

SAM WOO CONSTRUCTION GROUP LIMITED

三和建築集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock code 股份代號 : 3822)

Annual Report 年報
2019



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Lau Chun Ming (*Chairman*)
Mr. Lau Chun Kwok (*Chief Executive Officer*)
Mr. Lau Chun Ka
Ms. Leung Lai So

Independent Non-executive Directors

Professor Wong Sue Cheun, Roderick
Mr. Chu Tak Sum
Mr. Ip Tin Chee, Arnold

AUDIT COMMITTEE

Mr. Ip Tin Chee, Arnold (*Chairman*)
Professor Wong Sue Cheun, Roderick
Mr. Chu Tak Sum

NOMINATION COMMITTEE

Professor Wong Sue Cheun, Roderick (*Chairman*)
Mr. Chu Tak Sum
Mr. Ip Tin Chee, Arnold
Mr. Lau Chun Ming

REMUNERATION COMMITTEE

Mr. Chu Tak Sum (*Chairman*)
Professor Wong Sue Cheun, Roderick
Mr. Ip Tin Chee, Arnold
Mr. Lau Chun Ming

COMPANY SECRETARY

Mr. Chan Sun Kwong

AUTHORISED REPRESENTATIVES

Mr. Lau Chun Ming
Mr. Chan Sun Kwong

REGISTERED OFFICE

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

董事會

執行董事

劉振明先生 (*主席*)
劉振國先生 (*行政總裁*)
劉振家先生
梁麗蘇女士

獨立非執行董事

王世全教授
朱德森先生
葉天賜先生

審核委員會

葉天賜先生 (*主席*)
王世全教授
朱德森先生

提名委員會

王世全教授 (*主席*)
朱德森先生
葉天賜先生
劉振明先生

薪酬委員會

朱德森先生 (*主席*)
王世全教授
葉天賜先生
劉振明先生

公司秘書

陳晨光先生

授權代表

劉振明先生
陳晨光先生

註冊辦事處

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

Corporate Information

公司資料



HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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92 Granville Road
Tsim Sha Tsui East
Kowloon
Hong Kong
Tel : (852) 2332-0783
Fax : (852) 2385-0793
Website : www.samwoo-group.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

PricewaterhouseCoopers

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking
Corporation Limited
Bank of China (Hong Kong) Limited
The Bank of East Asia, Limited
DBS Bank (Hong Kong) Limited
Chong Hing Bank Limited

STOCK CODE

3822

香港總部及主要營業地點

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九龍
尖沙咀東部
加連威老道92號
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股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
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KY1-1111, Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

核數師

羅兵咸永道會計師事務所

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
東亞銀行有限公司
星展銀行(香港)有限公司
創興銀行有限公司

股份代號

3822

Chairman's Statement

主席報告

Dear Shareholders,

I present on behalf of the board of directors (the "Board") the annual report of Sam Woo Construction Group Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 31 March 2019.

The business environment of the construction industry has been very challenging during the year. As mentioned in the last year, the construction market has been hard-hit by the prolonged debates in the Legislative Council, leading to a large logjam in funding approval for public works. This has resulted in a substantial drop in the number of open tenders in the market, and, in turn, intense competition and suppressed contract prices.

Amidst the keen competition, the Group was awarded a major contract for the Tseung Kwan O Interchange during the year. This is actually a subcontract for bored pile works which form a part of the Tseung Kwan O – Lam Tin Tunnel and is valued at about HK\$170 million. The project has commenced in mid-2018 and is expected to be completed by the end of 2019. While this project maintains the Group's momentum, we expect that there will still be some time before the market recovers. We will need at least one or two more profitable major new projects in order to optimise our utilisation of equipment and labour.

Despite the decrease in turnover and that a net loss was recorded for the year, the Group has nonetheless maintained a net cash position throughout the year as it has sufficient surplus generated from its operations in the previous years.

Against the current backdrop of economic uncertainties in the global environment under the US-China trade tension and also the interruptions in the operation of Legislative Council in Hong Kong, we foresee that it will take longer before the construction market can fully recover. While we anticipate more construction works under the Airport Third Runway Program to roll out gradually in the next year, the price competition will remain keen and we anticipate the next year to remain tough.

Up to now, we still intend to keep the current team structure and resources in place strategically so as to capture every opportunity for bidding for major projects when those tenders roll out. Yet, we will closely review the market situation from time to time and consider to make appropriate adjustments in due course in order to conserve our financial capabilities.

各位股東：

本人謹此代表董事會（「董事會」）提呈三和建築集團有限公司（「本公司」）連同其附屬公司（「本集團」）截至2019年3月31日止年度的年報。

本年度建築業的經營環境充滿挑戰。誠如去年所述，立法會耗用長時間進行議案辯論，以致大批公共工程撥款仍待審批，建築市場大受影響。由於在市場招標的合同數目大量減少，競爭更趨激烈，多項招標的合同價格受壓。

儘管建築市場競爭激烈，本集團於本年度仍贏得將軍澳交匯處此項新主要合同。此乃將軍澳－藍田隧道其中一部分的鑽孔樁分包工程，造價約1.7億港元。項目已於2018年中動工，預期於2019年底之前完成。該項目有助繼續推動本集團發展，惟我們預期距離市況好轉仍有一段時間。而我們將需要最少多一或兩項有利可圖的主要新項目，方能善用集團的設備及勞動力。

雖然年內營業額減少並錄得淨虧損，但憑藉過往年度從營運產生的充足盈餘，本集團於年內仍一直處理淨現金水平。

面對目前美中貿易局勢緊張令全球經濟環境充滿不明朗因素，加上香港立法會運作不時受到的干擾，我們預計建築市場將需要更長時間才能全面復甦。雖然我們預計明年將有更多機場第三跑道計劃下的建築工程項目陸續推出，但價格競爭將繼續激烈，預期明年的市況將仍然艱難。

直至目前為止，我們仍計劃有策略地維持現有團隊架構及資源，等待重大項目招標時抓緊每個機會。然而，我們會一直密切審視市況，並考慮在適當時候作出合適調整，以維持我們的財政實力。



In March 2017, we acquired 5% equity interest in a property holding company. The purpose is to provide a springboard for the Group to explore new opportunities in property investment or property development. Through its best efforts, the Group also expects to participate in land development project, bringing to them its wealth of expertise, skills and experience in construction. We are informed that a number of enquiries have been received from parties interested in the land development or interested to acquire the land parcel. In view of the recently volatile property market, we keep it open as to participant as land developer or realise the land investment. There is no funding pressure related to this investment on the Group in the near term.

As mentioned by the government earlier that it attaches great importance to the Hong Kong 2030+ Development Strategy, the Directors have been viewing it as a guideline for fulfilling the great demand for housing and infrastructure in the medium and long term, reinforcing the sustainable social and economic development of Hong Kong. We hope that when the current uncertainties in the economic and political arena are overcome, those development plans mentioned in the Policy Address, such as the “Lantau Tomorrow Vision”, Energizing Kowloon East and so on can ride back to a normal track.

Our establishment in Hong Kong for almost 30 years with job references both in iconic public infrastructure projects and the private development sector, as well as the commitment of our strong management team and dedicated staff to provide quality work and services to our customers, built up the Group's reputation for its excellence in expertise and experience. These have enabled us to withstand the ups and downs in the market that we experienced in the past few decades. The Board remains prudently optimistic about the long term prospects of the construction market. We are confident that the Group, as one of the most dependable contractors in the foundation segment with an extensive range of specialised machinery and equipment will secure more projects and participate instrumentally in landmark projects in the future.

I would like to take this opportunity to express my respect for and appreciation to my fellow Board members, the management team, all staff members, suppliers, subcontractors and other business partners and, most importantly, our shareholders and customers for their support.

Mr. Lau Chun Ming
Chairman
Hong Kong

21 June 2019

本集團於2017年3月完成收購一物業控股公司的5%權益，藉此為本集團帶來物業投資或物業發展的新機遇。本集團亦期望憑藉在建造業的專業知識、技術及經驗，盡全力參與有關土地發展。我們獲悉，目前已收到對發展有關土地或有意購入該土地的人士的查詢。鑑於近期地產市場波動，我們對於以土地開發商之身份參與或將該項土地投資變現持開放態度。該項投資於短期內不會對本集團造成資金壓力。

誠如政府較早前提及，其非常重視《香港2030+發展策略》，而董事視此為政府對於滿足龐大的中長期房屋和基建需求，以及加強香港的可持續社會和經濟發展之方針。我們希望在目前的經濟和政治局勢不明朗因素得以克服時，施政報告中所提及的「明日大嶼」、「起動九龍東」等發展計劃可以重回正軌。

我們屹立香港近30載，在標誌性的公共基建項目和私營發展界別皆有彪炳業績，加上我們強大的管理團隊和敬業樂業的員工致力為客戶提供優秀的工作和服務，並且憑藉本集團卓越的專業知識和經驗建立的集團聲譽，讓我們成功跨過過去數十年的市場起伏。董事會仍對建築市場的長遠前景保持審慎樂觀。本集團作為地基行業信譽良好的承建商之一，備有全面的專業機械設備，有信心能夠於未來獲得更多具標誌性的工程。

本人謹藉此機會向董事會成員、管理團隊、員工、供應商、分包商、其他業務合作夥伴，以及最重要的股東和客戶的支持致以衷心謝意。

主席
劉振明先生
香港

2019年6月21日

Management Discussion and Analysis

管理層討論與分析

The Board hereby presents the annual results of the Group for the year ended 31 March 2019 (the “Year”/“2019”), together with comparative figures from the previous year ended 31 March 2018 (the “Previous Year”/“2018”).

BUSINESS REVIEW AND OUTLOOK

Group Revenue and Gross Margin

The Group’s revenue for the Year decreased by 13% to HK\$452 million (2018: HK\$518 million). During the Year, the Group mainly relied on contribution of the Hospital Expansion project. However, this project had a relatively lower margin due to subcontracting of non-bored piling works. Although Tseung Kwan O Interchange project commenced works during the Year, its profit contribution was not significant due to severe price competition.

The gross profit and gross margin of the Group for the Year was HK\$4 million and 1% respectively (2018: HK\$44 million and 8% respectively). The decreases were mainly due to the low margin of the major projects undertaken during the Year and also overhead costs such as equipment depreciation and labour costs which did not decrease proportionately. With the Directors decided to maintain the team structure and resources for capturing opportunities to bid for major projects in their advent, overheads and administrative expenses for the Year remained largely the same as before.

董事會謹此呈報本集團截至2019年3月31日止年度（「本年度」／「2019年」）的年度業績，連同截至2018年3月31日止上年度（「去年」／「2018年」）的比較數據。

業務回顧及展望

集團收入及利潤率

於本年度，本集團的收入減少13%至452,000,000港元（2018年：518,000,000港元）。於本年度，本集團主要倚賴醫院擴建項目的貢獻。然而，由於本集團將非鑽孔樁工程外判，因此該項目的利潤率相對較低。儘管將軍澳交匯處項目已於本年度內動工，惟因價格競爭激烈，其利潤貢獻並不顯著。

於本年度，本集團的毛利及利潤率分別為4,000,000港元及1%（2018年：分別為44,000,000港元及8%），毛利及利潤率下降主要由於本年度內進行的主要項目的利潤率較低，以及設備折舊及員工成本等間接成本並無按比例減低。董事決定維持團隊架構及資源，等待主要項目招標時抓緊機會。因此，本年度間接成本及行政開支維持與過往大致相同。

Management Discussion and Analysis

管理層討論與分析



Major Projects

主要項目

	As at 31 March 2019 Completion status 於2019年3月31日 完成的狀況	Expected Completion Date 預期完成日期	Estimated Remaining Contract Value 預計餘下合約金額 (HK\$) (港元)
Hospital Expansion 醫院擴建項目	84%	Mid-2020 2020年中	229 million 2.29億
Tseung Kwan O Interchange 將軍澳交匯處	54%	End of 2019 2019年底	77 million 7,700萬
Tseung Kwan O Cross Bay Link 將軍澳跨灣連接路	Not yet commenced 尚未動工	Mid-2020 2020年中	60 million 6,000萬
Proposed Commercial/Residential Development in Wong Tai Sin District 黃大仙區商住發展項目	77%	Mid-2020 2020年中	31 million 3,100萬

Note: The above remaining contract values were determined with reference to internal estimates based on currently available information, and may be subsequently revised.

附註： 以上餘下合約金額乃參照目前資訊所作出的內部估計，稍後有可能更改。

Hospital Expansion

In July 2015, the Group won the main contract for foundation and associated works in relation to the expansion of United Christian Hospital from the Hospital Authority. The contract is HK\$1,780 million worth including contingent and/or provisional sums.

More than half of the project value is for demolition of existing buildings, site formation and road reconstruction to prepare the site for expansion of the hospital. Foundation piling works account for the remaining contract value.

醫院擴建項目

本集團在2015年7月獲得醫院管理局授予聯合醫院擴建的地基工程及相關服務的主合約。本合約價值17.8億港元，當中包括或然及／或暫定款項。

此項目按價值計有超過一半為拆卸原有建築物、進行地盤平整及道路改建作醫院擴建的地盤準備工作，而其餘為地基樁柱工程部分。

Management Discussion and Analysis

管理層討論與分析

This project contributed revenue that made up about 72% of the Group's total revenue for the Year. Excavation and lateral support works and construction of retaining wall were carried out during the Year.

As at 31 March 2019, around 84% of the project was completed and the four-year-project is expected to conclude in the mid-2020.

Tseung Kwan O Interchange

This project, commenced in mid-2018, is a subcontract for marine bored pile works for a part of the Tseung Kwan O – Lam Tin Tunnel. It is an about HK\$170 million contract.

The project contributed revenue amounting to about 20% of the Group's total revenue for the Year.

As at 31 March 2019, around 54% of the project was completed and the project is expected to be completed by the end of 2019.

Tseung Kwan O Cross Bay Link

This project is a subcontract for bored pile works for a part of the Tseung Kwan O – Lam Tin Tunnel. It is an about HK\$60 million contract. The project has commenced in mid-2019 and is expected to be completed by mid-2020.

Proposed Commercial/Residential Development in Wong Tai Sin District

This project involving installation of lateral support works was awarded to the Group in April 2015. The total contract value is about HK\$320 million (including contingent payment and/or provisional sum), with the first phase worth HK\$140 million.

The project contributed revenue amounting to about 3% of the Group's total revenue for the Year.

此項目收入佔本集團於本年度總收入約72%。於本年度已進行挖掘及側向承托工程以及建造擋土牆。

於2019年3月31日，約84%項目工程已完成，預料此項為期4年的工程將於2020年中完成。

將軍澳交匯處

此項目已於2018年中動工，為將軍澳－藍田隧道其中一部分的海事鑽孔樁分包工程，合約造價約1.7億港元。

此項目收入佔本集團於本年度總收入約20%。

於2019年3月31日，約54%項目工程已完成，預料此項目將於2019年底之前完成。

將軍澳跨灣連接路

此項目為將軍澳－藍田隧道其中一部分的鑽孔樁分包工程，合約造價約6,000萬港元。項目已於2019年中動工，預期於2020年中之前完成。

黃大仙區商住發展項目

本集團在2015年4月份獲得此份側向承托工程的合約，合同總額約3.2億港元（包括或然款項及／或暫定金額），首階段工程價值1.4億港元。

此項目收入佔本集團於本年度總收入約3%。

Management Discussion and Analysis

管理層討論與分析



As at 31 March 2019, the first phase of installation of lateral support works was around 77% completed. As mentioned in the last Annual Report and Interim Report of the Group, because of certain technical complications in the first phase of the project, part of the works had to be re-designed and re-scheduled. As a result, the estimated completion date has been postponed and the latest estimate is around mid-2020.

