於損益確認減值虧損。就現金產生單位確認之減值虧損劃分至按比例基準減少該單位(或該組單位)內資產之賬面值，惟資產之賬面值不會減少至低於其個別公平值減出售成本(倘能計量)或使用價值(倘能釐定)。

- 減值虧損撥回

倘用以釐定可收回金額之估計出現有利轉變，則撥回減值虧損。

減值虧損之撥回以資產在以往年度內並無確認任何減值虧損之情況下原應釐定之賬面值為限。減值虧損之撥回在確認撥回之年度內計入損益。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (h) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 2(p)(i). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the statement of financial position as the "Gross amounts due from customers for contract work" (as an asset) or the "Gross amounts due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included under "Trade and other receivables". Amounts received before the related work is performed are included under "Trade and other payables".

### (i) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(g)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

## 2 重大會計政策(續)

### (h) 建築合約

建築合約乃就建造一項資產或一組資產而與客戶特別磋商的合約，客戶可在合約內指明設計的主要結構元素。合約收益的會計政策載於附註2(p)(i)。倘建築合約的結果能可靠估計，合約成本經參考報告期末的合約完成進度確認為開支。倘合約總成本可能超過合約總收益，預期虧損將即時確認為開支。

報告期末尚在進行當中的建築合約按所產生成本淨額加上已確認溢利，再減去已確認虧損及進度款項列賬，並於財務狀況表內呈列為「應收客戶合約工程總額」(作為資產)或「應付客戶合約工程總額」(作為負債)(如適用)。客戶尚未支付的進度款項計入「貿易及其他應收款項」。於相關工程進行前所收取的金額乃計入「貿易及其他應付款項」。

### (i) 貿易及其他應收款項

貿易及其他應收款項初步按公平值確認，其後採用實際利率法按攤銷成本減去呆賬減值撥備(見附註2(g))列賬，惟倘應收款項為向關聯方所提供無任何固定償還期限的免息貸款或貼現影響並不重大則除外。於此等情況下，應收款項將按成本減去呆賬減值撥備列賬。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (j) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

### (k) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 2(o) (i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### (l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

### (m) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

## 2 重大會計政策(續)

### (j) 計息借款

計息借款初步按公平值減應佔交易成本確認。初步確認後，計息借款按攤銷成本列賬，而初步確認金額與贖回價值之間的任何差額連同任何應付利息及應付費用則按實際利率法於借款期間在損益內確認。

### (k) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認。除根據附註2(o) (i)計量的財務擔保負債外，貿易及其他應付款項其後按攤銷成本列賬，惟倘貼現影響並不重大，則按成本列賬。

### (l) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存於銀行及其他金融機構的活期存款，以及短期高流通性投資。此等投資可隨時轉換為已知數額的現金，所承受的價值變動風險不大，並於購入後三個月內到期。就綜合現金流量表而言，構成本集團整體現金管理一部分並須按時償還之銀行透支，亦列作現金及現金等價物其中一項。

### (m) 僱員福利

薪金、年度花紅、帶薪年假、界定供款退休計劃供款及非金錢福利成本於僱員提供相關服務年度內累計。倘延遲付款或結算並造成重大影響，則該等金額將按現值列賬。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

## 2 重大會計政策(續)

### (n) 所得稅

年度所得稅包括即期稅項以及遞延稅項資產及負債的變動。即期稅項以及遞延稅項資產及負債的變動於損益內確認，惟與於其他全面收益確認或直接於權益確認的項目有關者除外，於此情況下，有關稅項款項分別於其他全面收益確認或直接於權益確認。

即期稅項乃本年應課稅收入的預期應繳稅項(按於報告期末已頒佈或實質上已頒佈的稅率計算)以及以往年度應繳稅項的任何調整。

遞延稅項資產及負債分別源自可扣減及應課稅暫時差額，即作財務申報之用的資產及負債賬面值與彼等稅基之間的差額。遞延稅項資產亦源自未動用稅項虧損及未動用稅項抵免。

除若干為數不多的例外情況外，將確認所有遞延稅項負債及所有遞延稅項資產，惟限於可能有可利用資產抵扣的未來應課稅溢利的情況。可支持確認由可扣減暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額將產生的數額，惟該等差額須與同一稅務機關及同一應課稅實體有關，並預期在可扣減暫時差額預計撥回同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉期間內撥回。倘應課稅暫時差額與同一稅務機關及同一應課稅實體有關，並預期於可動用稅項虧損或抵免期間撥回，則釐定現有應課稅暫時差額是否足以支持確認未動用稅項虧損及抵免產生的遞延稅項資產時，亦採納同一準則。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (n) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

## 2 重大會計政策(續)

### (n) 所得稅(續)

遞延稅項資產和負債確認的有限例外情況包括：不得為稅項目的而扣減的商譽、不影響會計或應課稅溢利(如屬業務合併的一部分則除外)的資產或負債的初次確認產生的暫時性差異，以及於附屬公司的投資有關的暫時性差異。如屬應課稅差異，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的差異，或如屬可予扣減的差異，則只限於可在將來撥回的差異。

已確認遞延稅項金額乃按資產及負債賬面值的預期變現或結算方式，採用於報告期末已頒佈或實質上已頒佈的稅率計量。遞延稅項資產及負債不予貼現。

遞延稅項資產的賬面值會在各報告期末予以審閱，若日後不再可能有足夠應課稅溢利用以抵扣相關稅項利益，則扣減遞延稅項資產賬面值。若日後可能有足夠應課稅溢利用以抵扣，則撥回所扣減之數額。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (n) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group or the Company has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group or the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

## 2 重大會計政策(續)

### (n) 所得稅(續)

即期稅項結餘及遞延稅項結餘以及相關變動，乃分別呈列且不會互相抵銷。僅於本集團或本公司有可合法強制執行之權利，將即期稅項資產抵銷即期稅項負債，而且符合以下額外條件時，即期及遞延稅項資產和負債才會對銷：

- 就即期稅項資產及負債而言，本集團或本公司擬按照淨額基準結算，或同時變現資產及清償負債；或
- 就遞延稅項資產及負債而言，倘若這些遞延稅項資產及負債與同一個稅務當局所徵收的所得稅有關，而所得稅向：
  - 同一個應課稅實體徵收；或
  - 不同的應課稅實體徵收，而預期在未來各個期間結算或撥回相當數額之遞延稅項負債或資產，則擬按照淨額基準變現即期稅項資產及結算即期稅項負債，或同時進行變現及結算。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (o) Financial guarantees issued, provisions and contingent liabilities

#### (i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(o)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

## 2 重大會計政策(續)

### (o) 已發出財務擔保、撥備及或然負債

#### (i) 已發出財務擔保

財務擔保指要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失,向持有人支付特定款項以作賠償的合約。

倘本集團發出財務擔保,該擔保的公平值初步確認為貿易及其他應付款項內的遞延收入。已發出財務擔保於發出時的公平值乃參照就類似服務的公平磋商交易中所收取費用(如可獲得該等資料)而釐定,或參照息差作出估計,方法為以放款人在獲提供擔保時實際徵收的利率與在不獲提供擔保時可能徵收的估計利率作比較(如該等資料能可靠估計)。倘在發出該擔保時已收或應收代價,則代價根據適用於該類資產的本集團政策予以確認。倘並無已收或應收代價,則於初步確認任何遞延收入時於損益內確認為即時開支。

初步確認為遞延收入的擔保款額按擔保年期於損益內攤銷為已發出財務擔保的收入。此外,倘(i)擔保持有人有可能根據擔保向本集團提出申索,及(ii)向本集團申索款額預期超過現時列於貿易及其他應付款項內的擔保金額(即初步確認的金額)減去累計攤銷,則撥備金額根據附註2(o)(ii)確認。



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (o) Financial guarantees issued, provisions and contingent liabilities (continued)

#### (ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

## 2 重大會計政策(續)

### (o) 已發出財務擔保、撥備及或然負債(續)

#### (ii) 其他撥備及或然負債

當本集團或本公司因過往事件而須承擔法律或推定責任，而履行該責任可能會導致經濟利益外流，並可作出可靠估計時，須就該等時間或數額不確定的其他負債計提撥備。倘貨幣時間價值重大，則有關撥備按履行責任預期所需開支的現值列賬。

倘不大可能需要流出經濟利益，或相關金額不能可靠估計，則須披露有關責任為或然負債，惟流出經濟利益的可能性極低者除外。倘可能承擔的責任須視乎一項或多項未來事件是否發生方會確定是否存在，則該等責任亦披露為或然負債，惟流出經濟利益的可能性極低者除外。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (p) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

#### (i) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- (i) revenue from a fixed price contract work is recognised based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work can be measured reliably. The stage of completion of a contract is established according to the progress certificate (by reference to the amount of completed works confirmed by surveyor) issued by the customers or the progress payment application (by reference to the amount of completed works confirmed by in-house surveyor) submitted to the customers.
- (ii) revenue from cost plus construction contracts is recognised by reference to the recoverable costs incurred during the period plus an appropriate portion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