BUSINESS OUTLOOK

Due to severe price competition for tenders limited in number as a result of filibusters on funding approval for public works and infrastructure projects in the Legislative Council, the Group expects its profit margin to remain substantially suppressed. However, we foresee more construction works under the Airport Third Runway Program to roll out gradually which may have positive impact to the construction market. Our strategy is to conserve our construction and financial capabilities in order to grab the opportunities when those deferred projects eventually kick off. The Group anticipates greater opportunities to arise next year, which will enable it to emerge from the current trough. The “Lantau Tomorrow Vision” project announced during the Policy Address, which involves building 1,700 hectares of artificial islands off Lantau to tackle land shortages, is also good news for the sustainable development of Hong Kong and the construction industry in the medium to long term.

The Group will use its best endeavour to bid for new projects, but before landing major profitable projects, it expects to operate in a tough environment in the coming financial year.

The directors of the Company nonetheless share the view that the financial position of the Group remains healthy, as highlighted by zero net gearing as at 31 March 2019. The Group will therefore be able to brace against operational pressure.

於2019年3月31日，首階段側向承托工程已完成約77%。誠如本集團上一份年報及中期報告所述，基於項目首階段工程中的若干技術上原因，部分工程須重新設計及重新編排進度，因此預期完成日期已推延，最新估計為2020年中左右。

業務展望

由於立法會持續就待批公共基礎建設工程項目撥款拉布，導致可投標項目有限，市場近期的價格競爭激烈，預料本集團的利潤率將持續大幅受壓。然而，我們預計機場第三跑道計劃下將有更多建築工程陸續推出，這或會利好建造業市場。我們的策略是保持建設和財務實力，以抓緊這些延期項目最終啟動時的機遇。本集團預計明年將迎來更多機遇，可望帶動其走出目前的低谷。施政報告宣佈「明日大嶼」願景，當中涉及在大嶼山附近海域興建1,700公頃人工島以解決土地短缺問題，這對於香港及建造業的中長線可持續發展皆為利好消息。

本集團將會盡全力投標新項目，但在贏得有利可圖的主要項目之前，我們預期下一個財政年度的經營狀況艱難。

然而，本公司董事認為，本集團的財務狀況維持穩健，能夠讓本集團抵抗經營壓力，於2019年3月31日的淨負債比率為零。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW AND ANALYSIS

The Group recorded a net loss of HK\$50 million for the Year (2018: net profit of HK\$6 million). The net loss was incurred mainly because of the drop in contract revenue and profit margin while with largely constant overhead costs as discussed above. In addition, provision for retention receivables was made for two Macau projects completed in prior years in the amount of HK\$25 million.

Despite the above, the Group's financial position remains healthy, with current ratio at 1.5 times (2018: 1.7 times) and total cash and bank balance amounted to approximately HK\$200 million (2018: HK\$259 million). Net borrowings were 0 (2018: 0), with the Group in a net cash position as at 31 March 2019.

Administrative Expenses

Administrative expenses decreased by 38% from HK\$61 million in the Previous Year to HK\$38 million for the Year. This year's balance included (i) an exchange gain of about HK\$3 million (2018: an exchange loss of about HK\$8 million) and (ii) legal and professional expenses of about HK\$4 million (2018: HK\$16 million). If both (i) and (ii) were excluded, administrative expenses would have remained at the same level.

- (i) The exchange gain/loss from the outstanding Euro loans was the result of fluctuation of the Euro between the two financial year end dates. Such loans, temporary and rolling-over on revolving terms, are intended for settling purchases required to support operation. The Group has the flexibility to settle when it receives proceeds in Euro or when the exchange rate is more favourable to it.
- (ii) The legal and professional expenses in the Previous Year included about HK\$10 million incurred for a completed project which was reimbursed by Mr. Lau Chun Ming, a director of the Company. The amount reimbursed was recorded as other income in the financial statement. Therefore, the Group did not suffer loss from that completed project.

財務回顧及分析

本集團於本年度錄得淨虧損50,000,000港元(2018年:純利6,000,000港元)。錄得淨虧損主要由於如上文所討論合約收入和利潤率減少而間接成本大致上維持不變。此外,本集團就已於過往年度完工的兩個澳門項目作出應收保留金撥備25,000,000港元。

儘管存在上述情況,本集團的財務狀況維持穩健,流動比率維持於1.5倍(2018年:1.7倍)的穩定水平,現金及銀行結餘總額約為200,000,000港元(2018年:259,000,000港元)。本集團於2019年3月31日錄得淨現金水平,借款淨額為0(2018年:0)。

行政開支

於本年度,行政開支由去年61,000,000港元減少38%至38,000,000港元。本年度結餘包括(i)匯兌收益約3,000,000港元(2018年:匯兌虧損約8,000,000港元);及(ii)法律及專業開支約4,000,000港元(2018年:16,000,000港元)。倘撇除(i)及(ii),行政開支則會維持在相同水平。

- (i) 匯兌收益/虧損乃由未償還的歐元貸款產生,原因為歐元於兩個財政年度年結日之間波動。該等貸款屬暫時性質且按循環條款續展,擬用作結算營運所需採購,而本集團可在其收到以歐元計值的款項或當匯率更為有利時靈活地還款。
- (ii) 去年的法律及專業開支包括就一項已完工項目所錄得並已由本公司董事劉振明先生償付的約10,000,000港元款項。償付款項於財務報表列作其他收入。因此,本集團並無因該項已完工項目而蒙受虧損。

Management Discussion and Analysis

管理層討論與分析



Impairment Losses on Retention Receivables

As disclosed in the last Annual Report, a subsidiary of the Company (the “Subsidiary”) filed a civil procedure in Macau court against a customer to recover the retention receivables amounting to HK\$10 million. During the year, the claim was disagreed by Macau court and the Subsidiary has been proceeding for the appeal. In view of the uncertainties in the appeal, the management decided to make a full provision on the retention receivable.

Besides, the Subsidiary has been waiting to recover an amount of HK\$15 million retention receivables from another customer. During the Year, the employer of the customer lost in its court proceeding to preserve its land use right in the relevant construction site. The Subsidiary would further negotiate with the customer for the recovery of the retention receivables. However, in view of the uncertainty in the current situation, the management decided to make a full provision on the retention receivable.

Finance Income/Cost

The Group recorded net finance income of about HK\$1 million for the Year, compared to net finance cost of about HK\$2 million in the Previous Year. This is mainly attributable to the net cash position and the Group placed surplus cash to time deposits for earning interest income.

Taxation

The effective income tax rate for the Year was 12% (2018: 2%). The lower rate for the Previous Year was mainly attributable to the gain on disposal of plant and equipment of about HK\$6 million, which was not subject to tax.

應收保留金之減值虧損

誠如上一份年報所披露，本公司一家附屬公司（「該附屬公司」）針對一名客戶向澳門法院提出民事法律程序以收回10,000,000港元之應收保留金。於本年度，澳門法院不同意該項申索，而該附屬公司現正進行上訴。鑑於上訴存在的不確定因素，管理層決定對有關應收保留金計提全數撥備。

此外，該附屬公司一直等待從另一名客戶收回15,000,000港元之應收保留金。於本年度，該客戶之僱主在保留其於相關建築工地的土地使用權之法院訴訟中被判敗訴。該附屬公司將與該客戶進一步磋商以收回應收保留金。然而，鑑於目前情況之不確定因素，管理層決定對有關應收保留金計提全數撥備。

財務收入／費用

本集團於本年度錄得淨財務收入約1,000,000港元，去年則錄得淨財務費用約2,000,000港元，主要由於本集團處於淨現金水平並將富餘現金存作定期存款以賺取利息收入。

稅項

本年度的實際所得稅稅率為12%（2018年：2%）。去年稅率較低，主要是因為去年錄得出售機器及設備之收益約6,000,000港元為毋須繳稅。

Management Discussion and Analysis

管理層討論與分析

Capital Expenditures and Capital Commitments

The Group generally finances its capital expenditures by internal resources, long-term bank loans and finance leases. During the Year, the Group invested approximately HK\$14 million in machinery and equipment. As at 31 March 2019, the Group's capital commitments relating to purchase of machinery and equipment was nil (2018: nil).

During the Year, save as disclosed herein, the Group did not make any material acquisitions or disposals of assets.

Liquidity, Financial Resources and Gearing

Liquidity

The Group generally meets its working capital requirements by cash flows generated from its operations and short-term borrowings. During the Year, the Group used in operating activities a net cash outflow of approximately HK\$63 million (2018: generated a net cash inflow of HK\$67 million). Notwithstanding the deficit in cashflow for the Year, the Group has sufficient surplus generated from its operations in the previous years. Therefore, together with short-term bank loans and overdraft facilities available, the Group's daily operations had been financially sound throughout the Year.

Cash and Bank Balances

As at 31 March 2019, the Group had a total cash and bank balances of approximately HK\$200 million (2018: HK\$259 million) mainly denominated in Hong Kong dollars. The decrease in cash and bank balances was mainly due to the operating loss during the Year.

資本開支及資本承擔

本集團一般透過內部資源、長期銀行貸款及融資租賃撥付其資本開支。本集團於本年度投資約14,000,000港元購置機械及設備。於2019年3月31日，本集團有關購置機械及設備的資本承擔合共為零港元（2018年：零港元）。

於本年度，除本文所披露外，本集團並無任何重大資產購置及出售。

流動資金、財務資源及資產負債比率

流動資金

本集團一般以其經營產生的現金流及短期借貸撥付其營運資金需求。於本年度，本集團經營活動所用的現金流出淨額約63,000,000港元（2018年：產生現金流入淨額67,000,000港元）。儘管本年度錄得現金流量虧絀，本集團從過往年度的營運已產生足夠的富餘現金。因此，加上短期貸款及備用銀行透支，本集團於本年度的日常營運維持財政穩健。

現金及銀行結餘

於2019年3月31日，本集團的現金及銀行結餘總額約為200,000,000港元（2018年：259,000,000港元），主要以港元計值。現金及銀行結餘減少主要源自本年度的經營虧損。

Management Discussion and Analysis

管理層討論與分析



Borrowings

As at 31 March 2019, the Group had total borrowings of approximately HK\$96 million (2018: HK\$81 million) denominated in either Hong Kong dollars or Euros. Borrowings generally include short-term and long-term bank loans, finance leases and overdrafts bearing floating interest rates. Of the total borrowings, approximately HK\$80 million (2018: HK\$29 million) was short-term bank loans and approximately HK\$13 million (2018: HK\$36 million) was the current portion of long-term bank loans and obligations under finance lease with maturity dates within 12 months.

Gearing Ratio and Total Equity

As at 31 March 2019, the Group had a net cash position (2018: same) (net borrowings divided by total equity). The Group's net cash position was mainly attributable to the profits from operations accumulated during the previous years and the reduction in capital expenditure on machinery and equipment. For the purpose of calculating the Group's net gearing ratio, net borrowings refer to the total borrowings less cash and cash equivalents and restricted bank balances.

As at 31 March 2019, the Group's net current assets were approximately HK\$90 million (2018: HK\$156 million) and current ratio (current assets divided by current liabilities) was 1.5 times (2018: 1.7 times). The Group's total equity as at 31 March 2019 was approximately HK\$626 million (2018: HK\$686 million).

Foreign Exchange Exposure

Operations of the Group are mainly conducted in Hong Kong dollars. The Group's revenue, expenses, cash and bank balances, borrowings, other monetary assets and liabilities are also principally denominated in Hong Kong dollars. Other than the purchases paid in Euros and Singapore dollars and such short-term Euros borrowings for settlement, the Group was not exposed to any significant foreign currency risk and had not employed any financial instrument for hedging.

借款

於2019年3月31日，本集團借款總額約96,000,000港元（2018年：81,000,000港元），以港元或歐元計值。借款一般包括短期及長期銀行貸款、融資租賃及透支，並按浮動利率計息。於借款總額中，約80,000,000港元（2018年：29,000,000港元）為短期銀行貸款，及約13,000,000港元（2018年：36,000,000港元）為長期銀行貸款及融資租賃責任的即期部分，根據各自到期日於12個月內到期。

資產負債比率及權益總額

於2019年3月31日，本集團錄得淨現金水平（2018年：相同）（按借款淨額除以權益總額計算）。本集團錄得淨現金水平主要由於過往年度累積的營運產生溢利以及機械及設備的資本開支減少所致。就計算本集團的淨資產負債比率而言，借款淨額指借款總額減去現金及現金等價物，以及受限制銀行結餘。

於2019年3月31日，本集團的淨流動資產約為90,000,000港元（2018年：156,000,000港元），而流動比率（按流動資產除以流動負債計算）為1.5倍（2018年：1.7倍）。於2019年3月31日，本集團的權益總額約為626,000,000港元（2018年：686,000,000港元）。

外幣風險

本集團的營運主要以港元進行。本集團的收入、開支、現金及銀行結餘、借款、其他貨幣資產及負債亦主要以港元計值。除了本年度的採購以歐元及新加坡元支付以及就有關結算而動用的相關短期歐元借款外，本集團並無重大外幣風險，亦無採用任何金融工具作對沖用途。

Management Discussion and Analysis

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Contingent Liabilities

As at 31 March 2019, save for guarantees of performance bonds relating to two foundation works and ancillary services projects of the Group of approximately HK\$18 million and HK\$17 million, respectively (2018: same), the Group did not have any material contingent liabilities. The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

Pledge of Assets

As at 31 March 2019, the net book amount of plant and equipment held under finance leases and pledged for long-term bank loans was approximately HK\$64 million (2018: HK\$84 million) and approximately HK\$76 million (2018: HK\$117 million), respectively. None of the banking facilities of the Group were secured by the Group's bank deposits (2018: none).

RELATIONSHIPS WITH CUSTOMERS, SUPPLIERS AND EMPLOYEES

Customers

The Group emphasises its ability to deliver quality work on time to customers and within the pre-determined project budget. To execute the quality assurance policy of the Group, we have maintained a quality management system which follows the ISO 9001 standards. Quality assurance functions are performed throughout the foundation works process from the construction materials procurement stage to the completion stage to ensure that the foundation works and ancillary services meet the standards required by each customer. In addition, members of our management team communicate with our customers on a regular basis during the course of a project to better understand and respond to our customers' specific requirements. As our foundation business operates on a non-recurring and project-by-project basis, we have not entered into any long-term master contract with any of our major customers. However, through this continued relationship development, our Group aims to attract further business from these customers and referrals from these customers. Our directors consider that our Group has established good relationship with our customers by delivering constructive solutions and quality service to them.

或然負債

於2019年3月31日，除有關本集團兩項地基工程及附屬服務項目的履約保函擔保分別約18,000,000港元及17,000,000港元（2018年：相同）之外，本集團並無其他任何重大或然負債。該等履約保函預計將根據各建築合約的條款解除。

資產抵押

於2019年3月31日，根據融資租賃持有及質押以獲得長期銀行貸款的機械及設備的賬面淨值分別為約64,000,000港元（2018年：84,000,000港元）及約76,000,000港元（2018年：117,000,000港元）。本集團沒有銀行信貸由本集團的銀行存款作抵押（2018年：無）。

與客戶、供應商及僱員的關係

客戶

本集團強調按時及在項目的預算內向客戶交付優質工程的能力。為執行本集團的質保政策，我們已採取符合ISO 9001標準的質量管理系統。質量保證職能從採購建築材料階段到完成的各個階段均貫徹採納，以確保地基工程及附屬服務可達到各客戶要求的標準。此外，於項目過程中，我們的管理團隊成員與客戶保持定期溝通，以便深入了解及回應客戶的具體要求。由於本集團的地基業務以非經常性及以項目為單位營運，我們並無與任何主要客戶訂立任何長期綜合合約。然而，透過這種持續的關係發展，本集團旨在從該等客戶招攬更多的業務及客戶的轉介。董事認為，本集團已透過向客戶提供建設性的解決方案及優質服務，與客戶建立起良好的關係。

Management Discussion and Analysis

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Suppliers

We enter into contracts with our suppliers for construction materials and subcontractors on a project-by-project basis without a long term contract. Meanwhile, we maintain a pre-approved list which admission is subject to assessment of their background (including track record, pricing, market reputation, timely delivery, financial conditions and after-sales service) and the satisfactory quality of their construction materials, and review and update the list from time to time. We also acquired machinery and equipment from Asian and European manufactures. We will check the product qualities and make payments according to the contract terms. The directors consider that we have maintained good business relationships with these suppliers, subcontractors and manufacturers. During the year, there was no material delay or dispute related to them causing disruption to our operations. Some of them also have developed good trading history of over years with our Group.