## 2 重大會計政策(續)

### (p) 收益確認

收益乃按已收或應收代價的公平值計量。倘本集團可能獲得經濟利益，且收益及成本(如適用)能可靠地計量，則按下列方式於損益內確認收益：

#### (i) 合約收益

倘建築合約的結果能可靠地估計：

- (i) 固定價格合約工程之收益根據合約完成階段確認，惟合約完成階段及合約工程之總賬單值必須能可靠地計量。合約之完成階段按客戶發出之進度證書(參考由測量師確認之工程完成量)或向客戶提交的進度付款申請(參考由內部勘測師確認之工程完成量)計算。
- (ii) 成本加成合同所得收入參考期內產生的可收回成本加適當比例的總費用確認，並參考迄今產生的成本估估計總合同成本的比例計量。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (p) Revenue recognition (continued)

#### (i) Contract revenue (continued)

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer or the outcome of which can be estimated reliably by management and are capable of being reliably measured.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

#### (ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

#### (iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

### (q) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

## 2 重大會計政策(續)

### (p) 收益確認(續)

#### (i) 合約收益(續)

合約工程修改、申索及獎勵金計入合約收益，以與客戶協定或其結果能由管理層可靠地估計及可靠計量者為限。

倘建築合約的結果無法可靠地估計，則僅按有可能收回的已產生合約成本確認收益。

#### (ii) 經營租賃之租金收入

經營租賃項下之應收租金收入乃於租賃期涵蓋之期間內以等額分期方式於損益確認，惟倘有其他基準更能代表使用租賃資產所得利益之模式則除外。

#### (iii) 利息收入

利息收入按實際利率法於應計時確認。

### (q) 借款成本

直接涉及收購、建造或生產資產(即須於較長時期後方能投入作擬定用途或出售者)的借款成本均會資本化作為該資產的部分成本。其他借款成本於其產生期間列作開支。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (r) Related parties

- (1) 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 the Group's parent.
- (2) 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 subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (r)(1).

## 2 重大會計政策(續)

### (r) 關聯方

- (1) 倘一名人士符合下列條件，則該名人士或其家庭近親成員與本集團有關聯：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司的主要管理層成員。
- (2) 倘一家實體符合下列任何條件，則該實體與本集團有關聯：
  - (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相互關聯)。
  - (ii) 一家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) 兩家實體均為同一第三方的合營企業。
  - (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
  - (v) 實體為本集團或與本集團有關聯的實體就僱員福利設立的離職福利計劃。
  - (vi) 實體受(r)(1)所述人士控制或共同控制。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

### (r) Related parties (continued)

- (2) An entity is related to the Group if any of the following conditions applies:  
(continued)
- (vii) A person identified in (r)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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.

### (s) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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

## 2 重大會計政策(續)

### (r) 關聯方(續)

- (2) 倘一家實體符合下列任何條件，則該實體與本集團有關聯：(續)
- (vii) (r)(1)(i) 所述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。
- (viii) 實體或實體作為集團任何成員公司其中一部分向本集團或本集團的母公司提供主要管理人員服務。

某名人士的家庭近親成員指在與該實體進行交易的過程中預計會影響該名人士或受該名人士影響的家庭成員。

### (s) 分部報告

本集團為分配資源予本集團各業務及地區及評估其表現，會定期向本集團最高級行政管理人員提供財務資料。財務資料與財務報表所呈報經營分部及各分部項目的金額相同。

個別重要的經營分部不會匯總作財務申報，除非有關分部具有類似經濟特徵且產品及服務性質、生產流程性質、客戶類型或類別、分銷產品或提供服務所採用的方法及監管環境的性質方面相似。倘並非個別重要的經營分部共同擁有上述大部分特徵，該等經營分部可予匯總呈報。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

### 3 ACCOUNTING JUDGEMENTS AND ESTIMATES

#### (a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

##### (i) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the property, plant and equipment 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 taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

##### (ii) Impairment of trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired, and estimates allowances for doubtful debts as a result of the inability of the debtors to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the customer and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

### 3 會計判斷及估計

#### (a) 應用本集團之會計政策時之重大會計判斷

於應用本集團之會計政策時，管理層已作出以下會計判斷：

##### (i) 物業、廠房及設備折舊

物業、廠房及設備經計及估計剩餘價值後，按直線法於其估計可使用年限內計算折舊。本集團定期審閱物業、廠房及設備估計可使用年限，以釐定任何報告期間內記錄的折舊開支金額。可使用年限乃根據本集團類似資產的過往經驗計算，並經計及預期技術轉變。倘與過往估計比較有重大變動，則會對未來期間的折舊開支予以調整。

##### (ii) 應收貿易款項減值

本集團評估是否有任何客觀證據證明應收貿易款項減值，且估計因債務人不能作出規定付款而產生的呆賬撥備。本集團根據應收貿易款項結餘的賬齡分析、客戶的信用及過往撇銷經驗作出估計。倘債務人的財政狀況惡化，實際的撇銷額將高於估計。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

### 3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### (b) Sources of estimation uncertainty

##### Construction contracts

As explained in policy notes 2(h) and 2(p) (i), revenue and profit recognition on an uncompleted project is dependent on estimating the total outcome of the construction contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activities undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached the amounts due from customers for contract work as disclosed in note 15 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of total costs or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

### 4 REVENUE AND SEGMENT INFORMATION

Revenue represents revenue from construction contracts earned during the year.

#### (a) Segment information

The chief operating decision-maker regards the Group's business as a single operating segment and reviews financial statements accordingly. Also, the Group only engages its business in Hong Kong. Therefore, no segment information is presented.

### 3 會計判斷及估計(續)

#### (b) 估計不明朗因素來源

##### 建築合約

誠如政策附註2(h)及2(p)(i)所述，對未完成項目的收益及溢利確認取決於對建築合約總結果的估計及迄今已進行的工程。根據本集團的近期經驗及本集團進行的建築業務的性質，本集團估計其認為工程已充分完工及能可靠地估計完成成本及收益的時間點。因此，在達到該時間點前，應收客戶合約工程款項(如附註15所披露)將不會包括本集團最終可自迄今已進行的工程變現的溢利。此外，有關總成本或收益的實際結果可能高於或低於報告期末的估計，將會影響於未來年度作為迄今所入賬金額的調整而確認的收益及溢利。

### 4 收益及分部資料

收益指於年內所賺取建築合約收益。

#### (a) 分部資料

主要經營決策者視本集團的業務為一個單一經營分部，並據此審閱財務報表。此外，本集團只於香港經營其業務。因此，並無呈列分部資料。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 4 REVENUE AND SEGMENT INFORMATION (continued)

##### (b) Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group is as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Customer A	客戶A	57,481	-
Customer B	客戶B	37,458	-
Customer C	客戶C	30,222	-
Customer D	客戶D	74,950	148,694
Customer E	客戶E	-	69,960
Customer F	客戶F	-	50,830

#### 5 OTHER REVENUE

#### 4 收益及分部資料(續)

##### (b) 有關主要客戶之資料

為本集團總收益帶來10%以上貢獻的客戶收益如下：

#### 5 其他收益

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Bank interest income	銀行利息收入	796	815
Interest income from finance lease receivables	應收融資租賃款項之利息收入	14	98
Sales of scrap materials	銷售廢料	1,963	690
Rental income from machinery	機器之租金收入	6,000	7,000
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	225	-
Others	其他	1,853	1,017
		<b>10,851</b>	<b>9,620</b>



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/  
(crediting):

## 6 除稅前溢利

除稅前溢利已扣除／(計入)以下各項：

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>(a) Finance costs</b>		
Interest on bank loan (note 14(c))	82	166
Finance charges on obligations under finance leases (note 14(c))	14	98
	<b>96</b>	<b>264</b>
<b>(b) Staff costs (including directors' remuneration)</b>		
Contributions to defined contribution retirement plans	708	762
Salaries, wages and other benefits	25,323	26,124
	<b>26,031</b>	<b>26,886</b>
(Less)/add: Amount included in construction contracts in progress	<b>(708)</b>	<b>10,225</b>
	<b>25,323</b>	<b>37,111</b>
<b>(c) Other items</b>		
Depreciation	6,119	6,468
Operating lease charges: minimum lease payments in respect of leasing of office	1,128	871
Auditors' remuneration		
– audit services	1,050	1,000
– other services	400	380
<b>(a) 融資成本</b>		
銀行貸款利息(附註14(c))	82	166
融資租賃承擔之融資 費用(附註14(c))	14	98
	<b>96</b>	<b>264</b>
<b>(b) 員工成本(包括 董事薪酬)</b>		
界定供款退休計劃供款	708	762
薪金、工資及其他福利	25,323	26,124
	<b>26,031</b>	<b>26,886</b>
(減)／加：計入在建建 築合約的金額	<b>(708)</b>	<b>10,225</b>
	<b>25,323</b>	<b>37,111</b>
<b>(c) 其他項目</b>		
折舊	6,119	6,468
經營租賃費用：租賃 辦公室之最低租賃付款	1,128	871
核數師酬金		
– 核數服務	1,050	1,000
– 其他服務	400	380

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 7 INCOME TAX

### (a) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Current tax</b>		
Provision for Hong Kong Profits Tax for the year	5,302	21,916
Over-provision in respect of prior years	(4)	(98)
	<b>5,298</b>	<b>21,818</b>
<b>Deferred tax</b>		
Origination and reversal of temporary difference	(750)	(718)
	<b>4,548</b>	<b>21,100</b>

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) The provision for Hong Kong Profits Tax for 2018 is calculated at 16.5% (2017: 16.5%) of the estimated assessable profits for the year, taking into account a reduction of 75% of the tax payable for the year of assessment 2017-18 subject to a maximum reduction of \$30,000 granted by the Government of the Hong Kong Special Administrative Region (the "Government") for each business (2017: a reduction of 75% of the tax payable for the year of assessment 2016-17 subject to a maximum reduction of \$20,000).

## 7 所得稅

### (a) 綜合損益及其他全面收益表內的所得稅指：

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>本期稅項</b>		
本年度香港利得稅撥備	5,302	21,916
過往年度超額撥備	(4)	(98)
	<b>5,298</b>	<b>21,818</b>
<b>遞延稅項</b>		
暫時差額的產生及撥回	(750)	(718)
	<b>4,548</b>	<b>21,100</b>

附註：

- (i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及規例，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。
- (ii) 二零一八年香港利得稅撥備乃根據年內估計應課稅溢利，計及香港特別行政區政府(「政府」)就各業務於二零一七至二零一八年課稅年度的應付稅項減免75%(最多減免30,000元)後，按16.5%(二零一七年：16.5%)計算(二零一七年：就各業務於二零一六至二零一七年課稅年度的應付稅項減免75%(最多減免20,000元))。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

#### 7 INCOME TAX (continued)

##### (b) Reconciliation between income tax expense and accounting profit before taxation at applicable tax rate:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Profit before taxation	除稅前溢利	<b>27,566</b>	127,797
Notional tax on profit before taxation, calculated at the Hong Kong Profits Tax rate of 16.5%	除稅前溢利的名義稅項 (按香港利得稅的稅率16.5%計算)	<b>4,548</b>	21,087
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	<b>80</b>	154
Tax effect of non-taxable income	不可扣稅收入的稅務影響	<b>(1)</b>	(3)
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額的稅務影響	<b>(15)</b>	-
Statutory tax concession	法定稅務優惠	<b>(60)</b>	(40)
Over-provision in prior years	過往年度超額撥備	<b>(4)</b>	(98)
Actual income tax expense	實際所得稅開支	<b>4,548</b>	21,100

##### (c) Income tax in the consolidated statement of financial position represents:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
(i) <b>Current taxation</b>	<b>本期稅項</b>		
Provision for Hong Kong Profits Tax for the year	年內香港利得稅撥備	<b>5,302</b>	21,916
Provisional Profits Tax paid	已付暫繳利得稅	<b>(21,951)</b>	(16,589)
		<b>(16,649)</b>	5,327
Balance of Hong Kong Profits Tax payable relating to prior years	有關過往年度應付香港利得稅結餘	-	26
Tax (recoverable)/payable	(可收回)/應付稅項	<b>(16,649)</b>	5,353

#### 7 所得稅(續)

##### (b) 按適用稅率計算的所得稅開支與除稅前會計溢利的對賬如下：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Profit before taxation	除稅前溢利	<b>27,566</b>	127,797
Notional tax on profit before taxation, calculated at the Hong Kong Profits Tax rate of 16.5%	除稅前溢利的名義稅項 (按香港利得稅的稅率16.5%計算)	<b>4,548</b>	21,087
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	<b>80</b>	154
Tax effect of non-taxable income	不可扣稅收入的稅務影響	<b>(1)</b>	(3)
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差額的稅務影響	<b>(15)</b>	-
Statutory tax concession	法定稅務優惠	<b>(60)</b>	(40)
Over-provision in prior years	過往年度超額撥備	<b>(4)</b>	(98)
Actual income tax expense	實際所得稅開支	<b>4,548</b>	21,100

##### (c) 綜合財務狀況表中所得稅指：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
(i) <b>Current taxation</b>	<b>本期稅項</b>		
Provision for Hong Kong Profits Tax for the year	年內香港利得稅撥備	<b>5,302</b>	21,916
Provisional Profits Tax paid	已付暫繳利得稅	<b>(21,951)</b>	(16,589)
		<b>(16,649)</b>	5,327
Balance of Hong Kong Profits Tax payable relating to prior years	有關過往年度應付香港利得稅結餘	-	26
Tax (recoverable)/payable	(可收回)/應付稅項	<b>(16,649)</b>	5,353

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 7 INCOME TAX (continued)

(c) Income tax in the consolidated statement of financial position represents: (continued)

(ii) Deferred tax liabilities in the statement of financial position represents:

The components of deferred tax liabilities recognised in the statement of financial position and the movements during the year are as follows:

#### 7 所得稅(續)

(c) 綜合財務狀況表中所得稅指：  
(續)

(ii) 財務狀況表內的遞延稅項負債指：

於財務狀況表內確認的遞延稅項負債組成部分及年內變動如下：

Depreciation allowances in excess of related depreciation  
超出相關折舊之折舊免稅額  
\$'000  
千元

<i>Deferred tax arising from:</i>	<i>遞延稅項的來源：</i>	
At 1 April 2016	於二零一六年四月一日	2,718
Credited to profit or loss	計入損益賬	(718)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日及 二零一七年四月一日	2,000
Credited to profit or loss	計入損益賬	(750)
At 31 March 2018	於二零一八年三月三十一日	<u>1,250</u>

(d) There were no material unrecognised deferred tax assets and liabilities as at 31 March 2018 and 2017.

(d) 於二零一八年及二零一七年三月三十一日，並無重大未確認遞延稅項資產及負債。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 8 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

## 8 董事薪酬

根據香港公司條例第383(1)條及公司(有關董事福利資料之披露)規例第2部所披露之董事薪酬如下:

		Year ended 31 March 2018 截至二零一八年三月三十一日止年度				
		Salaries, allowances and benefits in kind 薪金、津貼 及實物利益	Bonuses 花紅	Retirement scheme contributions 退休計劃供款	Total 總計	
		Directors' fees 董事袍金				
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
<b>Executive directors</b>	<b>執行董事</b>					
Mr. Lau Pak Man	劉伯文先生	-	1,520	120	18	1,658
Mr. Cheng Wing Cheong	鄭榮昌先生	-	1,520	120	18	1,658
Ms. Kwan Kit Sum Kit	關潔心女士	-	1,401	110	18	1,529
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Mr. Leung Chi Kin	梁梓堅先生	150	-	-	-	150
Mr. Lam Chi Hung Louis	林志雄先生	150	-	-	-	150
Mr. Yau Chi Man Norman (also known as lao Chi Meng)	丘子敏先生	150	-	-	-	150
<b>Total</b>	<b>總計</b>	<b>450</b>	<b>4,441</b>	<b>350</b>	<b>54</b>	<b>5,295</b>

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 8 DIRECTORS' REMUNERATION (continued)

## 8 董事薪酬(續)

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

		Salaries, allowances and benefits in kind		Bonuses	Retirement scheme contributions	Total
		Directors' fees	薪金、津貼及董事袍金			
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>Executive directors</b>	<b>執行董事</b>					
Mr. Lau Pak Man	劉伯文先生	-	1,200	-	18	1,218
Mr. Cheng Wing Cheong	鄭榮昌先生	-	1,200	-	18	1,218
Ms. Kwan Kit Sum Kit	關潔心女士	-	1,080	-	18	1,098
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Mr. Leung Chi Kin	梁梓堅先生	150	-	-	-	150
Mr. Lam Chi Hung Louis	林志雄先生	150	-	-	-	150
Mr. Yau Chi Man Norman (also known as lao Chi Meng)	丘子敏先生	150	-	-	-	150
<b>Total</b>	<b>總計</b>	<b>450</b>	<b>3,480</b>	<b>-</b>	<b>54</b>	<b>3,984</b>

Notes:

附註：

(i) No director waived or agreed to waive any emoluments during the years ended 31 March 2018 and 2017.

(i) 概無董事於截至二零一八年及二零一七年三月三十一日止年度放棄或同意放棄任何薪酬。

(ii) The Company did not have any share option scheme for the purchase of ordinary shares in the Company during the years ended 31 March 2018 and 2017.

(ii) 於截至二零一八年及二零一七年三月三十一日止年度，本公司並無任何購買本公司普通股的購股權計劃。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 9 EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT

### (a) Emoluments of five highest paid individuals

The five highest paid individuals of the Group during the year include three (2017: three) directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the remaining individuals are as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,110	1,320
Discretionary bonuses	酌情花紅	-	605
Retirement scheme contributions	退休計劃供款	36	34
		<b>2,146</b>	<b>1,959</b>

The emoluments of the above individuals are within the following bands:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Nil to \$1,000,000	零至1,000,000元	1	1
\$1,000,001 to \$2,000,000	1,000,001元至 2,000,000元	1	1

### (b) Emoluments of senior management

Other than the emoluments of the directors and five highest paid individuals disclosed in notes 8 and 9(a), the emoluments of the remaining senior management fell within the following band:

Nil to \$1,000,000	零至1,000,000元	<b>1</b>	<b>1</b>
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## 9 五位最高薪酬人士及高級管理層之薪酬

### (a) 五位最高薪酬人士之薪酬

於年內本集團五位最高薪酬人士包括其薪酬於附註8中披露的三名董事(二零一七年:三名)。有關其餘人士之薪酬總額如下:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,110	1,320
Discretionary bonuses	酌情花紅	-	605
Retirement scheme contributions	退休計劃供款	36	34
		<b>2,146</b>	<b>1,959</b>

上述人士薪酬屬下列範疇:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Nil to \$1,000,000	零至1,000,000元	1	1
\$1,000,001 to \$2,000,000	1,000,001元至 2,000,000元	1	1

### (b) 高級管理層的酬金

除附註8及9(a)所披露的董事及五位最高薪酬人士之酬金外,餘下高級管理層的酬金屬下列範疇:

Nil to \$1,000,000	零至1,000,000元	<b>1</b>	<b>1</b>
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## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 10 EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$23,018,000 (2017: \$106,697,000) and the weighted average of 830,000,000 shares in issue (2017: 830,000,000 shares).