Employees

We believe that our employees are important assets to our Group. Our directors recognise the importance of attracting and retaining staff by providing a healthy and safe working environment and job security. Our staff receive training to enable them to acquire the prerequisite skills and knowledge on health and safety related procedures before they are assigned to carry out foundation works and ancillary services on sites. Our Group also performs regular maintenance checks on the machinery and equipment since our Group regards regular maintenance as an important element to ensure safety at the work sites. There was no fatal accidents happened in the Group's projects during the year and the accident rate was lower than the industry average for the construction industry.

As at 31 March 2019, the Group had approximately 175 (2018: 177) employees. The remuneration package we offer to our employees includes salary, discretionary bonuses and allowances. In general, we determine employee salaries based on the individual's qualifications, position and performance (where applicable). We have designed an appraisal system to assess the performance of our employees, which forms the basis of our decisions with respect to salary raises, bonuses and promotions. Our directors believe that the relationship and co-operation between our management team and our employees has been good.

供應商

我們按逐項基準就建築材料與供應商訂立合約並與分包商訂約，且並無訂立長期合約。同時，我們列有一份預先認可名單，獲納入該名單前，供應商必須先通過就彼等背景（包括往績記錄、價格、市場聲譽、準時交付情況、財務狀況及售後服務）及彼等建築物料質量是否令人滿意所作的評估，本集團不時檢討及更新該名單。我們亦向亞洲及歐洲製造商購置機械及設備。我們將檢查產品質量並根據合約條款付款。董事認為，我們一直與該等供應商、分包商及製造商維持良好業務關係。年內，並無有關彼等的任何重大延遲或爭議對本集團業務造成干擾。彼等當中有多個已經與本集團合作多年。

僱員

我們相信，僱員乃本集團的重要資產。本集團董事認識到透過提供一個健康及安全的工作環境及工作保障對吸引及挽留員工的重要性。我們的員工在被派往地盤開展地基工程及附屬服務前已接受培訓，以便能掌握有關健康及安全流程的必要技能及知識。本集團亦對機械及設備進行定期檢修，因為我們將定期保養和檢查視為確保工程地盤安全的要素。年內本集團的項目內並無發生致命事故，且事故率低於建築行業的行業平均水平。

於2019年3月31日，本集團有約175名（2018年：177名）僱員。我們提供予僱員的酬金組合包括薪金、酌情花紅及津貼。在通常情況下，我們根據僱員的個人資歷、職位及表現（倘適用）來釐定其薪金。我們設計了一套審核制度，以評估僱員的表現，並據此決定其加薪幅度、花紅及晉升。董事相信，我們管理團隊與僱員之間的關係與合作保持良好。

Management Discussion and Analysis

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ENVIRONMENTAL POLICIES

Our Group also places an emphasis on environmental protection when undertaking our foundation works and ancillary services. Our Group's activities are performed with the utmost attention to quality, safety and with respect to the environment. It is the policy of our Group to ensure that all its activities are carried out in a manner that causes minimum adverse impact on the environment through the establishment and implementation of a management system which aims to achieve environmental targets, comply with environmental legislation and regulations, foster employees' awareness of their responsibilities for the environment; and review the Group's performance in respect of environmental matters and strive to achieve continual improvement of its performance and prevention of pollution. Trainings are provided to all staff including the sub-contractor staff on the statutory and other relevant requirements on environment and the implications of not complying therewith.

In recognition of the policies and procedures undertaken by our Group to address potential environmental issues with its foundation works and ancillary services, in particular, large diameter bored piles (with bell-out) and rock socketed steel H-piles in pre-bored holes, our Group was awarded the ISO 14001:2004 (environment management system accreditation) and renewed the certificate after passing the relevant audits conducted by external certification body. Our Group also implements an ISO 50001-based EnMS (energy management system) that helps us to ascertain our current status of energy use in order to devise corresponding measures to promote efficient energy use in machinery and facilities and to formulate a clear framework to promote continual improvement in energy management and raise staff awareness on energy efficiency and conservation. Our Group also monitors continuously on the compliance with the customer's environmental protection requirements and relevant laws and regulations. During the year, our Group had not been prosecuted by any governmental authority for any purported breach of any applicable environmental laws and regulations.

環保政策

本集團於承接地基工程及附屬服務時亦着重環境保護工作。本集團業務執行過程中尤為注重質量、安全及環保。本集團的政策為透過建立及實施管理系統，以對環境造成最小不利影響的方式進行所有其業務，該管理系統旨在達成環保目標、符合環保法律及法規、培養員工的環保責任意識，並檢討本集團有關環保事宜的表現，致力實現其業績表現的持續改善並防止污染。本集團就環保的法定及其他相關規定以及不遵守該等規定的影響向全體員工（包括分包商的員工）提供培訓。

本集團獲頒發ISO 14001 : 2004（環境管理體系認證），以認可本集團為解決地基工程及附屬服務（尤其是大口徑鑽孔擴底樁及套入岩石鋼樁）涉及的潛在環境問題而採取的政策及流程，並經過外部審核公司進行的相關審核後，重續證書。本集團並已實施ISO 50001能源管理體系，可以協助我們了解現行能源使用狀況，以制訂機械和設備使用相應的善用能源措施和框架，促進持續改善能源管理，提高員工對能源效益和節能的意識。本集團亦就遵守客戶的環保要求及相關法律及法規進行持續監控。年內，本集團並無因任何指稱違反任何適用環境法律及法規而被任何政府機關起訴。



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6. Giving Back to Society 回饋社區
7. Award and Achievement 獎項及成就
8. Sustainability Performance Overview 可持續數據表現概要
9. Hong Kong Stock Exchange Environmental, Social and Governance Reporting Guide Index
香港聯交所環境、社會及管治報告指引索引

Environmental, Social and Governance Report

環境、社會及管治報告

1. OUR REPORT

1.1. Overview

This report provides the corporate social responsibility performance of Sam Woo Construction Group Limited (the “Group”) (HKEx Stock Code: 03822) in environmental, social and governance from 1 April 2018 to 31 March 2019. This report is in compliance with the “comply or explain” provisions of Environmental, Social and Governance Reporting Guide (ESG Reporting Guide) under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and contains all recommended disclosures therein.

1.2. Scope of Reporting

This ESG Report covers the operation of the Group’s headquarters office and the foundation works project of Tseung Kwan O.

1.3. Feedback

Your comments and advices will help determine and reinforce the Group’s future sustainability strategy. In order to enable the Group to comprehensively understand and improve the performance related to corporate social responsibility work, we eagerly look forward to your feedback via the following contact information:

Sam Woo Construction Group Limited

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1. 我們的報告

1.1. 概覽

本報告提供有關三和建築集團有限公司(下稱「本集團」)(港交所上市編號：03822)在2018年4月1日至2019年3月31日的環境、社會及管治的企業社會責任表現的情況。本報告已遵守《香港聯合交易所有限公司證券上市規則》附錄27《環境、社會及管治報告指引》(ESG報告指引)所載列的「不遵守就解釋」條文，並根據指引中的所有建議披露作匯報。

1.2. 報告範圍

本環境、社會及管治報告的內容涵蓋本集團的總部辦公室的營運，以及將軍澳的地基工程項目。

1.3. 意見反饋

您的意見及建議均有助確定及加強本集團未來的可持續發展策略。為使本集團更全面地了解及改善有關企業社會責任工作的表現，我們殷切期望閣下透過以下聯繫方式給予反饋：

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2. STAKEHOLDERS COMMUNICATION

We believe that sincere communication with stakeholders is the key for the Group's business development and growth and is also an indispensable part of our efforts in sustainable development. Therefore, we deeply understand the concerns of different stakeholders to meet their demands and continue to improve, and thus also enhance the Company's management capabilities of sustainable development and drive the realization of the Company's strategic objectives.

In order to better understand the stakeholders' expectations and comments on the Group's ESG issues, we continuously communicate with a wide range of stakeholders. The Group communicates with our investors through a variety of channels to ensure that they are up to date with our latest developments. Such channels include result announcements, annual and interim reports, meetings, company publications and company website. In addition, the Group maintains close contact with customers and contractors through meetings, telephone conferences and e-mails. They may also have access to more information by referring to publications about the Group.

3. CARE FOR THE ENVIRONMENT

Management approach and policies

Although our business will not have material and significant environmental impact, the Group understands that conducting construction works will cause indirect impact on the environment, we therefore are committed to protecting the environment and promoting sustainable development, contributing for building a green future. The Group has adopted ISO 14001 Environmental Management System and ISO50001 Energy Management System and conducts internal and external assessments regularly to evaluate the system effectiveness for continuous improvement, so as to reduce and avoid unnecessary pollution to demonstrate our commitment on environmental management.

2. 與持份者溝通

我們認為與持份者坦誠溝通是集團業務發展及增長的關鍵，亦是企業可持續發展工作中不可或缺的內容。因此，我們深入瞭解不同持份者關注的事項，滿足他們的訴求並持續改進，也藉此提升公司的可持續發展管理能力，驅動公司戰略目標的實現。

為更了解持份者對本集團的ESG事宜的期望及意見，我們持續不斷與廣泛的持份者進行溝通。透過不同的渠道如業績發佈、年報及中期報告、會議、公司刊物及公司網站與我們的投資者進行交流，務求令投資者能充分掌握我們的最新動態。本集團亦經常與客戶及承判商等以會議、電話會議、電郵等方式保持緊密聯繫，他們亦可通過參閱有關本集團的刊物瞭解更多的資訊。

3. 愛護環境

管理方針及政策

雖然我們的業務不會帶來重大和顯著的環境影響，但本集團亦明白進行建築工程對環境會對環境產生間接的影響，故此我們一直致力實踐環境保護和推動可持續發展，為建設綠色未來作出貢獻。透過採用ISO 14001環境管理系統及ISO 50001能源管理系統，並定期就系統的有效性進行內部及外部評估，力求持續改善，以減少及避免不必要的污染，以展現對環境管理的承諾。

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The Group has strictly complied with all applicable environmental protection laws and regulations, and there were no cases of prosecution due to violation of the relevant environmental protection laws during the reporting period.

3.1. Pollution Control

Tackling climate change

On the issue of climate change, the Group has tried its best in its own sphere. We have formulated regional procurement measures in accordance with the guidelines of “Building Environmental Assessment Method Plus for New Buildings”. In compliance with the conditions we require, we prioritize using local suppliers and regional materials to reduce energy consumption and greenhouse gas emission that arisen from additional transportation.

The Group spares no effort to adopt state-of-the-art technologies and equipment, which not only improves production efficiency, but also enhances our environmental protection performance and reduces energy consumption and carbon emissions. The Group conducts regular equipment maintenance to improve the operation efficiency and minimize the additional emissions that caused by equipment failure.

本集團嚴格遵守所有適用的環保法例和法規，報告期內未有因為違反與環保相關法例而被檢控的個案。

3.1. 污染控制

應對氣候變化

在氣候變化議題上，本集團盡可能在自身的範疇上作出最大的努力，我們參照《綠建環評—新建建築》的指引，制訂了關於區域性採購的措施，在符合我們要求的條件下，優先選用本地供應商及採用地區生產的物料，以減少因額外的運輸過程而增加的能源消耗及溫室氣體的排放。

本集團致力吸納新技術及設備，除可提高生產效率外，同時亦可促進環保表現，減少耗能及碳排放。本集團會定期對設備進行維修保養，以提高設備運行效率，降低因設備失效而導致的額外排放。

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In addition, to understand and manage our business' impact on climate change, we regularly monitor and inspect the Group's greenhouse gas emission volume to determine the future response policy.

此外，為了解和管理我們業務對氣候變化的影響，我們定期監察和檢視集團的溫室氣體排放量，以便確定未來的應對方針。

Direct emission* 直接排放*	Energy indirect emissions* 能源間接排放* (tCO ₂ e) (公噸二氧化碳當量)	Total greenhouse gas emissions* 溫室氣體排放總量*
757.85	0.35	758.20

*Remark: The total greenhouse gas emissions in 2017/18 is 8,419.36 tCO₂e, of which direct emissions are 8,419.00 tCO₂e, and energy indirect emissions are 0.36 tCO₂e.

*註:2017/18年的溫室氣體排放總量為8,419.36公噸二氧化碳當量，當中直接排放為8,419.00公噸二氧化碳當量及能源間接排放為0.36公噸二氧化碳當量

	Total consumption 總耗量		Carbon emissions 碳排放量	
Electricity 電力	681.35	kWh 千瓦時	0.35	tCO ₂ e 公噸二氧化碳當量
Gasoline (mobile sources) 汽油(流動源)	18,432.97	litres 公升	40.89	tCO ₂ e 公噸二氧化碳當量
Diesel (mobile sources) 柴油(流動源)	47,238.01	litres 公升	130.96	tCO ₂ e 公噸二氧化碳當量
Diesel (stationary sources) 柴油(固定源)	220,500.00	litres 公升	577.00	tCO ₂ e 公噸二氧化碳當量

Waste Gas Emission

The Group has been focusing on the issue of waste gas emission. Our main waste gas emission is the dust generated during construction and the emissions from the Group's vehicles. We follow the construction advice of the main contractors to adopt all appropriate mitigation measures, such as sprinkling water on dry ground to reduce blowing dust. In addition, only a small number of private cars in the Group are used for employees' short-distance transport, so there has been no significant impact on the environment.

廢氣排放

本集團一直關注廢氣排放問題，我們的主要廢氣排放為施工時所產生的塵土及來自集團汽車的排放，而我們會按照總承建商的施工建議，採用一切合適的緩解措施，例如在乾燥的地面灑水等，減少塵土飛揚。另外，集團只有少量的私家車以為員工工作短途接送之用，故此對環境並未有重大的影響。

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Waste Management

The Group understands that handling and disposing of waste is an increasingly serious environmental issue, and knows that the large amount of construction waste generated on construction sites will place a heavy burden on waste disposal facilities. Therefore, we promote the waste reduction from the source, assess production procedures regularly, identify the source of waste to formulate policies to reduce the generation of hazardous waste, and facilitate recycling to treat waste in a responsible manner. In order to handle construction waste properly, the Group has formulated complete construction waste management plan, including recycling, handling, transferring and disposing of construction waste.

The hazardous waste generated by the Group's Tseung Kwan O project is collected, handled and disposed by the main contractors. Although we do not handle hazardous waste directly, we strictly comply with the main contractors' waste management measures. For example, we will separately store hazardous waste in special containers.

Reduction of wastewater discharge

The Group deeply agrees that the shortage of water resources is a serious problem facing the world. The Group handles sewage discharge carefully, minimizing the impact on the surrounding environment. The construction wastewater would be treated at the sewage treatment tank first before discharging into sewage drains to ensure the compliance with the requirements of the sewage discharge license. Meanwhile, the Group has been promoting the concept of wastewater recycling to reduce wastewater discharge and conserve water.

廢棄物管理

本集團明白處理及棄置廢物是日益嚴重的環境問題，亦知悉建築工地產生大量建築廢物會對廢棄物處理設施做成沉重的負擔。為此，我們推動源頭減廢，定期評估生產流程，找出廢棄物產生的源頭，以制定減少有害廢棄物的產生；並促進回收，以負責任的方式處理廢物。而為了妥善處理建築廢物，本集團已制訂完善的建築廢物管理計劃，當中包括回收、處理、轉移和棄置建築廢物。

本集團的將軍澳工程項目所產生的有害廢棄物均由總承建商收集、處理及棄置。雖然我們並未有直接處理有害廢棄物，但是我們亦會嚴格遵從有關總承建商的廢棄物管理措施，例如：我們會將有害廢棄物獨立儲存於專用垃圾桶內。

減少廢水排放

集團深切認同水資源短缺是全球面對的嚴峻難題。本集團審慎處理污水排放事項，將周遭環境所受的影響減至最低。建築過程中所產生的污水會先經過污水處理池處理以確保符合污水排放牌照的條件，再經污水渠排放。同時，集團一直在推廣廢水循環利用的理念，務求在減少廢水排放的同時節省用水量。

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3.2. Use of Resources

To make good on the Group's promise on achieving environmentally sustainable development, we have formulated the code of practice and technical guidance, which summarize our environmental protection requirements on employees, contractors and suppliers and provide more specific management suggestions and measures to the employees, to ensure all resources, including energy, water and other natural resources, are used in an efficient and conservative manner.