### (b) Diluted earnings per share

There were no diluted potential shares in existence during the years ended 31 March 2018 and 2017.

## 10 每股盈利

### (a) 每股基本盈利

每股基本盈利按本公司權益股東應佔溢利23,018,000元(二零一七年: 106,697,000元)及已發行股份的加權平均數830,000,000股(二零一七年: 830,000,000股)計算。

### (b) 每股攤薄盈利

於截至二零一八年及二零一七年三月三十一日止年度，概無潛在攤薄股份。

## 11 PROPERTY, PLANT AND EQUIPMENT

## 11 物業、廠房及設備

		Plant and machinery 廠房及機器	Leasehold improvements 租賃物業裝修	Furniture and fixtures 傢俬及裝置	Motor vehicles 汽車	Office equipment 辦公室設備	Total 總計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Cost:</b>	<b>成本:</b>						
At 1 April 2016	於二零一六年四月一日	32,265	995	657	1,194	1,697	36,808
Additions	添置	-	-	-	-	33	33
At 31 March 2017	於二零一七年三月三十一日	32,265	995	657	1,194	1,730	36,841
At 1 April 2017	於二零一七年四月一日	32,265	995	657	1,194	1,730	36,841
Additions	添置	-	-	36	500	166	702
Disposals	出售	(4,099)	-	-	(286)	-	(4,385)
At 31 March 2018	於二零一八年三月三十一日	28,166	995	693	1,408	1,896	33,158
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>						
At 1 April 2016	於二零一六年四月一日	5,661	713	578	1,174	1,521	9,647
Charge for the year	年內開支	6,290	71	21	20	66	6,468
At 31 March 2017	於二零一七年三月三十一日	11,951	784	599	1,194	1,587	16,115
At 1 April 2017	於二零一七年四月一日	11,951	784	599	1,194	1,587	16,115
Disposal	出售	(1,776)	-	-	(286)	-	(2,062)
Charge for the year	年內開支	5,784	70	29	150	86	6,119
At 31 March 2018	於二零一八年三月三十一日	15,959	854	628	1,058	1,673	20,172
<b>Net book value:</b>	<b>賬面淨值:</b>						
At 31 March 2018	於二零一八年三月三十一日	12,207	141	65	350	223	12,986
At 31 March 2017	於二零一七年三月三十一日	20,314	211	58	-	143	20,726



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 11 PROPERTY, PLANT AND EQUIPMENT (continued)

### (a) Assets leased out under operating leases

The group leases out certain machinery under operating leases. The lease runs for a period of one year and does not include contingent rentals.

Total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year

## 11 物業、廠房及設備(續)

### (a) 根據經營租賃出租的資產

本集團根據經營租賃出租若干機器。租約年期為一年，並不包括或然租金。

根據不可取消經營租賃而應收的未來最低租賃付款總額如下：

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

500

2,000

一年內

## 12 INVESTMENTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries of the Group. The class of shares held is ordinary unless otherwise stated.

## 12 於附屬公司之投資

下表載有本集團附屬公司之詳情。除非另有說明，所持股份類別為普通股。

Name of company	Place of incorporation and business	Particulars of issued and paid-up capital	Proportion of ownership interest			Principal activity
			Group's effective interest	Held by the Company	Held by a subsidiary	
公司名稱	註冊成立及營業地點	已發行及繳足股本詳情	本集團實益權益	本公司所持	附屬公司所持	主要業務
In Construction (BVI) Limited	BVI 英屬處女群島	1 share of US\$1 1股1美元之股份	100%	100%	-	Investment holding 投資控股
In Construction Limited 現恒建築有限公司	Hong Kong 香港	9,300,000 shares 9,300,000股股份	100%	-	100%	Construction and engineering 建築工程

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 13 TRADE AND OTHER RECEIVABLES

## 13 貿易及其他應收款項

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Trade debtors	應收貿易賬款	289	156,427
Deposits, prepayments and other receivables (note (i))	按金、預付款及其他應收款項(附註(i))	49,834	20,106
Retentions receivable (note (ii))	應收保留金(附註(ii))	66,061	65,594
		<b>116,184</b>	<b>242,127</b>

Notes:

- (i) Except for an amount of \$17,372,000 (2017: \$20,000) as at 31 March 2018, which is expected to be recovered or recognised as expense after one year, all of the remaining balances of the Group are expected to be recovered or recognised as expense within one year.
- (ii) Except for an amount of \$8,369,000 (2017: \$20,786,000) as at 31 March 2018, which is expected to be recovered after one year, all of the remaining balances are expected to be recovered within one year.

附註：

- (i) 除於二零一八年三月三十一日金額17,372,000元(二零一七年：20,000元)預期於一年後收回或確認為開支外，本集團所有餘額預期於一年內收回或確認為開支。
- (ii) 除於二零一八年三月三十一日金額8,369,000元(二零一七年：20,786,000元)預期於一年後收回外，所有餘額預期於一年內收回。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 13 TRADE AND OTHER RECEIVABLES (continued)

### (a) Ageing analysis

Included in trade and other receivables are trade debtors, based on the invoice date (net of allowance for doubtful debts) with the following ageing analysis at the end of the reporting period:

Within 1 month	一個月內	-	81,670
2 months to 3 months	兩個月至三個月	-	16,500
Over 3 months	三個月以上	289	58,257

Trade debtors are normally due within 14-30 days from the date of billing. Further details on the Group's credit policy are set out in note 20(a).

### (b) Impairment of trade debtors

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2(g)(i)).

At 31 March 2018 and 2017, none of the Group's trade debtors were considered to be impaired.

## 13 貿易及其他應收款項(續)

### (a) 賬齡分析

計入貿易及其他應收款項的為應收賬款，於報告期末按發票日期(扣除呆賬撥備)賬齡分析如下：

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

-	81,670
-	16,500
289	58,257

289	156,427
-----	---------

應收貿易賬款通常自開票日期起14至30日內到期。有關本集團信貸政策之進一步詳情載於附註20(a)。

### (b) 應收賬款減值

有關應收賬款的減值虧損使用撥備賬入賬，除非本集團信納收回金額不大可能，在此情況下，減值虧損直接與應收貿易賬款撇銷(見附註2(g)(i))。

於二零一八年及二零一七年三月三十一日，概無本集團應收貿易賬款被視為減值。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 13 TRADE AND OTHER RECEIVABLES (continued)

### (c) Trade debtors that are not impaired

Receivables which were neither past due nor impaired related to a range of customers for whom there was no recent history of default.

Receivables which were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverable.

## 13 貿易及其他應收款項(續)

### (c) 無減值應收賬款

既無逾期亦無減值的應收款項與若干無近期違約歷史的客戶相關。

逾期但無減值的應收款項與若干與本集團擁有良好往績記錄的獨立客戶相關。基於過去經驗，管理層相信無需就該等結餘計提減值撥備，原因為信貸質素並無重大變動及餘額被認為仍可全數收回。

## 14 CASH AND BANK BALANCES

### (a) Cash and bank balances comprise:

## 14 現金及銀行結餘

### (a) 現金及銀行結餘包括：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Cash at bank and in hand	銀行及手頭現金	20,542	37,019
Deposits with banks	銀行存款	47,493	59,108
Cash and bank balances in the consolidated statement of financial position	綜合財務狀況表中現金及銀行結餘	68,035	96,127
Less: Restricted bank balances (note)	減：受限制銀行結餘(附註)	(47,493)	(59,108)
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表中現金及現金等價物	20,542	37,019

Note: Restricted bank balances are deposits placed in banks to secure the issuance of performance bonds (see note 22) and banking facilities.

附註：受限制銀行結餘指存於銀行以擔保發出履約保證(見附註22)及銀行融資之存款。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

#### 14 CASH AND BANK BALANCES (continued)

##### (b) Reconciliation of profit before taxation to cash generated from operations:

#### 14 現金及銀行結餘(續)

##### (b) 除稅前溢利與經營所得現金 之對賬：

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Operating activities</b>	<b>經營活動</b>			
Profit before taxation	除稅前溢利		<b>27,566</b>	127,797
Adjustments for:	就下列各項調整：			
Bank interest income	銀行利息收入	5	<b>(796)</b>	(815)
Interest income from finance lease receivables	應收融資租賃利息 收入	5	<b>(14)</b>	(98)
Gain on disposal at property, plant and equipment	出售物業、廠房及 設備之收益		<b>(225)</b>	-
Finance costs	融資成本	6(a)	<b>96</b>	264
Depreciation	折舊	6(c)	<b>6,119</b>	6,468
Changes in working capital:	營運資本變動：			
Decrease/(increase) in trade and other receivables	貿易及其他應收款 項減少／(增加)		<b>125,943</b>	(137,962)
(Increase)/decrease in gross amounts due from customers for contract work	應收客戶合約 工程款項總額 (增加)／減少		<b>(55,279)</b>	24,901
Increase/(decrease) in trade and other payables	貿易及其他應付 款項增加／ (減少)		<b>19,989</b>	(21,764)
(Decrease)/increase in gross amounts due to customers for contract work	應付客戶合約 工程款項總額 (減少)／增加		<b>(13,735)</b>	19,135
<b>Cash generated from operations</b>	<b>經營所得現金</b>		<b>109,664</b>	17,926

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 14 CASH AND BANK BALANCES (continued)

### (c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changed. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's cash flow statement as cash flows financing activities.

## 14 現金及銀行結餘(續)

### (c) 融資活動所產生負債的對賬

下表詳細說明本集團來自融資活動的負債變動，包括現金及非現金變動。融資活動產生的負債為現金流量或未來現金流量所負的負債，並將其作為融資活動的現金計入本集團現金流量表。

		Bank loan – secured 銀行貸款 – 有抵押 (Note 18) (附註18) \$'000 千元	Obligations under finance leases 融資租賃 承擔 (Note 17(b)) (附註17(b)) \$'000 千元	Total 總計 \$'000 千元
<b>At 1 April 2017</b>	於二零一七年四月一日	5,116	1,201	6,317
<b>Changes from financing cash flows:</b>	<b>融資現金流量 變動：</b>			
Repayment of loan	償還貸款	(5,116)	–	(5,116)
Repayment of capital element of finance leases rentals	償還融資租賃 租金資本部份	–	(1,201)	(1,201)
Interest paid	已付利息	(82)	(14)	(96)
Total changes from financing cash flows	融資現金流量 變動總額	(5,198)	(1,215)	(6,413)
<b>Other change:</b>	<b>其他變動：</b>			
Interest expenses (note 6(a))	利息開支(附註6(a))	82	14	96
<b>At 31 March 2018</b>	於二零一八年 三月三十一日	–	–	–

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 15 GROSS AMOUNTS DUE FROM/TO CUSTOMERS FOR CONTRACT WORK

## 15 應收／應付客戶合約工程款項總額

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Gross amounts due from customers for contract work</b>	<b>應收客戶合約工程款項總額</b>		
Contract costs incurred plus recognised profits less recognised losses	已產生合約成本加已確認溢利減已確認虧損	979,333	625,711
Less: Progress billings received and receivable	減：已收及應收進度款項	<b>(873,441)</b>	(575,098)
		<b>105,892</b>	50,613
<b>Gross amounts due to customers for contract work</b>	<b>應付客戶合約工程款項總額</b>		
Progress billings received and receivable	已收及應收進度款項	390,861	581,566
Less: Contract costs incurred plus recognised profits less recognised losses	減：已產生合約成本加已確認溢利減已確認虧損	<b>(383,507)</b>	(560,477)
		<b>7,354</b>	21,089
All gross amounts due from/to customers for contract work are expected to be recovered/settled within one year.	所有應收／應付客戶合約工程款項總額預期可於一年內收回／結清。		

## 16 TRADE AND OTHER PAYABLES

## 16 貿易及其他應付款項

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Trade creditors	應付賬款	65,464	42,358
Other payables and accruals	其他應付款項及應計費用	3,732	6,715
Amounts due to shareholders (note)	應付股東款項(附註)	84	218
		<b>69,280</b>	49,291

Note: The amounts due to shareholders at 31 March 2018 and 2017 were unsecured, interest-free and had no fixed terms of repayment.

附註：於二零一八年及二零一七年三月三十一日，應付股東款項為無抵押、免息及無固定還款期。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 16 TRADE AND OTHER PAYABLES (continued)

Included in trade and other payables are trade creditors, based on invoice date, with the following ageing analysis at the end of the reporting period:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within 1 month	一個月內	21,314	25,150
1 to 2 months	一至兩個月	15,973	10,872
2 to 3 months	兩至三個月	16,118	3,280
Over 3 months	三個月以上	12,059	3,056
		<b>65,464</b>	<b>42,358</b>

## 17 FINANCE LEASES

### (a) Finance lease receivables

At 31 March 2018, the Group had finance lease receivables as follows

## 17 融資租賃

### (a) 應收融資租賃款項

於二零一八年三月三十一日，本集團擁有如下應收融資租賃款項：

		2018 二零一八年		2017 二零一七年	
		Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元	Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元
Within 1 year	一年內	-	-	1,201	1,215
Less: total unearned finance income	減：未賺取融資收入總額		-		(14)
Present value of lease receivables	應收租賃款項之現值		-		1,201



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

#### 17 FINANCE LEASES (continued)

##### (b) Obligations under finance leases

At 31 March 2018, the Group had obligations under finance leases repayable as follows:

#### 17 融資租賃(續)

##### (b) 融資租賃承擔

於二零一八年三月三十一日，本集團擁有如下應償還融資租賃款項之承擔：

		2018 二零一八年		2017 二零一七年	
		Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元	Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元
Within 1 year	一年內	-	-	1,201	1,215
Less: total future interest expenses	減：日後利息開支總額		-		(14)
Present value of lease obligations	租賃承擔之現值		-		1,201

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 18 BANK LOAN – SECURED

The bank loan was repayable as follows:

Within 1 year or on demand

於一年內或按要求

At 31 March 2017, the bank loan was secured by two set of machineries with an aggregate net book value of \$5,230,000, interest-bearing at 1-month Hong Kong Inter Bank Offered Rate (“HIBOR”) plus 2.3% per annum and was fully repaid during the year.

At 31 March 2018, revolving term loan facilities amounting to \$10,000,000 (2017: \$10,000,000) were in place. None of the facilities were utilised as at 31 March 2018 (2017: \$Nil).

All of the Group’s banking facilities are subject to the fulfilment of covenants relating to certain of the Group’s balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group’s management of liquidity risk are set out in note 20(b).

#### 18 銀行貸款-已抵押

應償還銀行貸款如下：

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

– 5,116

於二零一七年三月三十一日，銀行貸款以賬面總值為5,230,000元的兩套機器作抵押，按一個月香港銀行同業拆息（「香港銀行同業拆息」）加每年2.3%計息，並已於年內悉數償還。

於二零一八年三月三十一日，循環定期貸款融資為10,000,000元（二零一七年：10,000,000元）。於二零一八年三月三十一日，並無動用銀行融資（二零一七年：無）。

本集團所有銀行融資須待有關本集團若干資產負債比率之契諾獲達成後方可作實，該等契諾常見於與財務機構訂立之借款安排中。倘本集團違反契諾，已提取之融資將須按要求償還。本集團定期監察其是否遵守該等契諾。有關本集團管理其流動資金風險的進一步詳情載於附註20(b)。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 19 CAPITAL AND RESERVES

### (a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the Company's individual components of equity between the beginning and the end of the period are set out below:

## 19 資本及儲備

### (a) 權益組成部分之變動

本集團綜合權益各組成部分於期初及期末結餘對賬載於綜合權益變動表。本公司於期初及期末之個人權益組成部分之詳情載於下文：

		The Company 本公司			
		Share capital	Share premium	(Accumulated loss)/ retained profit	Total
		股本	股份溢價	(累計虧損)/ 保留溢利	總計
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
<b>Balance at 1 April 2016</b>	於二零一六年四月一日 之結餘	8,300	186,673	(15,887)	179,086
Dividend approved in respect of the previous year (note 19(b)(i))	就去年已批准的股息 (附註19(b)(i))	-	(28,220)	-	(28,220)
Dividend approved in respect of the current year (note 19(b)(ii))	就本年度已批准的股息(附註19(b)(ii))	-	(83,000)	-	(83,000)
Profit and total comprehensive income for the year	年內溢利及全面 收入總額	-	-	83,808	83,808
<b>Balance at 31 March 2017</b>	於二零一七年三月三十一日 之結餘	8,300	75,453	67,921	151,674
<b>Balance at 1 April 2017</b>	於二零一七年四月一日 之結餘	8,300	75,453	67,921	151,674
Dividend approved in respect of the previous year (note 19(b)(i))	就去年已批准的股息 (附註19(b)(i))	-	-	(83,000)	(83,000)
Dividend approved in respect of the current year (note 19(b)(ii))	就本年度已批准的股息 (附註19(b)(ii))	-	-	(24,900)	(24,900)
Profit and total comprehensive income for the year	年內溢利及全面 收入總額	-	-	84,082	84,082
<b>Balance at 31 March 2018</b>	於二零一八年三月三十一日 之結餘	8,300	75,453	44,103	127,856

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 19 CAPITAL AND RESERVES (continued) 19 資本及儲備(續)