Energy conservation and consumption reduction

The Group has always been committed to promoting the environmental protection performance and reducing energy consumption. For effective energy management, we have already adopted the ISO50001 Energy Management System and have been certified for many years. With this systematic management, we expect to lower energy costs, reduce greenhouse gas emissions and achieve the Group's sustainable development goals.

3.2. 善用資源

為實踐本集團對於實現環境可持續發展的承諾，我們制定實務守則及技術指引，該手則及指引概括了我們對員工、承包商和供應商的环境保護要求，並為員工提供了更具體的管理建議及措施，使其更有效及審慎地使用所有資源，包括能源、水及其他天然資源等。

節能降耗

本集團一直致力促進環保表現，減少耗能。為有效進行能源管理，我們早已採用ISO 50001能源管理系統，並持續多年獲得認證。期望藉由此系統化的管理，使能源成本降低、減少溫室氣體排放，繼而達到集團的可持續發展目標。

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Water conservation and efficiency enhancement

The Group deeply agrees that the shortage of water resources is a serious problem facing the world. To strengthen the management and protection of water resources, the Group actively promotes the concept of using recycled water on the construction sites. The construction wastewater would be reused for water spraying for dust reduction and for equipment cleaning after treated by sewage treatment tank, which helps to reduce water consumption and control pollution simultaneously. In addition, the Group is also committed to raising the employees' awareness of water conservation, we publicize water resources management measures to employees in environmental trainings; meanwhile, the Group also strengthens the maintenance, inspection and management of water-consuming equipment to avoid leakage caused by pipeline damage, thus achieving the purpose of water conservation of the Group.

During the reporting period, the major resources consumed by the Group during its operation and production are summarized as follows:

Resources 資源	Unit 單位	Total consumption 總耗量
Electricity 電力	kWh 千瓦時	681.352
Gasoline (mobile sources) 汽油(流動源)	litres 公升	18,432.97
Diesel (mobile sources) 柴油(流動源)	litres 公升	47,238.01
Diesel (stationary sources) 柴油(固定源)	litres 公升	220,500.00
Paper materials 紙類物料	kilograms 公斤	938.65

節水增效

集團深切認同水資源短缺是全球面對的嚴峻難題。為加強管理和保護水資源，本集團積極於工地推行使用循環水的理念，透過將工序中產生的污水，經過污水處理池進行處理，然後再輸送回工地內作減塵灑水及清洗裝備之用，以減少用水之餘亦有助控制污染。另外，本集團亦致力提高員工的節水意識，我們在環境培訓中向員工宣傳水資源管理措施；同時亦加強對用水設備的維護檢查管理，以避免因管線損壞而導致漏水情況，從而達至集團的節約用水的目的。

於報告期間，本集團在運作及生產期間所消耗各種主要資源概列如下：

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3.3. Green Operation

Advocating green office

The Group proactively integrates environmental responsibility into its daily operations. In this regard, we have established the green office policy and the management measures of green operation to reduce environmental impact and the consumption of natural resources.

Measure name

措施名稱

Green office

綠色辦公室

Measure details

措施內容

- Adopting zoning control for lighting and air-conditioning systems in the office
- 辦公室的照明及空調系統採用分區控制
- Encouraging paperless office by replacing traditional paper documents with electronic documents
- 鼓勵無紙化辦公，利用電子文檔取代傳統紙質文檔
- Setting air conditioners' temperature to 25°C
- 設定空調溫度為25°C
- Arranging for the supplier to collect toner cartridges to minimize the production of hazardous waste
- 碳粉匣會安排由供應商作回收，減少危險廢棄物的產生
- Advocating utilization of recycled paper in response to the call for cherishing the earth's resources
- 提倡使用再造紙以響應珍惜地球資源

Promoting Green Concepts
in the Supply Chain

在供應鏈中宣傳環保

- All contracts entered into with suppliers contain all requirements on environmental protection. Suppliers are required to comply with environmental protection laws and regulations and the standards of the Group
- 與供應商簽訂的合同中包含環境保護的所有規定，供應商必需遵從環保法律法規及本集團的標準
- The Group will also use posters and emails from time to time to encourage sub-contractors to comply with environmental protection measures
- 本集團亦不時使用海報和電子郵件鼓勵分包商遵循環保措施

3.3. 綠色營運

倡導綠色辦公

本集團積極將環境責任融入到企業日常經營行為中，對此我們為訂立綠色辦公室政策及綠色營運的管理措施，以減低對環境及自然資源的消耗。

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Measure name 措施名稱	Measure details 措施內容
Providing Environmental Protection Training 提供環保培訓	<ul style="list-style-type: none">• The Group provides environmental protection training for every new employee for them to understand the requirements and standards of the industry and the Group on environmental protection• 本集團均會為新入職的員工提供環保培訓，讓他們瞭解行業及本集團對環境保護方面的要求及標準• At day-to-day meetings, we remind and educate employees and workers on our environmental protection efforts• 在日常會議中，我們均會提醒及教育員工及工人實施環保工作
Green purchase and management 綠色採購及管理	<ul style="list-style-type: none">• Give priority to models that are energy efficient and low in emissions to support environmental protection when they meet the Company's requirements• 在符合公司要求情況下，優先選擇高能源效益及較少排放的型號以支持環保• After completion of a project, tools and equipment that are in good condition would be transported back to the warehouse to be used for other projects• 當工程項目完工後，狀態良好的工具及裝備會帶回倉庫，以備其他工程再用• The Group would procure materials based on the actual needs of the project and would record the quantity used for monitoring to prevent wastage due to lack of management• 按工程實際需要計劃採購的材料和物資，並記錄用量以便監察，避免因欠缺管理而導致浪費• Regular inspections and maintenance are carried out in order to increase energy efficiency and slow down the damage and prolong the working life of the machineries• 定期進行日常檢查和保養以提升能源效益及減慢機器損壞，延長工作壽命

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Green Construction

The major pollution source generated by the Group is from the daily operation of construction site. To effectively control and manage as well as focusing on various environmental discharges, the Group has in place a “Green Construction Program” for control and strict monitoring. It ensures that constructions are carried out in accordance with relevant environmental protection laws and regulations to minimize the environmental impacts of the project construction process on the surrounding environment.

綠色施工

地盤日常運作是集團的主要產生污染的來源之一，為有效及重點控制管理各項環境排放，集團有一套「綠色施工方案」以管制及嚴格監控，確保施工按照相關環保法律法規執行，以至將項目施工的過程對周邊的環境影響降至最低。

Site Management

工地管理

- | | |
|--------------------------|--|
| Airborne dust prevention | <ul style="list-style-type: none">• Adopting effective dust prevention measures on site, for example, water sprinkling, hard-paving ground, fencing, netting and sealing |
| 防揚塵 | <ul style="list-style-type: none">• 現場採取有效防塵措施，如灑水、地面硬化、圍檔、密網覆蓋、封閉等• Ensuring the airborne dust control meets the requirements of “Air Pollution Control Ordinance” and “Building Environmental Assessment Method Plus for New Buildings”• 確保施工現場揚塵控制須達到《空氣管制條例》及《綠建環評－新建建築》規定 |
| Noise suppression | <ul style="list-style-type: none">• Noise shall not exceed the requirements of the “Noise Control Ordinance” and “Building Environmental Assessment Method Plus for New Buildings” |
| 降噪音 | <ul style="list-style-type: none">• 噪音不得超過《噪音管制條例》及《綠建環評－新建建築》規定• Regulating and controlling noise instantly on the construction site• 在施工場界對噪音進行即時監測與控制 |

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Site Management

工地管理

- | | |
|------------------------------|--|
| Wastewater treatment
污水處理 | <ul style="list-style-type: none">• Applying for wastewater discharge permit according to the discharge requirements• 按照排放要求申請污水排放許可證• Assigning qualified units to monitor wastewater quality• 委託合資格的單位進行廢水水質檢測• Ensuring the wastewater discharge meets the requirements of the “Water Pollution Control Ordinance”• 確保污水排放達到《水污染管制條例》的規定 |
| Waste management
廢棄物管理 | <ul style="list-style-type: none">• Setting a temporary storage site for waste• 設立廢棄物臨時貯存場地• Conducting waste classification with clear categorization• 分類擺放並有明確的標識• Hazardous solid waste is required to be classified and placed in a confined area• 有害固體廢棄物必須分類收集，以及封閉存放• When certain amounts are stockpiled, local certified collector is engaged to dispose of the waste• 積存一定數量後則須委託當地合資格的收集商統一處理• Ensuring the requirement of the “Waste Disposal Ordinance” are met• 確保符合《廢物處置條例》的規定 |

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4. GROWTH AND WIN-WIN

4. 成長共贏

4.1. Equal Employment

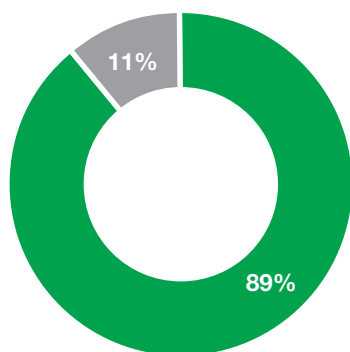
4.1. 平等僱傭

Overview of the Group's employees

本集團的僱員概覽

Gender distribution of employees

員工性別分佈

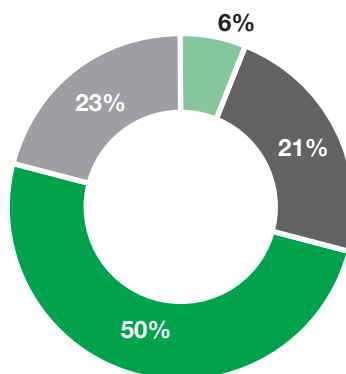


Male 男 Female 女

Male 男	159
Female 女	19

Age distribution of employees

員工年齡分佈



18-30 years old 18-30歲 31-45 years old 31-45歲 46-60 years old 46-60歲 61-84 years old 61-84歲

18-30 years old 18-30歲	11
31-45 years old 31-45歲	38
46-60 years old 46-60歲	88
61-84 years old 61-84歲	41

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Management approach and policies

We firmly believe that talent is the core of business and the key to the Group's success; we are committed to creating a desirable working environment for our employees, and will provide training courses and career development chances in due course to assist them to grasp future opportunities. We have a dedicated human resources committee to regularly review and improve the relevant policies, so as to ensure that they are in compliance with local laws and industry guidelines. During the reporting period, the Group did not find any violations or receive complaints concerning discrimination or recruitment.

Equal opportunity and diversity

We implement a policy of diversity and non-discrimination to demonstrate our determination to create a non-discriminatory working environment for employees and job applicants. We ensure that each job applicant has corresponding right, and that employees are treated fairly and impartially in recruitment, probation period, promotion, resignation and other aspects. In considering the recruitment and promotion of an employee, we refer to his/her job performance, experience and personal ability of the employee as the promotion criteria, and will not discriminate against or disregard him/her on the grounds of sex, age, marital status, family status, pregnancy, disability, race, ethnicity or religion. Furthermore, we also prohibit various kinds of illegal harassment conducts, including sexual harassment, disability harassment and racial harassment.

管理方針及政策

我們深信人才是業務的核心，亦是集團成功的關鍵；我致力為員工創造令人嚮往的工作環境；並會適時安排培訓課程和提供事業發展機會，以協助幫助他們把握未來的機遇。我們透過專責的人力資源委員會定期檢討和改善有關政策，確保它們符合本地法律的要求和行業準則。於報告期內，本集團沒有發現或收到有關於歧視或招聘的違規事件或投訴個案。

平等機會及多元化共融

我們推行多元化及非歧視性的政策，以展現我們為員工及求職者創造無歧視的工作環境的決心。我們確保每位工作應聘者都擁有相對應的權利，確保員工在招聘、試用期、晉升、離職等各方面均獲得公平公正的待遇。在考慮招聘及晉升工時，會參照員工的工作表現、經驗及個人能力作為員工晉升的條件，不會因性別、年齡、婚姻狀況、家庭狀況、懷孕、殘疾、種族、族裔或宗教等各種理由而歧視及不予考慮。此外，我們也嚴禁各類違法騷擾行為，包括性騷擾、殘疾騷擾和種族騷擾。

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Employee benefits

To attract top talents, we regularly refer to the industry salary benchmark to ensure that we provide competitive remuneration package. Meanwhile, we enter into employment contracts with employees in accordance with “Hong Kong Employment Ordinance” to protect employees’ legal rights and interests and ensure they are entitled to paid leave, sick leave, work-related injury leave and maternity leave in accordance with statutory standards. Moreover, if an employee has suffered from an injury or died as the result of an accident at work, the Group would pay a reasonable compensation to the employee and their family in accordance with the labour law. The Group’s policy is strongly against overtime work for employees. Prescribed overtime pay and compensatory leave would be given for overtime work.

Meanwhile, the Group is attentive to the physical and mental health of employees. To facilitate the work-life balance and the physical and mental health of employees, our Tseung Kwan O site also hosts recreational activities from time to time to help employees relieve work pressure and to enhance employees relations, so as to strengthen contact among employees and enhance team cohesion.

Employee communication

Having a dedicated and committed team is essential to the continuous prosperity of the Group. We encourage bilateral communication between the management and employees to build mutual trust, increase productivity and boost staff morale. We use different channels to inform our employees of the latest news of the Group and collect their opinions. Our senior management will regularly review their suggestions and propose solutions to the problems.

員工福祉

為吸納頂尖人才，我們定期參考行業薪酬基準，確保提供具競爭力的薪酬福利待遇。同時，我們會按照《香港僱傭條例》與員工簽訂僱傭合約以保障員工的法定權益，並依法享有帶薪假期、病假、工傷假、產假等。此外，如員工遇到工傷事故及工業死亡意外時，本集團會按勞工法例對員工及其家屬作出合理賠償。本集團政策強調不強迫員工超時工作，而超時工作亦有預先定明的超時薪津或補假。

同時本集團十分注重員工的身心健康，為了促進員工的工作與生活平衡和身心健康，我們的將軍澳地盤亦不時舉辦文娛活動幫助員工舒緩工作壓力及增進員工關係，以加強員工之間的聯繫及提升團隊凝聚力。

員工溝通

擁有一個投入工作及對公司忠誠的團隊對本集團的持續繁榮可謂不可或缺。我們鼓勵管理層和員工之間進行雙向溝通以建立互信，提高生產力和激勵員工士氣。我們使用不同渠道，向員工通報集團的最新消息，並收集員工意見。而我們的高級管理層會定期審核他們的建議及就問題提出解決方案。

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4.2. Occupational Health and Safety

Management approach and policies

The Group attaches great importance to the safety of the construction sites and never compromises on safety. We strive to create the safest and most suitable working environment with zero accidents by implementing various management measures to prevent potential risks of occupational diseases and industrial casualties. We have established site safety management system to enhance the overall safety performance of construction sites. Meanwhile, we also conduct regular inspections and assessments of the system. During the reporting period, the Group has passed certification of OHSAS 18001 Occupational Health and Safety Management System to verify the effectiveness of the system.

During the reporting period, there was no case of violations of local occupational health and safety laws and regulations, nor any work-related fatalities in the Group.

Evaluation of site safety risks

To identify all health and safety-related hazards and risks, we will conduct initial inspections of operations and site work to identify potential risk levels and provide risk assessments for high-risk work to develop control measures of varying degrees. For work processes involving significant risks, we will set targets to achieve more ideal management results.