### (b) Dividends

- (i) Dividend payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

### (b) 股息

- (i) 歸屬於過往財政年度且於本年度批准及派付的應付本公司權益股東的股息：

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

Final dividend in respect of the previous financial year, approved and paid during the year of 10 cents (2017: 3.4 cents) per ordinary share

本年度批准及派付有關過往財政年度之末期股息每股普通股10仙(二零一七年：3.4仙)

**83,000** 28,220

- (ii) Dividend payable to equity shareholders of the Company attributable for the year

- (ii) 歸屬於本年度的應付本公司權益股東的股息

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

Interim dividend declared and paid of 3 cents (2017: 10 cents) per ordinary share

宣派及派付之中期股息每股普通股3仙(二零一七年：10仙)

**24,900** 83,000

No dividend was proposed after the end of the reporting period (2017: 10 cents per ordinary share)

於報告期末後並無擬派末期股息(二零一七年：每股普通股10仙)

– 83,000

**24,900** 166,000

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期末後擬派之末期股息，於報告期末並無確認為負債。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 19 CAPITAL AND RESERVES (continued)

### (c) Share capital

## 19 資本及儲備(續)

### (c) 股本

		The Company 本公司			
		2018 二零一八年		2017 二零一七年	
		No. of shares 股份數目	Amount 金額 \$'000 千元	No. of shares 股份數目	Amount 金額 \$'000 千元
<b>Authorised - ordinary shares of \$0.01 each:</b>	法定-每股0.01元之普通股:				
At 1 April and 31 March	於四月一日及三月三十一日	<b>2,000,000,000</b>	<b>20,000</b>	2,000,000,000	20,000
<b>Ordinary shares, issued and fully paid:</b>	普通股, 已發行及繳足:				
At 1 April and 31 March	於四月一日及三月三十一日	<b>830,000,000</b>	<b>8,300</b>	830,000,000	8,300

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，並有權在本公司股東大會上以每股股份投一票。所有普通股就本公司之剩餘資產而言均享有相同地位。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 19 CAPITAL AND RESERVES (continued)

### (d) Nature and purpose of reserves

#### (i) Share premium

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

#### (ii) Capital reserve

The capital reserve was created as a result of the reorganisation to rationalise the Group structure in preparation for the listing of the Company's shares on the Stock Exchange.

### (e) Distributability of reserves

At 31 March 2018, the aggregate amount of the Company's reserves available for distribution to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association, was \$119,556,000 (2017: \$143,374,000). The directors did not propose any final dividend after the end of the reporting period (2017: a final dividend of 10 cents per ordinary share amounting to \$83,000,000) (note 19(b)(ii)).

## 19 資本及儲備(續)

### (d) 儲備的性質及目的

#### (i) 股份溢價

股份溢價賬由開曼群島公司法規管，本公司於向權益股東支付分派或股息時可根據其組織章程大綱及細則的條文(如有)動用股份溢價賬。

除非緊隨建議支付分派或股息當日後本公司將可支付於日常業務中到期的債務，否則不可動用股份溢價賬以向權益股東支付分派或股息。

#### (ii) 資本儲備

由於重組為準備本公司股份於聯交所上市而精簡本集團架構，故設立資本儲備。

### (e) 儲備可分派程度

於二零一八年三月三十一日，本公司可供分派予本公司權益股東的儲備總額(根據開曼群島公司法以及本公司組織章程大綱及細則計算)為119,556,000元(二零一七年：143,374,000元)。於報告期末後，董事並無建議派付任何末期股息(二零一七年：每股普通股10仙的末期股息，達83,000,000元)(附註19(b)(ii))。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 19 CAPITAL AND RESERVES (continued)

### (f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its construction business, provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Government requires contractors on the list of approved contractors for public works (the "List") to maintain such minimum working capital as the Government may from time to time determine (the "Required Minimum Working Capital"). A subsidiary of the Company is subject to the Required Minimum Working Capital as the subsidiary is a contractor on the List. Except for this, neither the Company nor of its subsidiaries are subject to externally imposed capital requirements.

## 20 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### (a) Credit risk

The Group's credit risk is primarily attributable to bank deposits and trade and other receivables. The Group has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Cash is deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

## 19 資本及儲備(續)

### (f) 資本管理

本集團管理資本的主要目標是保障本集團按持續經營基準繼續營運的能力，以為其建築業務融資，為股東帶來回報，同時兼顧其他權益持有人的利益，並維持最佳的資本架構以減低資金成本。

本集團積極及定期檢討和管理其資本架構，以維持較高股東回報(有關借款金額亦可能較高)與穩健資金狀況的優勢及保障之間的平衡，以及根據經濟狀況的變動對資本架構作出調整。

政府要求名列認可公共工程承建商名冊(「名冊」)的承建商維持由政府不時釐定的有關最低營運資本(「指定最低營運資本」)。本公司一間附屬公司受指定最低營運資本的規限，原因為該附屬公司為名冊上的承建商。除此以外，本公司及其附屬公司均不受外部施加資本規定的規限。

## 20 財務風險管理及金融工具的公平值

本集團日常業務過程中承受信貸、流動資金及利率風險。本集團承受該等風險及本集團用以管理該等風險的財務風險管理政策及常規載於下文。

### (a) 信貸風險

本集團的信貸風險主要來自銀行存款及貿易及其他應收款項。管理層已實施信貸政策，並持續監控該等信貸風險。

現金存款乃存放於良好信貸評級的金融機構，而本集團亦對每一金融機構設置額度。鑒於該等金融機構擁有高信貸評級，管理層並不預期該等金融機構及對手方不能履行責任。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 20 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

### (a) Credit risk (continued)

In respect of trade and other receivables, individual credit evaluations are performed as part of the acceptance procedures for new construction contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 14-30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

At the end of the reporting period, the Group has significant concentration of credit risk in a few customers. In view of their credit standing, good payment record and long established relationships with the Group, management does not consider the Group's credit risk to be significant. At 31 March 2018, Nil (2017: 17%) and Nil (2017: 87%) of the total trade debtors was due from the Group's largest customer and the Group's five largest customers respectively.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 13.

### (b) Liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management, including the raising of loans to cover the expected cash demands. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed funding lines from major financial institutions to meet its liquidity requirements in the short and longer term.

## 20 財務風險管理及金融工具的公平值(續)

### (a) 信貸風險(續)

就貿易及其他應收款項而言，本集團會進行個別信貸評核作為新建築合約接納程序一部分。此等評核集中於客戶過往支付到期款項的記錄及現時的付款能力，並考慮客戶的特定資料及客戶經營所在經濟環境的情況。應收貿易款項於賬單日期起計十四至三十日內到期。本集團一般不會向客戶收取抵押品。

於報告期末，本集團就少數客戶有重大信貸集中風險。鑒於彼等的信貸評級、良好還款記錄及與本集團已建立長期關係，管理層認為本集團接受的信貸風險並不重大。於二零一八年三月三十一日，應收貿易賬款總額中分別零%(二零一七年：17%)及零%(二零一七年：87%)乃應收本集團最大客戶款項及應收本集團五大客戶款項。

有關本集團面臨因貿易及其他應收款項產生的信貸風險之進一步定量披露載於附註13。

### (b) 流動資金風險

本集團旗下的各家附屬公司對其自身的現金管理負責，包括籌集貸款應對預期現金需求。本集團之政策是定期監控現時及預期流動資金需要，以及其遵守貸款契諾之情況，以確保維持足夠現金儲備及來自主要金融機構的充足承諾融資額度，從而滿足短期及長期之流動資金需要。



**Notes to the Financial Statements (continued)****財務報表附註(續)**

(Expressed in Hong Kong dollars)(以港元列示)

**20 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)****(b) Liquidity risk (continued)**

Given the amounts due to shareholders at 31 March 2018 had no fixed repayment terms (see note 16), it is not practical to disclose their remaining contractual maturities at the end of the reporting period. Except for these, the following table details the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

**20 財務風險管理及金融工具的公平值(續)****(b) 流動資金風險(續)**

鑒於於二零一八年三月三十一日的應付股東款項並無固定還款期(見附註16),於報告期末披露彼等餘下合約到期日屬不切實際。除此以外,下表詳述本集團金融負債於報告期末的餘下合約到期日,乃基於合約未折現現金流(包括使用合約利率計算的利息付款,倘為浮息,則基於報告期末的即期利率)及本集團可被要求償還的最早日期:

At 31 March 2018

於二零一八年三月三十一日

		Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	Carrying amount	總合約未折現現金流	一年內或按需求	超過一年但少於兩年	兩年以上但少於五年
	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元
Trade creditors	應付貿易賬款	65,464	65,464	65,464	-
		65,464	65,464	65,464	-

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 20 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

### (b) Liquidity risk (continued)

## 20 財務風險管理及金融工具的公平值(續)

### (b) 流動資金風險(續)

At 31 March 2017

於二零一七年三月三十一日

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	總合約未折現賬面值	現金流	一年內或按要求	超過一年但少於兩年	兩年以上但少於五年
	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元
Bank loan – secured, subject to repayment in demand clauses, scheduled repayments	5,116	5,383	1,502	1,502	2,379
Trade creditors	42,358	42,358	42,358	-	-
Obligations under finance leases	1,201	1,215	1,215	-	-
	48,675	48,956	45,075	1,502	2,379
Adjustments to disclose cash flows on bank loan – secured based on lender's right to demand repayment	-	(267)	3,614	(1,502)	(2,379)
	48,675	48,689	48,689	-	-

### (c) Interest rate risk

At 31 March 2018 and 2017, the Group did not hold any assets and liabilities which are exposed to significant interest risk.

### (c) 利率風險

於二零一八年及二零一七年三月三十一日，本集團並無持有任何面臨重大利率風險的資產及負債。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 20 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

### (d) Foreign currency risk

The Group's functional currency is Hong Kong dollars. At 31 March 2018, the Group's currency risk is primarily attributable to deposits with banks of \$24,985,000 (2017: \$21,935,000) denominated in the Renminbi ("RMB"). Assuming that the RMB had strengthened/weakened by 5% at 31 March 2018 and the changes had been applied to the Group's exposure to currency risk for those deposits at that date, with other variables held constant, the Group's profit after tax and total equity would increase/decrease by approximately \$1,043,000 (2017: \$916,000).

The exposure to currency risk as referred to above represents management's assessment of a reasonably possible change in exchange rate over the period until next annual reporting date.

### (e) Fair values measurement

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2018 and 2017.

## 21 COMMITMENTS

At 31 March 2018, the Group's total future minimum lease payments under non-cancellable operating leases were payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後至五年內

## 20 財務風險管理及金融工具的公平值(續)

### (d) 外匯風險

本集團的功能貨幣為港元。於二零一八年三月三十一日，本集團的貨幣風險主要歸因於以人民幣(「人民幣」)列值的銀行存款24,985,000元(二零一七年：21,935,000元)。假設於二零一八年三月三十一日人民幣升值/貶值5%且該等變動已於該日應用於本集團該等存款所面臨的貨幣風險，而其他變量保持不變，則本集團的除稅後溢利及權益總額將增加/減少約1,043,000元(二零一七年：916,000元)。

上文所述貨幣風險指管理層所評估直至下一個年度報告日期間內可能出現之合理匯率變動。

### (e) 公平值計量

於二零一八年及二零一七年三月三十一日，本集團按成本或攤銷成本計值的金融工具的賬面值與彼等的公平值無重大不同。

## 21 承擔

於二零一八年三月三十一日，本集團應付不可取消經營租賃項下未來最低租賃付款總額如下：

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within 1 year	1,462	134
After 1 year but within 5 years	536	-
	<b>1,998</b>	<b>134</b>

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 21 COMMITMENTS (continued)

The Group is the lessee in respect of an office and items of office equipment held under operating leases. The leases typically run for an initial period of 3 to 5 years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

#### 22 CONTINGENT LIABILITIES

At 31 March 2018, the Group had contingent liabilities in respect of performance bonds to guarantee for the due and proper performance of the objections undertaken by the Group's subsidiary for projects amounting to \$84,461,000 (2017: \$73,141,000) in its ordinary course of business. The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

#### 23 MATERIAL RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transaction during the year:

Rental expenses paid to a related company	已付予一間關聯公司之租金開支
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Note: The directors of the Company are of opinion that the above transactions were entered into in the normal course of business.

#### 21 承擔(續)

本集團為經營租賃項下持有一處辦公室及辦公室設備項目的承租人。初始租期通常為三至五年，倘所有條款重新商定則有權選擇重續租約。概無租約包括或然租金。

#### 22 或然負債

於二零一八年三月三十一日，本集團有關本集團附屬公司於其一般業務過程中審慎妥善履行承接項目之責任而作出擔保的履約保證之或然負債為84,461,000元(二零一七年：73,141,000元)。履約保證預期將根據各建築合約的條款解除。

#### 23 重大關聯方交易

(a) 除財務報表其他部分所披露的交易及結餘外，本集團於本年度訂立以下重大關聯方交易：

2018	2017
二零一八年	二零一七年
\$'000	\$'000
千元	千元

1,128	871
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附註：本公司董事認為上述交易乃於日常業務過程中訂立。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 23 MATERIAL RELATED PARTY TRANSACTIONS (continued)

- (b) Remuneration of key management personnel, including amounts paid to the directors as disclosed in note 8 and certain of the highest paid employees and senior management as disclosed in note 9, is as follows:

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Short-term employee benefits	5,867	5,116
Post-employment benefits	75	70
	<b>5,942</b>	<b>5,186</b>

Total remuneration is included in "staff costs" (see note 6(b)).

The related party transactions in respect of rental expenses paid to a related company and the remuneration of directors and chief executive of the Company constitute connected transactions as defined in Chapter 14A of the Listing Rules. However, these transactions are exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The related party transactions in respect of the remuneration of key management personnel (other than directors and chief executive) of the Company did not fall under the definition of connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

- (c) The related party transactions in respect of the amounts due to shareholders as set out on notes 16 constitute connected transactions as defined in Chapter 14A of the Listing Rules. However, these transactions are exempt from reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## 23 重大關聯方交易(續)

- (b) 主要管理人員的薪酬(包括已付董事的金額)於附註8披露,而若干最高薪酬僱員及高級管理層的薪酬則於附註9披露如下:

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Short-term employee benefits	5,867	5,116
Post-employment benefits	75	70
	<b>5,942</b>	<b>5,186</b>

薪酬總額計入「員工成本」(見附註6(b))。

與已付予一間關聯公司的租金開支及本公司董事及主要行政人員薪酬有關的關聯方交易構成上市規則第14A章界定的關連交易。然而,該等交易獲豁免遵守上市規則第14A章項下申報、公告及獨立股東批准規定。

與本公司主要管理人員(董事及主要行政人員除外)薪酬有關的關聯方交易並不屬於上市規則第14A章界定的關連交易或持續關連交易。

- (c) 與附註16所載應付股東款項有關的關聯方交易構成上市規則第14A章界定的關連交易。然而,該等交易獲豁免遵守上市規則第14A章項下申報、公告及獨立股東批准規定。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 24 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

## 24 公司層面之財務狀況表

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment in a subsidiary	於附屬公司之投資	12	—*	—*
Amounts due from subsidiaries	應收附屬公司款項		<b>126,221</b>	119,421
			<b>126,221</b>	119,421
<b>Current assets</b>	<b>流動資產</b>			
Prepayments and other receivables	預付款項及其他應收款項		<b>10</b>	10
Cash and bank balances	現金及銀行結餘		<b>2,106</b>	32,833
			<b>2,116</b>	32,843
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables	其他應付款項		<b>(440)</b>	(400)
Tax payable	應付稅項		<b>(41)</b>	(190)
			<b>(481)</b>	(590)
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>1,635</b>	32,253
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>127,856</b>	151,674
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>	19(a)		
Share capital	股本	19(c)	<b>8,300</b>	8,300
Reserves	儲備		<b>119,556</b>	143,374
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>127,856</b>	151,674

\* Represents \$8

\* 指8元

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

#### 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018

Up to the date of issue of the financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 March 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

#### 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響

直至本財務報表刊發日期，香港會計師公會已頒佈一系列於截至二零一八年三月三十一日止年度尚未生效的修訂及新訂準則且並無於此等財務報表中採納。該等修訂及新訂準則包括如下可能與本集團相關者。

**Effective for  
accounting periods  
beginning on  
or after  
於以下日期或之後  
開始的會計期間生效**

HKFRS 9, *Financial instruments*  
香港財務報告準則第9號，金融工具

1 January 2018  
二零一八年一月一日

HKFRS 15, *Revenue from contracts with customers*  
香港財務報告準則第15號，源自客戶合約的收益

1 January 2018  
二零一八年一月一日

HKFRS 16, *Leases*  
香港財務報告準則第16號，租賃

1 January 2019  
二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far, the Group considers that the adoption of them is as unlikely to have a significant impact on the Group's consolidated financial statements, except for HKFRS15, *Revenue from contracts with customers*. Further details of the expected impacts are discussed below. While the following paragraphs set out the Group's assessment to date, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ending 30 September 2018.

本集團正評估預期於首次應用期間的該等修訂及新訂準則的影響。迄今，本集團認為，除香港財務報告準則第15號源自客戶合約的收益外，採納該等修訂及新訂準則不太可對本集團之綜合財務報表造成重大影響。預計影響的進一步詳情討論如下。儘管以下段落載列本集團截至本報告日期止的評估，但由於截至本報告日期所完成的評估乃以本集團現時可得的資料為基礎，故首次採納準則的實際影響可能有所不同，且於首次在本集團截至二零一八年九月三十日止六個月的中期財務報告應用該等準則前可能會發現進一步影響。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (continued)

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, *Revenue*, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specifies the accounting for revenue from construction contracts.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5 step approach to revenue recognition:

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

The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates.