4.2. 職業健康與安全

管理方針及政策

集團高度重視建築工地的安全，對於安全絕不妥協。我們竭力營造最安全合適的工作環境，並以零工作意外為目標，實施多方面的管理措施，以防範引致員工職業病與工業傷亡的潛在危機。我們確立了工地安全管理系統，以加強建築工地的整體安全表現，同時我們亦會為系統進行定期檢視及評估，在報告期內集團已通過 OHSAS 18001 職業健康及安全管理體系的認證，以確認系統的有效性。

於報告期間，集團沒有發現違反營運當地與職業健康及安全相關的法律法規，同時沒有發現僱員因工作關係而死亡。

工地安全風險評估

為確定所有與健康和安全的相關隱患及風險，我們會為運營和現場工作進行初步視察，以識別所潛在的風險級別，並對高風險的工作提供風險評估，以制定不同程度的控制措施。對涉及重大風險的環節更會通過制定目標，以達致更理想的管理效果。

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Management of site safety

The Group has also carried out a safety inspection scheme, our Occupational Safety and Health Committee will be responsible for monitoring the health and safety performance while trying to minimise the potential risks during the business operations. We hold safety meeting each month to review the performance of each subcontractor in occupational safety and health and the environmental protection, and jointly formulate effective improvement and corrective measures. We often remind employees of relevant safety matters in the pre-work briefings, for high risk jobs, the management staff would determine the appropriate personal protective equipment for the employees to ensure their safety. In addition to a series of mandatory measures, we would select and reward frontline workers who have outstanding performance in occupational safety and health and the environment every month; and thereby to encourage more workers to pay attention to affairs concerning occupational safety and health and the environment.

Safety training

Meanwhile, as a responsible employer, we provide industry-related safety trainings for the employees. All staff entering the site for work are required to take safety guidance training courses in advance. The safety supervisor will provide relevant trainings including introducing safety-related laws, safety operation guidelines, potential hazards and emergency response at the construction sites to enhance their awareness of safety operation. We have also established a training allowance scheme to subsidise staff to attend external courses which are essential to the safety of our business operations.

工地安全管理

本集團同時亦推行安全視察計劃，我們的職安健委員會負責監督健康及安全表現，同時設法減低業務營運中的潛在風險。而每月我們召開安全會議，檢討各分判商在職安健環的表現，並一同制定有效的改善及糾正措施。我們時常在工作前的簡報中提醒員工相關的安全事項，而針對高風險工作，管理人員會選擇合適的個人防護裝備給員工以保障他們的安全。除了一系列的硬性措施外，我們每月均會選出及獎勵在職安健環中有出色表現的前線工人，希望此舉能鼓勵更多工人關注職安健環的事宜。

安全培訓

同時作為負責任的僱主，我們為員工舉辦了業界相關的安全培訓。所有進入工地工作的人員都需要先接受安全引導培訓課程，負責安全方面的主管會提供相關訓練包括簡介有關安全的法例、安全操作指引、工地潛在危險及緊急應變等以提高他們的安全操作意識。而我們亦建立了一個培訓津貼計劃，以津貼員工參加對我們業務營運安全至關重要的外部課程。

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4.3. Talent Development

Management approach and policies

The success of the Group relies on the efforts of our employees and we also understand that continuous improvement is the key element of our business success. As such, we encourage employees to engage in life-long learning, actively provide trainings for employees, facilitate employees' individual development, and expect that they can grow with the Group together.

Training System

The Group has sponsored and provided opportunities for employees to participate in various trainings to enhance their knowledge and skill, for example providing mechanical operations training for technician trainees and sponsoring their license examinations. Furthermore, the Group would nominate a number of employees to attend operations trainings, for new machine models, provided by the manufacturers; and would also participate in the exhibitions to visits latest mechanical developments. Through such programs, employees would be able to gain more comprehensive knowledge on mechanical operations and grasp new skills faster to help driving the Company's development.

The Group has always been concerned with managing the career development of young junior employees. In daily operations, the Group will arrange team leaders to provide on-the-job training for them and arrange experienced staff to offer practical advice to them and to share valuable business and life experiences with them. In addition, managerial staff would attend seminars on construction industry management or new developments, organised by industry or professional organisations to enhance their knowledge in management and broaden their horizons. If a department deems it necessary, employees may be allocated to other positions to acquire knowledge and experience from different fields.

4.3. 人才發展

管理方針及政策

集團的成功有賴我們員工的努力，同時我們亦深明持續進修是業務成功的關鍵要素。故此，我們鼓勵員工終身學習，積極為員工提供培訓，促進員工的個人發展，期望他們與公司共同成長。

培訓制度

集團資助及提供機會給員工參加各類型提升知識技能的培訓，如提供機械操作培訓給見習技術員，並會資助負責相關作業員工考取資格證。此外，本集團會提名部分員工參加廠商的新機種操作訓練，又會安排參觀展覽會認識最新機械發展，希望透過此等計劃令員工得到更全面的機械操作知識以及更快掌握新技術從而推動公司的發展。

集團一直關注管理年青的初級員工的事業發展，並在日常工作中安排小組主管提供在職培訓，並安排有經驗的員工為他們提供實用建議，分享寶貴的業務和人生經驗。此外，管理層亦參與業界或專業團體舉辦的建築業管理知識或新發展的講座，有助提升他們的管理知識及擴闊視野。如部門有需要，員工更可調配到不同的崗位，讓員工涉獵不同領域的知識和汲取經驗。

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4.4. Protection of Rights and Interests

Management approach and policies

The Group and its subsidiaries prohibit the employment of child labour. The Company does not employ any child labour and forced labour in any form. During recruitment, we would check the applicants' identity cards and other valid certificates for age verification. During the reporting period, the Group found no cases of child labour and forced labour.

4.4. 權益保障

管理方針及政策

本集團及其下的附屬公司均絕對禁止任何僱用童工的行為，公司亦不存在聘用童工及以任何形式對員工實行強制勞動的情況，在招聘過程中，我們會檢查應徵者的身份證等有效證明文件以作年齡查核。報告期間，本集團沒有發現使用童工和強制勞工的情況。

5. OPERATIONAL COMMITMENT

5.1. Supply Chain Management

Management approach and policies

As a responsible company, the Group not only commits to complying with all operation-related laws and regulations but also expects to create a better and greener future with our supply chain. In order to give them a clear understanding of the Group's commitments to social, environmental and occupational health and safety excellence, we clearly set out requirements and standards during the tendering and procurement processes, and set up effective mechanisms to ensure that both parties act in strict accordance with laws and regulations.

5. 營運承擔

5.1. 供應鏈管理

管理方針及政策

作為一間負責任的公司，集團不但致力遵從所有與營運有關的法律和法規，同時亦期望與我們的供應鏈一同創建一個更美好、更環保的未來。為了讓他們清晰了解集團在社會、環境、職業健康及安全方面力求卓越的宗旨，而在招標及採購的過程中，我們清楚列明要求和標準，並建立有效的機制以確保雙方嚴格按照法律及法規行事。

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Supplier selection criteria

The Group has established an internal policy to regulate the tendering and quoting process, which requires that detailed assessments must be performed on suppliers and contractors to ensure that they meet the Group's internal requirements; the policy covers suppliers' and contractors' past performance, labour rights, performance in occupational safety and health and environmental protection, financial position and business ethics. Moreover, all departments within the Group maintain close communication to monitor and ensure that the tendering and procurement process meets the standards and is fair and transparent.

Stringent regulation

The Group adopts a comprehensive supply chain management mechanism, including a code of conduct and a supplier assessment system, to monitor and assess the performance of suppliers in areas ranging from product and service quality to business ethics. We will conduct regular assessments of the suppliers' social, environmental protection, occupational health and safety standards to ensure that they comply with the law. Any non-compliance may result in exclusion from the tender list and termination of the contract.

Furthermore, the project management team of the Group would continuously monitor the skill and labour safety performance of the contractors, recording the relevant inspection results for follow up work. We would also hold regular meetings with contractors to review the quality and speed of work of the contractors. The Group has implemented environmental protection and occupational, safety and health guidelines for contractors. These include construction and engineering design, material selection, pollution control and other good practices. Additionally, the Group would instruct suppliers and contractors to provide training related to the operations of the Group's environmental management system.

供應商的挑選準則

本集團訂立了一套內部守則，規範公開招標和報價程序中對供應商及承包商須作詳細評估，確保其符合本集團內部要求；覆蓋範圍包括供應商及承建商過往表現、勞工權益、職安健及環保表現、財務狀況及商業道德等範疇。同時，集團內的各個部門會保持緊密溝通，以監察及確保招標和採購過程符合標準、公正公平和清晰透明。

嚴格監管

集團採用一套全面的供應鏈管理機制，包括行為守則和供應商評估系統，以監察及評估供應商的產品和服務質素以至商業操守等範疇的表現。我們會就供應商之社會、環保、職業健康及安全的水平進行定期評估，確保他們遵守法例，如有任何違規，或會剔除於招標名單中及終止合約。

另外，本集團的項目管理團隊會持續監察承建商在技術和勞工安全方面的表現，並會記錄相關巡查結果以作跟進，我們亦會定期與承建商進行會議，檢討承建商的工程質量及進度。集團亦為承建商制定了環保及職安健指引，當中包括建築工程設計、挑選物料、污染控制等的良好作業。同時亦指示供應商及承建商提供相關於本集團環境管理體系運作的培訓。

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Sustainable development supply chain

In addition to actively consolidating its internal sustainable development management, the Group is also committed to promoting the operation model of sustainable development through the value chain, jointly contributing to sustainable development with suppliers, customers and other stakeholders. We require suppliers and contractors to comply with the Group's environmental protection and occupational health and safety policies and strict corporate governance standards. Furthermore, we also support freedom of association, firmly believe that all employees in the supply chain should be free from discrimination, and will never tolerate child labour and forced labour practices by suppliers. We regularly review the performance of suppliers and contractors to ensure that they comply with relevant regulations and continue to make improvements.

5.2. Quality Construction

Management approach and policies

The Group has always regarded the quality of products as the key to our business success. Therefore, we strive to provide customers with high-quality, healthy and safe foundation engineering service in accordance with all applicable laws and regulations. We have in place a complete safety and quality management system which enables us to prevent major accidents and provide quality products and services to meet customer requirements. The Group has continuously obtained ISO 9001 Quality Management System Certification.

During the reporting period, there was no violation of laws and regulations on the health and safety of products and services, labelling, and privacy, and did not have any cases of product recall for safety or quality reasons and received no complaints.

可持續發展供應鏈

本集團積極鞏固內部的可持續發展管理之餘，我們亦致力透過價值鏈推廣可持續發展的營運方式，與供應商、顧客及其他持份者共同為可持續發展作出貢獻。我們要求供應商及承辦商依從集團的環保和職業健康及安全政策以及嚴格的企業管治標準。此外，我們亦支持結社自由，堅信供應鏈內的所有員工都應免受歧視，而且絕不容忍供應商聘用童工及強迫勞動。我們會定期檢視供應商和承辦商的表現，確保他們遵守相關規定並持續作出改進。

5.2. 優質施工

管理方針及政策

本集團一直視產品的質量為我們的企業成功的命脈，故此我們致力遵照所有適用的法律法規，向其客戶提供優質、健康及安全的地基工程服務。我們擁有完善的安全及品質管理措施，能有效遏止重大事故的發生及能提供優質的產品及服務，從而滿足客戶的要求；而集團亦持續獲得ISO 9001質量管理體系認證。

於報告期間，本集團並無任何違反產品和服務的健康與安全、廣告、標籤及私隱事宜的法律及規例，並沒有任何已因安全及質量理由而需作產品回收的個案或收到相關投訴。

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Product safety

In order to ensure all piles meet relevant safety standards, we conduct product testing with specific and effective methods to make sure that our products meet quality and technical requirements. We have developed testing and inspection plans for different stages of the construction project, and run various appropriate tests on all piles in accordance with the relevant contractual provisions upon completion of projects; of which, quality control tests cover a wide range of areas, including inspection of the angle of inclination of the bored pile, the quality of concrete and fractures, the binding force between the concrete and rocks, and a series of incoming quality control to ensure the quality and safety of the product in all aspects. The Group would also provide customers the test reports of all piles to guarantee the stability of the pile structure.

Customer service

The Group is committed to becoming a professional and reliable business partner, and firmly believes that reliability, fairness, high quality and transparency are the key to the success of long-term close cooperation. In addition to serving with care, our product services also cover quality assurance after completion of the project. We would, in accordance with the relevant contract terms, be responsible for fixing any construction defects within the warranty period. Typically, the warranty period is within one year after the completion of the project. In addition, we set up multiple channels for customers to give feedback and ensure that we can collect customers' opinions, so as to improve product and service quality.

產品安全

為確保所有樁柱達到有關的安全標準，我們會以明確的、有效的方法來進行產品的測試，保證產品符合品質及技術的要求。我們為項目不同階段制訂了各種檢驗及檢測計劃，並會於工程完成後按招相關合約規定對所有樁柱進行各種適用測試；當中的質量控制測試覆蓋範圍廣泛，包括檢查鑽孔樁傾角、混凝土質量和裂縫、混凝土與岩石的結合力和一系列的來料質量檢驗，以全面確保產品的質量及安全。本集團又會為客戶提供所有樁柱的測試報告以保證樁柱的結構安全。

客戶服務

集團致力成為專業和值得信賴的業務夥伴，深信可靠、公平、高品質和透明度是長期緊密合作的成功關鍵。除了服務用心外，我們提供的產品服務更覆蓋至完工後的品質保證。我們會根據相關的合同條款負責在保固期內糾正施工缺陷，保固期一般為工程完工後一年。另外，我們設有多種渠道供顧客反映意見，確保我們能收集到客戶意見，以改善產品和服務質素。

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Protection of consumer data privacy

The Group focuses on information security and confidentiality, all employees are required to comply with the privacy policy regarding personal data and Hong Kong's "Personal Data (Privacy) Ordinance" to protect customer data. The Group stands by the confidentiality clause in the signed contract with the customers, ensuring that the information and documents provided by the customers would be properly stored.

Advertising and Labelling

As a responsible company, the Group understands the importance of advertising and sales pitches. Accordingly, our business units strictly comply with all laws and self-discipline practices relating to the labelling and promotion of products and services. In addition, we regularly review management approach to make sure that the publicity information is timely and accurate and complies with relevant laws and regulations.

5.3. Corporate Governance

Management approach and policies

The Group firmly believes that fairness, honesty and integrity are important business assets. We will never tolerate any forms of corruption, including bribery and solicitation, fraud, and money laundering. As such, to create and maintain an ethical corporate culture, we have formulated regulations on professional ethics in economic and business activities, requiring business partners to sign a commitment letter of cooperation unit, regulating their companies and business personnel to abide by the provisions of professional ethics, and jointly maintaining a "simple, transparent, clean and fair" partnership.

消費者資料的私隱保障

集團注重資訊安全和保密，所有員工均須遵守有關個人資料私隱的政策及香港的《個人資料(私隱)條例》，以保障客戶資料，集團堅守與客戶簽訂的合約內的保密條款，保證客戶所提供的訊息和文件得到妥善保管。

廣告及標籤

作為一間負責任企業，集團深明廣告及銷售描述的重要性。因此，我們的業務單位均嚴格遵守所有有關產品和服務標籤及推廣的法規及自律守則。我們亦定期檢視管理方針，以確保宣傳資訊適時和準確，並符合相關法律和條例。

5.3. 企業治理

管理方針及政策

本集團深信公平、誠實、廉潔是重要的商業資產。我們絕不容忍任何形式的貪污行為，包括賄賂及苛索、欺詐及洗錢。因此，為建立及維護符合道德的企業文化，我們制定了經濟業務活動職業操守條例，要求業務夥伴簽訂合作單位承諾書，規範其公司及業務人員共同遵守職業操守規定，共同維護「簡單、透明、乾淨、公正」的合作關係。

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Preventive regulation

In order to prevent any conflict of interests, we have established conflict of interests mechanism, and employees should first make a statement to the board of directors through reporting channels. We have also formulated fair, open and impartial procedures for product or service procurement or tendering to inhibit any potential corruption. In addition, the Group employs independent auditors to audit the Group's financial statements, to ensure that the Group's accounts are correct and to strengthen financial oversight to protect the interests of shareholders.

Whistle-blowing procedures

As a part of anti-corruption measures, we have established a reporting system, and have developed relevant policies to effectively implement internal monitoring and risk management. The policies provide reporting guidelines and channels for employees, and help increasing employees' alertness towards fraud, corruption and other misconduct.

Based on the above-mentioned monitoring and prevention measures, there were no cases of corruption involving either of the Company or individual employees during the reporting period, and no corruption was found.

防範監管

為防止利益衝突，我們設有利益衝突機制，員工應先通過匯報渠道向董事會作出聲明。我們亦制定公平、公開及公正的產品或服務採購或招標程序，以杜絕所有潛在的貪污行為。同時，本集團聘用獨立審計師審核集團的財務賬目，確保本集團的賬目正確，並加強財務監督，從而保障股東的利益。

舉報程序

作為防止貪污措施的一部分，我們制定了《舉報政策》，並制定了相關政策以有效地實施內部監控和風險管理，政策為員工提供了舉報的指引及渠道，亦有助提高員工對欺詐、貪污等不當行為的警惕。

基於上述的監督防範措施，報告期間沒有發生對本公司或個別僱員提出有關貪污的訴訟案件，或發現任何貪污的行為。

Environmental, Social and Governance Report

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6. GIVING BACK TO SOCIETY

With the mission of giving back to the society and the philosophy of “taking from the society and giving back to the society”, the Group fully understands that our responsibility not only lies in our direct contribution to social economy, but also includes the influence and effect of our business operation and public welfare projects on the whole society. The Group actively contacts community groups with similar corporate responsibility concepts as the Group to understand the needs of the community. In order to fulfill its duty as a corporate citizen and serve the community, the Group donated to more than 10 different charitable institutions and community organizations in the past year, including ORBIS, Chi Lin Nunnery, Yan Chai Hospital and Food Angel, etc. In the future, we will continue to look for more non-profit organisations of different types to collaborate with, expecting to bring benefits to more people.

7. AWARD AND ACHIEVEMENT

Award and achievement name

獎項／成就名稱

ISO 14001 Environmental Management System Certification
ISO 14001環境管理體系認證

ISO 50001 Energy Management System Certification
ISO 50001能源管理體系認證

OHSAS 18001 Occupational Health and
Safety Management System Certification
OHSAS 18001職業健康及安全管理體系認證

ISO 9001 Quality Management System Certification

ISO 9001 品質管理體系認證

6. 回饋社區

本集團以回饋社會為使命，「取諸社會，用諸社會」。集團深明我們的責任不僅在於對社會經濟作出直接貢獻，更包含了我們的業務營運和公益項目，對整體社會帶來的影響和效應。集團主動聯絡與集團的企業責任概念相似的社區團體，以瞭解社區的需要。為履行身為企業公民的義務及服務社區，集團在過去一年已為十多個不同的慈善機構及社區團體捐款，當中包括奧比斯、志蓮淨苑、仁濟醫院及惜食堂等；在未來我們會繼續物色更多不同範疇的非牟利團體合作，以期能有更多人受惠。

7. 獎項及成就

Issued by

頒發機構

SGS Hong Kong Limited
香港通用檢測認證有限公司

DW Certification Limited
環信認證有限公司

SGS Hong Kong Limited

香港通用檢測認證有限公司

SGS Hong Kong Limited & DW
Certification Limited

香港通用檢測認證有限公司及環信認
證有限公司

Environmental, Social and Governance Report

環境、社會及管治報告

8. SUSTAINABILITY PERFORMANCE OVERVIEW

8. 可持續數據表現概要

ENVIRONMENT			
環境			
Polluting emissions	Unit		
污染排放物	單位		
Solid waste			
固體廢棄物			
Hazardous waste ¹	kg		N/A
有害廢棄物 ¹	公斤		不適用
Hazardous waste intensity	kg/per cubic metre of concrete		N/A
有害廢棄物密度	公斤／每立方米混凝土		不適用
Non-hazardous waste ¹	tonnes		N/A
無害廢棄物 ¹	公噸		不適用
Non-hazardous waste intensity	tonnes/per cubic metre of concrete		N/A
無害廢棄物密度	公噸／每立方米混凝土		不適用
Greenhouse gas emission and intensity			
溫室氣體排放量及密度			
Total greenhouse gas emissions	tCO ₂ -e		758.20
溫室氣體排放總量	公噸二氧化碳當量		
Direct emission	tCO ₂ -e		757.85
直接排放	公噸二氧化碳當量		
Energy-related indirect emissions	tCO ₂ -e		0.35
能源間接排放	公噸二氧化碳當量		
Emission Intensity	tCO ₂ -e/per cubic metre of concrete		136.61
排放密度	公噸二氧化碳當量／每立方米混凝土		

Environmental, Social and Governance Report

環境、社會及管治報告



ENVIRONMENT

環境

Energy use

能源使用

Power purchased ²	kWh	681.35
購買的電力 ²	千瓦時	
Power use intensity ³	kWh/per employee	0.12
用電密度 ³	千瓦時／每名員工	
Gasoline (mobile sources)	Litres	18,432.97
汽油(流動源)	升	
Gasoline use intensity	litre/per cubic metre of concrete	3.32
汽油使用密度	升／每立方米混凝土	
Diesel (mobile sources)	litres	47,238.01
柴油(流動源)	升	
Diesel use intensity	litre/per cubic metre of concrete	8.51
柴油使用密度	升／每立方米混凝土	
Diesel (stationary sources)	litres	220,500.00
柴油(固定源)	升	
Diesel use intensity	litre/per cubic metre of concrete	39.73
柴油使用密度	升／每立方米混凝土	
Water	cubic metres	N/A
水	立方米	不適用
Water use intensity	cubic metres/per cubic metre of concrete	N/A
用水密度	立方米／每立方米混凝土	不適用

Usage volume of other materials

其他材料使用量

Papers	kg	938.65
紙張	公斤	

Notes:

1. As the non-hazardous waste and hazardous waste generated by the Group's Tseung Kwan O project are collected, handled and disposed of by main contractors, no relevant data is available during the reporting period.

備註：

1. 由於本集團的將軍澳工程項目產生的無害廢棄物及有害廢棄物均由總承建商收集、處理及棄置，故本報告期內並沒有相關數據。

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- | | |
|--|---|
| <p>2. As the electricity power of construction sites is provided by main contractors of the sites, only the power use of the Hong Kong office is contained</p> <p>3. As the data includes only power use of the Hong Kong office, the number of employees in the Hong Kong office is used for the calculation of intensity</p> | <p>2. 由於工地的電力由地盤總承建商提供，故此只包含香港辦公室的用電量</p> <p>3. 由於數據只包含香港辦公室的用電量，故此使用香港辦公室員工總人數作為密度計算</p> |
|--|---|

Employee 僱員

Unit 單位

Total no/of Employee 員工總人數	Nos. 人數	178
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By Age

年齡分佈

18-30 years old 18-30歲	Nos. 人數	11
31-45 years old 31-45歲	Nos. 人數	38
46-60 years old 46-60歲	Nos. 人數	88
61-84 years old 61-84歲	Nos. 人數	41

By Gender

性別分佈

Male 男	Nos. 人數	159
Female 女	Nos. 人數	19

Health & Safety

健康與安全

Work-related fatalities 因工作關係死亡人數	Nos. 人數	0
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Anti-corruption

反腐敗

No. of prosecutions against Corruption 貪污訴訟案件的數目	No. of cases 次數	0
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Environmental, Social and Governance Report

環境、社會及管治報告



9. HONG KONG STOCK EXCHANGE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

ESG Reporting Guide Subject Areas/Aspects/"
Comply or Explain" Provisions
ESG報告指引主要範疇／層面／不遵守就解釋條文

A. ENVIRONMENT

A. 環境

Aspect A1: Emissions

層面A1：排放物

Aspect A2: Use of Resources

層面A2：資源使用

Aspect A3: The Environment and Natural Resources

層面A3：環境及天然資源

B. Society

B. 社會

Employment and Labour Practices

僱傭及勞工常規

Aspect B1: Employment

層面B1：僱傭

Aspect B2 : Health and Safety

層面B2：健康與安全

Aspect B3 : Development and Training

層面B3：發展及培訓

Aspect B4 : Labour Standards

層面B4：勞工準則

Operating Practices

營運慣例

Aspect B5 : Supply Chain Management

層面B5：供應鏈管理

Aspect B6 : Product Responsibility

層面B6：產品責任

Aspect B7 : Anti-Corruption

層面B7：反貪污

Community

社區

Aspect B8 : Community Investment

層面B8：社區投資

9. 香港聯交所環境、社會及管治報告 指引索引

ESG Reporting Guide Chapter
ESG 報告指引章節

3.1 Pollution Control

3.1 污染控制

3.2 Use of Resources

3.2 善用資源

3.3 Green Operation

3.3 綠色營運

4.1 Equal Employment

4.1 平等僱傭

4.2 Occupational Health and Safety

4.2 職業健康與安全

4.3 Talent Development

4.3 人才發展

4.4 Protection of Rights and Interests

4.4 權益保障

5.1 Supply Chain Management

5.1 供應鏈管理

5.2 Quality construction

5.2 優質施工

5.3 Corporate Governance

5.3 企業治理

6 Giving Back to Society

6 回饋社區

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining a high standard of corporate governance, and strives to maintain transparent and responsible management practices that will create long term value for the interests of shareholders. The Board will continuously review and improve the Group's corporate governance practices, and maintaining a high standard of business ethics across the organisation.

The Company had complied with all the code provisions set out in the Corporate Governance Code ("CG Code") under Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the year ended 31 March 2019.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules. Having made specific enquiry with all directors, the directors confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 March 2019.

As required under the CG Code, the Board has established guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the securities of the Company.

企業管治常規

董事會致力維持高水平的企業管治，並努力保持透明及負責任的管理常規，從而為股東利益創造長期價值。董事會將不斷檢討及改善本集團的企業管治常規，並在整個組織內維持高水平的商業道德。

本公司於截至2019年3月31日止年度一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載的企業管治守則（「企業管治守則」）的所有守則條文。

董事進行的證券交易

本公司已採納上市規則附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）。經向全體董事作出具體查詢，董事確認彼等於截至2019年3月31日止年度一直遵守標準守則所載的規定準則。

根據企業管治守則規定，董事會須就有關僱員買賣本公司證券事宜制定指引，指引內容應該不比標準守則寬鬆。



THE BOARD

The primary role of the Board is to protect and enhance long term shareholders' value. The Board oversees the management, business, strategies and financial performance of the Group. It also ensures that good corporate governance policies and practices are implemented within the Group. In the course of discharging its duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders. The management is responsible for execution of the strategies in the Group's daily operations and implementation of the risk management and internal control systems.

The Board currently comprises 7 members whose biographies and family relations are set out in the "Profile of Directors and Senior Management" section on pages 57 to 60 in this annual report. The posts of Chairman and Chief Executive Officer of the Company are separately held by Mr. Lau Chun Ming and Mr. Lau Chun Kwok, respectively, to maintain an segregation of duties between the Chairman's responsibility to manage the Board and the Chief Executive Officer's responsibility to manage the Group's business and oversee the management. The directors bring a good balance of skills and experience to the Company. The independent non-executive directors serve the relevant function of bringing independent judgment on the development, performance and risk management of the Group. The directors have been made fully aware of their collective and individual responsibilities to shareholders.

The executive directors have entered into service contracts with the Company and each of the independent non-executive directors has been appointed on specific term of three years. Notwithstanding the specific term of appointments, the articles of association of the Company provides that every director shall be subject to retirement at an annual general meeting at least once every three years. At each annual general meeting, one-third of the directors for the time will retire from office by rotation and being eligible for re-election by the shareholders.

董事會

董事會的主要職責為保護及提升股東長期價值。董事會負責監督本集團的管理、業務、策略及財務表現。董事會亦確保良好的企業管治政策及常規得以於本集團內實施。在履行職責的過程中，董事真誠、盡職及謹慎，及以本公司及其股東的最佳利益行事。管理層負責於本集團的日常營運中執行策略及實施風險管理及內部監控系統。

董事會現時包括七名成員，其履歷及家族關係載於本年報第57至第60頁「董事及高級管理層履歷」一節。本公司主席及行政總裁職位分別由劉振明先生及劉振國先生擔任，主席負責管理董事會而行政總裁負責管理本集團業務及監督管理層，以維持職責之間的分工。董事為本公司帶來均衡的技能及經驗。獨立非執行董事負責就本集團的發展、表現及風險管理作出獨立判斷等相關職能。董事已充分認識到彼等共同及個人對股東的責任。

執行董事已與本公司訂立服務合約，而各獨立非執行董事已獲委任三年指定任期。儘管委任以指定任期，惟本公司組織章程細則規定，每名董事須至少每三年一次於股東週年大會上退任。於每屆股東週年大會上，三分之一的時任董事將輪值退任並合資格接受股東重選連任。

Corporate Governance Report

企業管治報告

Board meetings

The Board held four meetings during the year ended 31 March 2019, at approximately quarterly intervals. All directors attended these meetings, at which business development, investment strategies, financial performance and potential risks relating to the daily operations of the Group, were discussed.

Directors' induction and development

In the year ended 31 March 2019, all directors complied with the provision of the CG Code in relation to continuous professional development and submitted their training records to the Company. In doing so, the directors have undertaken various forms of activities that have included attending a presentations given by external professional advisors, and reading materials relevant to the Company's business, directors' duties and responsibilities. The Company held a training for regulatory and compliance update for all directors during the year and intended to arrange another training for them to refresh their knowledge in the forthcoming year.

BOARD COMMITTEES

The Board has established certain Board committees to oversee specific aspects of the Company's affairs and help it in the execution of its responsibilities. These committees each have specific written terms of reference which clearly outline the committees' authority and duties, and which require the committees to report back on their decisions or recommendations to the Board.

董事會會議

截至2019年3月31日止年度，董事會曾舉行四次會議，約每季舉行一次。全體董事均有出席會議，並在會上討論業務發展、投資策略、財務表現及有關本集團日常營運的潛在風險。

董事就任及發展

截至2019年3月31日止年度，全體董事均遵守有關持續專業發展的企業管治守則條文，並向本公司提交培訓記錄。為此，董事已參與各項活動，包括出席外部專業顧問發表的簡報會以及閱覽與本公司業務、董事職務及職責有關的資料。本公司於年內為全體董事舉行監管及合規更新培訓，並擬於來年為彼等安排其他培訓，以更新彼等的知識。

董事委員會

董事會已成立若干董事委員會，監察本公司事務特定範疇，並協助其履行職責。該等委員會各自訂有特定的書面職權範圍，當中清晰界定委員會權力及職務，並規定委員會向董事會匯報其決策或建議。



Audit Committee

The audit committee is responsible for the engagement of external auditor, review of the Group's financial information and oversight of the Group's financial reporting system, internal control procedures and risk management system. It is made up of three independent non-executive directors including Mr. Ip Tin Chee, Arnold (chairman), Professor Wong Sue Cheun, Roderick and Mr. Chu Tak Sum.

The audit committee held two meetings during the year ended 31 March 2019, which was attended by all of its members, to review, among other matters, the consolidated financial statements, internal control review report and continuing connected transactions of the Group for the year ended 31 March 2018, and have a private meeting with external auditor without the presence of the management; and the unaudited interim financial statements of the Group for the six months ended 30 September 2018.

Nomination Committee

The nomination committee held one meeting during the year which was attended by all of its members. It is responsible for annually reviewing the structure, size and composition of the Board (including its mix of skills, knowledge and experience), making recommendations on proposed changes to the Board to complement the Company's corporate strategy, making recommendations to the Board on the appointment or re-appointment of directors, and assessing the independence of independent non-executive directors. It also oversees the implementation of the Company's policy on diversity of directors. It is made up of four members including Professor Wong Sue Cheun, Roderick (chairman), Mr. Chu Tak Sum, Mr. Ip Tin Chee, Arnold, being independent non-executive directors, and Mr. Lau Chun Ming, an executive director.