#### 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

香港財務報告準則第15號為確認來自與客戶合約的收益設立一間完善的框架。香港財務報告準則第15號將取代現有的收益準則：香港會計準則第18號收益(其覆蓋銷售貨物及提供服務所產生的收益)及香港會計準則第11號建築合約(其訂明來自建築合約的收益的會計處理方式)。

香港財務報告準則第15號的核心原則為實體就說明向客戶轉讓所承諾貨品或服務所確認的收益金額，應能反映該實體預期就交換該等貨品或服務而有權獲得的代價。具體而言，該準則引入一個五步收益確認方法：

- 第一步： 識別與客戶訂立的合約。
- 第二步： 識別合約中的履約責任。
- 第三步： 釐定交易價。
- 第四步： 將交易價分配至合約的履約責任。
- 第五步： 於(或當)實體完成履約責任時確認收益。

香港財務報告準則第15號之原則乃為計量及確認收入提供一個更具結構性的方法。該準則亦引入詳盡的定性及定量披露規定，包括拆分收益總額、有關履約責任的資料、各期間之間合約資產及負債賬目結餘的變動以及關鍵判斷及估計。



## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (continued)

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

### (a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in note 2(p)(i).

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

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

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

## 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

根據截至本報告日期所完成的評估，本集團已識別以下預期會受到影響的範圍：

### (a) 確認收益的時間

本集團的收益確認政策於附註2(p)(i)披露。

根據香港財務報告準則第15號，收益乃於客戶取得合約中的已承諾貨物或服務的控制權時確認。香港財務報告準則第15號確認三個已承諾產品的控制權或服務隨時間而轉讓的情況：

- (i) 當客戶於實體履約時同時收到及享用實體履約所提供的利益時；
- (ii) 當實體履約創造或改善一項資產(如在建工程)及客戶對該創造及改善的資產有控制權時；
- (iii) 當實體的履約並無創造對實體而言具替代用途的資產，且該實體對迄今完成的履約的付款有強制執行的權利時。

倘合約條款及實體活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點(即控制權轉移時)確認銷售貨物或服務的收益。所有權風險及回報的轉移僅為釐定控制權轉移發生時所考慮的其中一項指標。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

## 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (continued)

### (a) Timing of revenue recognition (continued)

The Group has assessed that its contracts with customers fulfil the criteria for recognising revenue over time under HKFRS 15. Methods that can be used under HKFRS 15 to measure the Group's progress towards complete satisfaction of a performance obligation satisfied over time include (i) output method (i. e. recognise revenue on the basis of direct measurement of the value to the customer of the entity's performance to date) and; (ii) input method (i.e. recognise revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation). In measuring the work progress under the new revenue standard, the Group considers that an output method with reference to progress certificates issued by the customers or progress payment applications submitted to the customers and any adjustment, where it is necessary and can be objectively determined, on the work progress would appropriately depict the transfer of control of goods or services to customers for individual projects under the new standard.

So far as the measurement of progress for the Group's typical contracts is concerned, the Group expects that there would not be any significant impact on the revenue recognition profile.

## 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

### (a) 確認收益的時間(續)

本集團已評估其與客戶所訂立的合約符合香港財務報告準則第15號下隨時間確認收益的準則。香港財務報告準則第15號下可用作計量本集團完全履行一項隨時間完成的履約責任的進度的方法包括：(i)產量法(即以直接計量實體截至本日的履約情況對客戶的價值為基準確認收益)；及(ii)投入法(即以實體就完成一項履約責任所投放的努力或投入為基準確認收益)。於根據新收益準則確認在建工程時，本集團認為參考客戶所發出的進度證明或向客戶提交的進度付款申請的產量法，及就工作進度作出必要及可客觀地釐定的任何調整，將可適當地說明在新準則下就個別項目向客戶轉讓貨物或服務控制權的情況。

就本集團一般合約的進度計量而言，根據迄今為止進行的評估，本集團預期不會對收益確認分析造成任何重大影響。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars)(以港元列示)

## 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (continued)

### (b) Timing of recognition of contract costs

The Group's contract costs recognition policies are disclosed in note 2(h).

Under HKFRS 15, if the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, assets shall only be recognised if the costs incurred (i) relate directly to a contract or an anticipated contract that can be specifically identified; (ii) generate or enhance resources of the Group that will be used in satisfying performance obligations in the future, and (iii) are expected to be recovered. Costs that relate to satisfied performance obligations (or partially satisfied performance obligations) in the contracts and costs for which the Group cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations shall be expensed as incurred under HKFRS 15.

Currently, contract costs of the Group are recognised by reference to the stage of completion of the contract, which is measured with reference to the progress certificates issued by the customers or payment applications submitted to the customers. Under HKFRS 15, as contract costs that related to satisfied performance obligations are expensed as incurred, the Group expects that the timing of recognition of contract costs would change and it would no longer be possible to defer or accrue costs to report a consistent margin percentage over the term of a contract.

## 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

### (b) 確認合約成本的時間

本集團的合約成本確認政策於附註2(h)披露。

根據香港財務報告準則第15號，倘履行與一名客戶所訂立的合約所產生的成本不屬於另一準則的範圍內，則僅會於所產生的成本屬以下情況下會確認資產：(i)與一項可明確識別的合約或預期合約直接相關；(ii)產生或提升本集團將於未來用作履行履約責任的資源；及(iii)預期將會收回。與合約中的特定履約責任(或部份已履行的履約責任)相關的成本，以及本集團無法分辨是否與未履行的履約責任或已履行的履約責任相關的成本，將根據香港財務報告準則第15號於產生時支銷。

現時，本集團的合約成本乃參考合約的完成階段確認，完成階段則參考客戶所發出的進度證明或向客戶提交的付款申請計量。根據香港財務報告準則第15號，由於與已履行的履約責任相關的合約成本乃於產生時支銷，本集團預期確認合約成本的時間將會有變，且不再可能為使合約期內所報告的利潤百分比一致而將成本作遞延或累計處理。

## Notes to the Financial Statements (continued)

### 財務報表附註(續)

(Expressed in Hong Kong dollars) (以港元列示)

#### 25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2018 (continued)

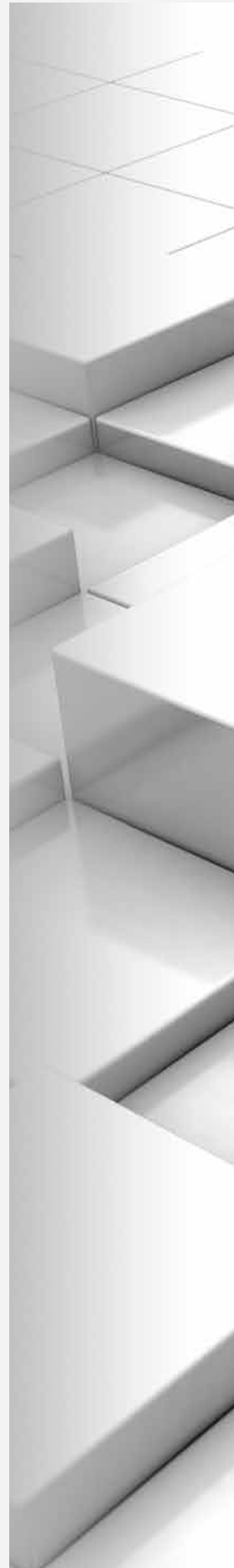
The Group expects that the adoption of HKFRS 15 will result in additional disclosures in the Group's consolidated financial statements.

The Group plans to elect to use the cumulative effect transition method for the adoption of HKFRS 15 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2018. In this regard, the Group plans to take advantage of the practical expedient allowed in HKFRS 15 and apply the new requirements only to contracts that are not completed before 1 April 2018. The Group may also change its accounting policy elections, including the transition options, until the standard are initially applied in that financial report.

#### 25 於截至二零一八年三月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

本集團預期採納香港財務報告準則第15號將導致於本集團的綜合財務報表中作出額外披露。

本集團計劃就採納香港財務報告準則第15號使用累計影響過渡法，並將首次應用的累計影響確認為二零一八年四月一日權益期初結餘的調整。就此而言，本集團計劃利用香港財務報告準則第15號所允許的可行權益方法及僅將新規定應用於在二零一八年四月一日前尚未完成的合約。本集團亦可能會更改其會計政策選擇，包括過渡條文選擇，直至上述財務報告首次應用該等準則為止。



## Financial Summary

### 財務摘要

(Expressed in Hong Kong dollars) (以港元列示)

A summary of the results and assets and liabilities of the Group for the last five financial years is as follows.

本集團最近五個財政年度的業績及資產及負債概要如下：

		Year ended 31 March 截至三月三十一日止年度				
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	381,750	386,719	497,303	370,235	<b>287,846</b>
Profit before taxation	除稅前溢利	73,136	89,376	111,497	127,797	<b>27,566</b>
Income tax	所得稅	(12,159)	(16,723)	(19,422)	(21,100)	<b>(4,548)</b>
Profit and total comprehensive income for the year	年內溢利及全面收入總額	60,977	72,653	92,075	106,697	<b>23,018</b>

		At 31 March 於三月三十一日				
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	405,244	289,631	440,562	410,794	<b>319,746</b>
Total liabilities	總負債	(202,426)	(140,850)	(109,295)	(84,050)	<b>(77,884)</b>
Net assets	資產淨值	202,818	148,781	331,267	326,744	<b>241,862</b>

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本報告以中英文兩種語言印製。在兩種文體的說明上存在歧義時，以英文為準。