審核委員會

審核委員會負責聘用外聘核數師、審閱本集團財務資料、監督本集團財務報告系統、內部監控程序及風險管理系統。其由三名獨立非執行董事組成，包括葉天賜先生(主席)、王世全教授及朱德森先生。

審核委員會於截至2019年3月31日止年度舉行了兩次會議，全體成員均出席，以審閱(其中包括)本集團截至2018年3月31日止年度的綜合財務報表及內部監控審閱報告以及持續關連交易，並在無管理層出席的情況下與外聘核數師舉行了一次私人會議；及審閱本集團截至2018年9月30止六個月的未經審核中期財務報表。

提名委員會

提名委員會於年內舉行了一次會議，全體成員均有出席。其負責檢討董事會的架構、規模及組成(包括技能、知識及經驗的組合)；就建議變動向董事會提出建議，與本公司企業策略相輔相成；就委任或重新委任董事向董事會提出建議；及評估獨立非執行董事的獨立性。提名委員會亦負責監察本公司書面政策的實施情況，確保董事人選具備多元性。提名委員會由四名成員組成，包括獨立非執行董事王世全教授(主席)、朱德森先生及葉天賜先生以及執行董事劉振明先生。

Corporate Governance Report

企業管治報告

The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The Company has a diversity policy of Board members. Under this policy, the diversity of the Board is considered in terms of factors such as gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments are based on merit, and candidates are considered against various objective criteria, with due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives appropriate to the requirements of the Company's business operations and environment as well as the industry in which the Company operates. The nomination committee will continuously monitor and review the implementation of this policy and the progress towards achieving the measurable objectives.

The Board currently comprises 6 male and 1 female directors with different age, educational background, skills and experience. The nomination committee considers that our directors have extensive experience in different fields and professions that are relevant to the Company's business, which enable them to provide valuable and relevant insights to the Board.

The nomination committee is responsible for the development and implementation of the nomination policy which aims at setting out the criteria and process in the nomination and appointment of directors of the Company; ensuring that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company; and ensuring the Board continuity and appropriate leadership at Board level.

In evaluating and selecting any candidate for directorship, the following criteria should be considered: character and integrity; qualifications; measurable objectives in achieving Board diversity; independence guidelines set out in the Listing Rules; potential contributions the candidate can bring to the Board; time commitment; and such other perspectives that are appropriate to the Company's business and succession plan.

本公司明白並深信董事會成員多元化對提升其表現素質有利。本公司設有有關董事會成員多元化的政策。在該政策下，董事會成員多元化考慮到性別、年齡、文化與教育背景、種族、專業經驗、技能、知識及服務年資等因素。董事會所有委任均以用人唯才為原則，並在考慮人選時以多方面的客觀條件充分顧及董事會成員多元化的裨益。候選人的選擇將基於一系列適合公司業務營運和環境要求以及本公司經營所在行業的多元化角度。提名委員會將繼續監察和審視本政策的實施以及實現可衡量目標的進展。

董事會目前由6名男性和1名女性董事組成，彼等之年齡、教育背景、技能和經驗各異。提名委員會認為董事在與本公司業務相關的不同領域和專業方面擁有豐富經驗，讓彼等能夠為董事會提供寶貴而相關的洞見。

提名委員會負責制定及實施提名政策，該政策列明本公司董事提名及委任的準則及程序；確保董事會具備適合本公司的技能、經驗和多樣化觀點方面的均衡搭配；並確保董事會的連續性以及在董事會層面的適當領導力。

在評估和挑選任何董事候選人時，應考慮以下準則：品格和誠信；資格；實現董事會成員多元化的可衡量目標；上市規則所載的獨立指引；候選人可為董事會帶來的潛在貢獻；承諾投入的時間；以及適合本公司業務和繼任計劃的其他觀點。



The nomination committee will conduct regular review on the structure, size and composition of the Board and the policy and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs. Upon receipt of the proposal of appointment of new director and the biographical information of the candidate, the nomination committee should evaluate such candidate based on the objective criteria it has set forth to determine whether such candidate is qualified for directorship. For directors standing for re-election, the nomination committee will review the contribution of the retiring director and the level of participation and performance on the Board.

Remuneration Committee

The remuneration committee held one meeting during the year which was attended by all of its members. It is responsible for making recommendations to the Board on the Company's policy and structure for the remuneration of all the directors and senior management of the Group and on the establishment of a formal and transparent procedure for developing remuneration policy for approval by the Board. It is made up of four members including Mr. Chu Tak Sum (chairman), Professor Wong Sue Cheun, Roderick, Mr. Ip Tin Chee, Arnold, being independent non-executive directors, and Mr. Lau Chun Ming, an executive director.

In determining the remuneration of the Directors and the senior management, the Remuneration Committee would consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and the senior management, performance and contributions of the Directors and the senior management and the change in market conditions. Details of the remuneration paid to the directors and the other five highest paid employees are set out in notes 29(a) and 7(c), respectively, to the consolidated financial statements.

提名委員會將定期檢討董事會的架構、規模及組成以及政策，並在適當情況就董事會變動提出建議，以配合本公司的企業策略及業務需要。在收到新董事的委任建議及候選人的履歷資料後，提名委員會應根據其已訂明的客觀準則評估該候選人，以確定該候選人是否合資格擔任董事。對於膺選連任的董事，提名委員會將審視退任董事的貢獻以及彼在董事會的參與和表現水平。

薪酬委員會

薪酬委員會於年內舉行了一次會議，全體成員均有出席。其負責就本集團全體董事及高級管理層的薪酬政策及結構，以及為薪酬政策的發展制訂正式及透明的程序，向董事會提供推薦建議以供其批准。薪酬委員會由四名成員組成，包括獨立非執行董事朱德森先生（主席）、王世全教授及葉天賜先生以及執行董事劉振明先生。

於釐定董事及高級管理層的薪酬時，薪酬委員會將考慮多項因素，如可資比較公司支付的薪金、董事及高級管理層付出的時間及職責、董事及高級管理層的表現及貢獻以及市況變動等。有關支付予董事及其他五名最高薪僱員的薪酬的詳情分別載於綜合財務報表附註29(a)及7(c)。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for maintaining an adequate risk management and internal control systems to safeguard shareholders' investments and the Group's assets, and reviewing their effectiveness of annually through the audit committee. The audit committee reports to the Board on any material issues and makes recommendations to the Board.

The Group has maintained an operation manual, which provides a comprehensive internal control guidance and procedures on the Group's operational cycles relating to revenue, purchase and expenditure, inventory and human resources etc., to ensure proper accounting records are kept so that reliable financial reporting can be provided, effectiveness and efficiency of operation can be achieved, compliance with applicable laws and regulations and safeguarding of assets can be maintained. These procedures, together with the Company's compliance manual, have also shaped the control environment at which and how the Group operates in, including the budgeting controls, investment decision making, risk assessment and practices of corporate governance. These systems are designed to provide reasonable, but not absolute, assurance and protection against errors, losses and fraud.

The Company does not establish a standalone internal audit department, however, the Board has put in place adequate measures to perform the internal audit function at different aspects of the Group which are discussed below.

The Company has appointed an internal control adviser to conduct annual review on the risk management and internal control system of the Group for the year and reported their findings and recommendations to the audit committee and the Board. It is designed to review the effectiveness of the Group's material internal controls so as to provide assurance that key internal control measures are carried out appropriately and are functioning as intended. During the year, management of contracts with customers, revenue recognition, lease and tenancy, risk assessment and conflict of interests reporting cycles were reviewed and found that adequate controls are in place.

風險管理及內部監控

董事會負責維持充分的風險管理及內部監控制度以保障股東投資及本集團資產，並透過審核委員會每年檢討其成效。審核委員會會向董事會匯報任何重大事宜及提出建議。

本公司維持一份營運手冊，訂明與收入、採購及開支、存貨及人力資源等有關方面之營運週期之全面內部監控指引及程序，確保存置適當會計記錄，以致能夠提供可靠財務報告，達致營運效率與效益以及能夠維持遵守適用法律及法例，並保護資產。該等程序加上本公司之合規手冊，亦塑造了本集團在預算控制、投資決策、風險評估及企業管治常規等方面的控制環境，供本集團操作及依循。該等體系指在提供防止錯誤、遺失及欺詐的合理（但並非絕對）保證及保障。

本公司並無設立獨立內部審核部門，然而，董事會經已實施充足的措施，從本集團不同方面履行內部審核職能，有關情況討論如下。

本公司已委任一名內部監控顧問對本集團於本年度之風險管理及內部監控系統進行年度審閱，並向審核委員會報告彼等之調查發現及推薦意見。有關審計的目的是檢討本集團重大內部監控之效率，從而保證主要內部監控措施適當進行及發揮擬定作用。於本年度內，與客戶之合約的管理、收入確認、租賃和租約、風險評估和利益衝突報告週期均已獲審查，並發現所有控制均已充份到位。



For the foundation works business, the Group has to comply respective requirements and pass the regular reviews in order to retain its listing in the Development Bureau Specialist List (Group II) in large diameter bored pile (with bell-out), the Housing Authority List of Piling Contractors (large diameter bored piling category) Probation and the Buildings Department Registered Specialist Contractor – Foundation Category. The Group has also implemented a management system in accordance with the requirements under ISO 9001, ISO 14001, ISO 50001 and OHSAS 18001 to ensure that the Group's services meet the requisite health and safety, quality and environmental requirements. During the year, the Group passed the audits conducted by external consultants and renewed these certificates. Upon completion of pile construction, the Group is required to engage external professionals to conduct various applicable tests on all piles based on the relevant contractual requirements and ensure full compliance with customer requirements. Subject to these piling records available to the customers for their testing and inspection, the authorised persons employed by the customers certify the value of the works completed in the payment certificates issued to the Group. Therefore, stringent on-going controls and monitoring systems have already been embedded in the daily operations of the foundation works business.

The executive directors held monthly meetings with senior management to review and monitor the business and financial performance against the targets, the progress of certification and contract receipts from the customers, the efficiency in the use of the Group's resources in comparison to the budgets, and the operational matters to ensure the Group has complied with the regulations that have material impact to the Group's business. The aim is to enhance the communication and accountability of the directors and management so that significant strategic, financial, operational and compliance risks or potential deviations are timely identified and dealt with in a proper manner, while significant issues are reported back to the Board for their attention. The Company also compiles monthly reports to the Board (including independent non-executive directors) to update the latest financial performance, position and prospects of the Group.

至於地基工程業務，本集團須遵守相關規定及通過定期檢討以維持名列於發展局大直徑鑽孔擴底樁專門承建商名冊（第II組）、房屋委員會打樁承建商名冊（大口徑鑽孔樁工程類）—試用以及屋宇署註冊專門承建商—地基類別。本集團亦根據ISO 9001、ISO 14001、ISO 50001及OHSAS 18001的要求執行管理系統，以確保本集團服務符合必要的衛生及安全、質量及環境規定。於本年度內，本集團通過外部顧問進行之審核，並重續該等證書。完成樁柱建造工程後，本集團須委託外部專家根據相關合約的規定對所有樁柱進行各種適用測試，並確保全面符合客戶要求。該等打樁記錄須供客戶測試及檢驗，而由客戶聘用的獲授權人士會在發給本集團的付款證書中確認已完成工程的價值。因此，嚴格的持續控制及監察系統經已植入地基工程業務的日常運作當中。

執行董事每月均會與高級管理層舉行會議，以審閱及監察業務及財務表現對比預期目標的進度、自客戶獲取證書及合約的進度、本集團資源的運用的效率與預算對比，以及營運方面的事務，以確保遵守對本集團業務有重大影響的監管規定。此舉旨在增強董事與管理層的溝通與問責，從而令重大策略、財政、營運及合規風險或潛在偏離狀況得以及時辨識，並以適當方式處理，而重大事項則向董事會匯報。本公司亦為董事會（包括獨立非執行董事）編撰每月報告，以更新本集團最新財務表現、狀況及前景。

Corporate Governance Report

企業管治報告

The Company also has a policy for disclosure of inside information. While any potential inside information will be escalated to the executive meetings or the Board via the established reporting channels, the directors will assess and determine if inside information of the Company exists where timely disclosure is required to be made by an announcement published on the Stock Exchange website. On the other hand, in order to enhance the communication with the market, the Company will publish voluntary announcements to update the public on the latest development of the Group's business to enhance the transparency of the Company, whenever practicable.

The Board reviewed the effectiveness of the Group's risk management and internal control system at its Board meeting on 21 June 2019, including its financial, operational and compliance controls, and its risk management functions. The Board's review included a consideration of the internal control evaluations conducted by the executive management, the findings of the external auditors during the annual audit and the internal control review reported by an internal control adviser engaged by the Company. There was no material fraud or errors came to the attention of the Board from all these sources. Therefore, the Board was satisfied that the risk management and internal control systems were in place and implemented effectively during the year without significant weakness identified.

AUDITOR'S REMUNERATION

Total auditors' remuneration for year ended 31 March 2019 in relation to statutory audit work of the Group amounted to HK\$1.5 million (2018: HK\$1.5 million), of which a sum of HK\$1.2 million (2018: HK\$1.2 million) is paid or payable to PricewaterhouseCoopers, independent auditor of the Company, in respect of the audit services related to the audit for the year ended 31 March 2019.

本公司亦制定披露內幕消息的政策。任何潛在內幕消息將會透過既定的申報渠道傳遞到執行會議或董事會，董事將評估及釐定本公司是否存在內幕消息，並按規定須於聯交所網站上發表公告作及時披露。另一方面，為增強市場資訊溝通，本公司將會自願刊發公佈，向公眾人士更新本集團業務的最新發展，在可行情況下增加透明度。

董事會曾於2019年6月21日舉行之董事會會議上檢討本集團風險管理及內部監控（包括財務、營運及合規控制以及風險管理職能）系統的效率。董事會的檢討包括考慮由執行管理人員進行的內部監控評估、外部核數師在年度審核中的發現以及本公司委託內部監控顧問編製的內部監控檢討報告。董事會從所有該等資料中未有發現重大欺詐或錯誤。因此，董事會信納風險管理及內部監控系統在本年度內均已準備就緒及獲有效推行，而並無辨識重大弱點。

核數師酬金

於截至2019年3月31日止年度，就有關本集團法定審核工作之核數師酬金合共為1,500,000港元（2018年：1,500,000元），其中1,200,000港元（2018年：1,200,000港元）乃就截至2019年3月31日止年度審核服務而已付或應付予本公司獨立核數師羅兵咸永道會計師事務所。



DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for the preparation of financial statements which give a true and fair view of the state of affairs of the Group. In preparing the financial statements which give a true and fair view, it is fundamental that appropriate accounting policies are selected and applied consistently. The reporting responsibilities of the Company's external auditor on the consolidated financial statements of the Group are set out in the independent auditor's report on pages 73 to 83 of this annual report. The directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

COMPANY SECRETARY

The Company's company secretary Mr. Chan Sun Kwong coordinates the supply of information to the directors and is the primary contact person within the Company for all matters relating to the duties and responsibilities of the company secretary. All directors have access to the company secretary to ensure that board procedures and all applicable laws, rules and regulations are followed. During the year, he had taken no less than 15 hours relevant professional training as required under Rule 3.29 of the Listing Rules. Please refer to his biographical details which are set out on page 60 of this annual report.

SHAREHOLDERS' RIGHTS

We endeavour to ensure that shareholders are treated fairly and are able to exercise their shareholders' rights effectively. Shareholders are entitled by the articles of association of the Company and are also encouraged to participate in the Company's general meetings or appoint proxies to attend and vote. Shareholder(s) holding not less than 10% of the Company's paid-up capital may request the Board to convene an extraordinary general meeting and put forward proposals. Such requisition shall be made in writing to the Board or the company secretary for the such purpose and specify the transaction of any business to propose in such meeting.

董事及核數師編製財務報表之責任

董事知悉彼等就編製真實與公平反映本集團狀況之財務報表須承擔責任。在編製該等真實與公平之財務報表時，必須選取及貫徹採用合適的會計政策。本公司外聘核數師對本集團綜合財務報表之呈報責任載於本年報第73至83頁之獨立核數師報告。董事所知，並無有關任何事件或情況的重大不明朗因素可能對本集團持續經營的能力產生重大疑問。

公司秘書

本公司之公司秘書陳晨光先生負責協調向董事提供資料，並為就涉及公司秘書職務及職責的一切事宜擔任本公司主要聯絡人。所有董事均可獲公司秘書提供意見及服務，確保能夠遵守董事會程序及所有適用法律、規則及規例。年內，公司秘書按上市規則第3.29條規定參加不少於15個小時的相關專業培訓。有關公司秘書的履歷請參閱本年報第60頁。

股東權利

我們致力確保股東獲公平對待，且彼等可有效行使其股東權利。組織章程細則賦予股東權利且鼓勵股東親身或委派代表出席股東大會並於會上投票。持有不少於本公司10%已繳足股本的股東可要求董事會召開股東特別大會並提呈動議。有關請求必須以書面向董事會或公司秘書作出，並註明將於該大會上提呈之任何事務。

Corporate Governance Report

企業管治報告

If a shareholder wishes to nominate a person for election as director in a general meeting, the particulars of the candidate must be stated in a nomination notice signed and deposited together with a notice of willingness signed by the candidate to the company secretary at the Company's headquarters or at the Registration Office (Tricor Investor Services Ltd., Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong) of the Company. The notice should be given at least seven days prior to the date of such general meeting.

There was no amendment made to the constitutional documents of the Company during the year ended 31 March 2019.

INVESTOR RELATIONS

We are committed to maintaining effective and timely dissemination of the Group's information to its shareholders and the market. We have established a shareholders' communication policy which emphasises the importance of regular communication to the shareholders and the market to ensure they have the available information reasonably required to make informed assessments of the Group's strategy, operations and financial performance. The annual shareholders' meetings and other shareholders' meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholder participation. In addition, the Company's website (www.samwoo-group.com) contains extensive company information which is easily accessible.

DIVIDEND POLICY

The Company does not have any pre-determined dividend payout ratio. The Board considers a number of factors in declaration and payment of dividends, including the financial condition, results of operation and level of cash; statutory and regulatory restrictions; future prospects and any other factors that the Board may consider relevant. The Board has the discretion to declare and distribute dividends to the shareholders of the Company to the extent that the Company shall maintain adequate cash reserve for meeting its working capital requirements and future growth.

股東如欲於股東大會上提名任何人士出選董事，則須將載有候選人詳細資料的經簽署提名通知書連同經候選人簽署的候選同意書，交予本公司總部送呈公司秘書或送交本公司登記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。通知書須於有關股東大會日期前最少七天發出。

本公司憲制文件於截至2019年3月31日止年度並無任何修訂。

投資者關係

本公司致力於保持向其股東及市場有效及時地傳達本公司資料。我們設立了股東溝通政策，強調與股東及市場定期溝通的重要性，以確保他們取得合理所需資料以達致對本集團政策、營運及財務表現的知情評估。本公司之股東週年大會及其他股東大會乃本公司與股東間溝通之主要平台，亦供股東參與。此外，本公司網站 (www.samwoo-group.com) 載有豐富的公司資料，方便瀏覽。

股息政策

本公司並無任何預先釐定的派息比率。董事會於宣派及派付股息時考慮多項因素，包括財務狀況、經營業績和現金水平；法定和監管限制；未來前景以及董事會可能認為相關的任何其他因素。董事會可酌情決定向本公司股東宣派及派發股息，前提為本公司須維持足夠現金儲備以滿足其營運資金需要及未來增長。

Profile of Directors and Senior Management

董事及高級管理層履歷



EXECUTIVE DIRECTORS

Mr. Lau Chun Ming, aged 76, is an executive director, the Chairman and founder of the Group. He is also a director of various subsidiaries within the Group. Mr. Lau is responsible for the overall strategic planning and business development of the Group, overseeing the tendering and quotation process, research and development and formulation of overall corporate policies of the Group. Mr. Lau has been involved in the foundation works business since 1990. He is a brother of Mr. Lau Chun Kwok and Mr. Lau Chun Ka, the spouse of Ms. Leung Lai So and the father of Ms. Lau Pui Shan.

Mr. Lau Chun Kwok, aged 67, is the chief executive officer and an executive director. He is also a director of various subsidiaries within the Group. He joined the Group in the 1970s. He is responsible for the overall management of foundation works and ancillary services projects of the Group. He has been involved in the foundation works business since 1990. He is the brother of Mr. Lau Chun Ming and Mr. Lau Chun Ka, brother-in-law of Ms. Leung Lai So and uncle of Ms. Lau Pui Shan.

Mr. Lau Chun Ka, aged 65, is an executive director. He is also a director of various subsidiaries within the Group. He joined the Group in the 1970s. He is responsible for the overall management of maintenance and repair of machinery and equipment of the Group. He has been involved in the foundation works business since 1990. He is the brother of Mr. Lau Chun Ming and Mr. Lau Chun Kwok, brother-in-law of Ms. Leung Lai So and uncle of Ms. Lau Pui Shan.

Ms. Leung Lai So, aged 72, is an executive director. She is also a director of various subsidiaries within the Group. She joined the Group in the 1970s. She is responsible for the administrative and human resources management of the Group. She obtained a diploma in smaller company management from the Chinese University of Hong Kong in July 1997. She is the spouse of Mr. Lau Chun Ming, mother of Ms. Lau Pui Shan and sister-in-law of Mr. Lau Chun Kwok and Mr. Lau Chun Ka.

執行董事

劉振明先生，76歲，本集團執行董事、主席兼創辦人。彼亦為本集團多間附屬公司的董事。劉先生負責本集團整體策略規劃及業務發展、監督投標及報價過程、研發及制訂整體公司政策。劉先生自1990年起參與地基工程業務。彼為劉振國先生及劉振家先生的胞兄、梁麗蘇女士的配偶以及劉沛珊女士的父親。

劉振國先生，67歲，本集團行政總裁兼執行董事。彼亦為本集團多間附屬公司的董事。彼於七十年代加盟本集團。彼負責本集團地基工程及附屬服務項目的整體管理。彼自1990年起參與地基工程業務。彼為劉振明先生及劉振家先生的兄弟、梁麗蘇女士的小叔及劉沛珊女士的叔叔。

劉振家先生，65歲，執行董事。彼亦為本集團多間附屬公司的董事。彼於七十年代加盟本集團，負責本集團機械及設備保養維修的整體管理。彼自1990年起參與地基工程業務。彼為劉振明先生及劉振國先生的胞弟、梁麗蘇女士的小叔及劉沛珊女士的叔叔。

梁麗蘇女士，72歲，執行董事。彼亦為本集團多間附屬公司的董事。彼於七十年代加盟本集團。彼負責本集團的行政管理及人力資源管理。彼於1997年7月取得香港中文大學小型公司管理學文憑。彼為劉振明先生的配偶、劉沛珊女士的母親及劉振國先生及劉振家先生的嫂嫂。

Profile of Directors and Senior Management

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Professor Wong Sue Cheun, Roderick, aged 74, was appointed as an independent non-executive director of the Company in September 2014. Professor Wong holds a bachelor's degree of arts from San Diego State College in the United States of America, and a doctoral's degree in mathematics from the University of Alberta in Canada. He is a Fellow of the Royal Society of Canada, and Chevalier dans l'Ordre National de la Légion d'Honneur of France, and elected as a member of the European Academy of Sciences. Currently, he is the Special Advisor to the President at Southern University of Science and Technology of China. He had been Chair Professor of Mathematics and the Director of the Liu Bie Ju Centre for Mathematical Sciences at City University of Hong Kong until his retirement in July 2019.

Mr. Chu Tak Sum, aged 71, was appointed as an independent non-executive director of the Company in September 2014. Mr. Chu is a registered architect in Hong Kong under the provisions of the Architects Registration Ordinance (Cap. 408 of the Laws of Hong Kong) and has been engaged as an architect for about 42 years. Mr. Chu obtained a bachelor's degree of arts in architecture studies from The University of Hong Kong in 1971. He is also a fellow member of the Hong Kong Institute of Architects and holds Class 1 Registered Architect qualification of the PRC. Mr. Chu is currently the managing director of T.S. Chu Architects Limited. He had been an independent non-executive director of Henry Group Holdings Limited (stock code: 859) until February 2018.

Mr. Ip Tin Chee, Arnold, aged 56, was appointed as an independent non-executive director of the Company in September 2014. Mr. Ip obtained a Master of Arts degree from Trinity College, Cambridge University. Mr. Ip is chairman of Altus Holdings Limited (stock code: 8149), which group companies focus on providing corporate finance services to listed and unlisted companies in Hong Kong, as well as property investments.

獨立非執行董事

王世全教授，74歲，於2014年9月獲委任為本公司獨立非執行董事。王教授持有美國聖地牙哥州立大學的文學學士學位及加拿大阿爾伯塔大學的數學博士學位。彼為加拿大皇家學院院士，以及獲法國政府頒授法國國家榮譽軍團勳章，並獲選為歐洲科學院院士。現時，王教授在深圳南方科技大學擔任校長特別顧問。直至2019年7月退休前，他曾為香港城市大學數學系講座教授及劉璧如數學科學研究中心的中心主任。

朱德森先生，71歲，於2014年9月獲委任為本公司獨立非執行董事。朱先生為香港法例第408章《建築師註冊條例》所指的香港註冊建築師，並擔任建築師約42年。朱先生於1971年取得香港大學建築學文學士學位。彼亦為香港建築師學會會員及持有中國一級註冊建築師資格。朱先生現為朱德森建築師事務所的常務董事，並曾任鎮科集團控股有限公司（股份代號：859）的獨立非執行董事至2018年2月。

葉天賜先生，56歲，於2014年9月獲委任為本公司獨立非執行董事。葉先生在劍橋大學三一學院取得文學士碩士學位。葉先生為浩德控股有限公司（股份代號：8149）主席，其集團公司專注向香港上市及非上市公司提供企業融資服務以及物業投資業務。

Profile of Directors and Senior Management

董事及高級管理層履歷



Mr. Ip is an independent non-executive director of Pioneer Global Group Limited (stock code: 224), Pak Fah Yeow International Limited (stock code: 239), and Icicle Group Holdings Limited (stock code: 8429), each of which is a company listed on the Stock Exchange. Mr. Ip worked for Standard Chartered Asia Limited and was a director of Yuanta Securities (Hong Kong) Limited thereafter until January 2001, specializing in a range of corporate finance and advisory activities for companies based in Hong Kong and China. From 1984 to 1988, he worked at Arthur Andersen & Co in London specializing in taxation and qualified as a Chartered Accountant in 1988.

葉先生為聯交所主板上市公司建生國際集團有限公司(股份代號：224)、白花油國際有限公司(股份代號：239)及冰雪集團控股有限公司(股份代號：8429)的獨立非執行董事。葉先生曾於渣打(亞洲)有限公司任職，及後直至2001年1月為元大證券(香港)有限公司之董事，專注於中港兩地多間公司各類企業財務及顧問業務。由1984年至1988年，葉先生於倫敦之安達信公司任職，專門從事稅務工作，並於1988年獲得特許會計師資格。

SENIOR MANAGEMENT

Mr. Wu Kwai Keung, Peter, aged 64, is the Deputy General Manager of the foundation division. He is responsible for the business development, tendering and overall management of the foundation works and ancillary services projects of the Group. He obtained a master degree in arbitration & dispute resolution from City University of Hong Kong in 2003. He has more than 35 years of experience in the construction industry both locally and abroad. He is a member of the Institution of Civil Engineers and Hong Kong Institution of Engineers.

高級管理層

胡季強先生，64歲，為地基部的副總經理。彼負責本集團地基工程及附屬服務項目的業務發展、投標及整體管理工作。於2003年，彼獲得香港城市大學仲裁及爭議解決學碩士學位。彼於建造行業擁有超過35年本地及海外經驗。彼為英國土木工程師學會及香港工程師學會會員。

Mr. Ho Ting Leung, Robin, aged 63, is the Deputy General Manager of the foundation division. He is responsible for the managing, supervising and actuating the current projects of the Group. He has over 35 years of experience, working in the construction industry, since graduated in 1981 from Civil Engineering Department of Hong Kong Polytechnic.

何定樑先生，63歲，為地基部的副總經理。彼負責本集團營運中的工程項目的管理、督導和推動工作。自1981年畢業於香港理工學院土木工程系後，彼於建造行業擁有逾35年之經驗。

Profile of Directors and Senior Management

董事及高級管理層履歷

Mr. Kwok Kan Kuen, Lawrence, aged 55, is a project manager of the foundation division. He is responsible for the supervision of the related foundation projects of the Group. Prior to joining the Group in July 2012, he has over 20 years of experience in the engineering field. He obtained a bachelor's degree in civil engineering from the Chu Hai College in 1987 and a master's degree of science in international construction management and engineering from the University of Leeds in the United Kingdom in 1994. He is currently a registered professional engineer under the Engineer Registration Ordinance (Cap. 409 of the Laws of Hong Kong) and a member of each of the Institution of Civil Engineers of the United Kingdom and the Hong Kong Institution of Engineers, respectively.

Ms. Lau Pui Shan, aged 45, is the chief financial officer of the Group and a director of certain subsidiaries within the Group. She joined the Group in September 1999. She is responsible for financial accounting, treasury and banking matters, investors relation and information technology system of the Group. She obtained a bachelor's degree of commerce in accounting and finance and a master's degree of commerce in international business from the University of New South Wales in Australia. She is a fellow certified practicing accountant of CPA Australia and a fellow member of the Hong Kong Institute of Certified Public Accountants. She is the daughter of Mr. Lau Chun Ming and Ms. Leung Lai So.

COMPANY SECRETARY

Mr. Chan Sun Kwong, aged 52, is the company secretary of the Company. He obtained a diploma of business administration from the Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University) in 1990. He is a fellow member of the Hong Kong Institute of Chartered Secretaries, the Institute of Chartered Secretaries and Administrators in the United Kingdom, the Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. He is an accredited mediator of The Hong Kong Mediation Centre. He has over 25 years company secretarial experience.

郭根權先生，55歲，地基部的項目經理，負責監督本集團的相關地基項目。彼於2012年7月加盟本集團之前，已於工程領域累積逾20年的經驗。郭先生於1987年取得珠海學院土木工程學士學位及於1994年取得英國利茲大學的國際建築管理與工程學碩士學位。郭先生現時為香港法例第409章《工程師註冊條例》所指的註冊專業工程師，並為英國土木工程師學會會員及香港工程師學會會員。

劉沛珊女士，45歲，為本集團財務總裁及本集團若干附屬公司的董事。彼於1999年9月加盟本集團。彼負責本集團財務、會計、司庫及銀行事務、投資者關係及資訊科技系統。彼持有澳洲新南威爾士大學的會計及金融商學士學位及國際商務碩士學位。彼為澳洲會計師公會的澳洲資深註冊會計師及香港會計師公會的資深會員。彼為劉振明先生及梁麗蘇女士的女兒。

公司秘書

陳晨光先生，52歲，為本公司的公司秘書。彼於1990年獲得香港樹仁學院（現稱香港樹仁大學）工商管理文憑。彼為香港特許秘書公會、英國特許秘書及行政人員公會、英格蘭及威爾士特許會計師協會、英國特許公認會計師公會及香港會計師公會資深會員。彼為香港和解中心認可調解員。彼擁有逾25年的公司秘書經驗。

Directors' Report

董事會報告



The directors of the Company submit their report together with the audited financial statements of the Group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of foundation works and ancillary services. The principal activities of the subsidiaries of the Company are set out in note 12 to the consolidated financial statements. The segment information of the operations of the Group for the year ended 31 March 2019 is set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

The business review and principal risks of the Group for the year are included in the Chairman's Statement and Management Discussion and Analysis in this annual report.

The environmental policies and relationships with key stakeholders are included in the Management Discussion and Analysis in this annual report. Further details of the above are included in the Corporate Social Responsibility Report in this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2019 are set out in the consolidated statement of comprehensive income on page 84 of this annual report.

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

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five years is set out on page 196 of this annual report.

本公司董事提呈其截至2019年3月31日止年度的報告連同本集團的經審核財務報表。

主要業務

本公司的主要業務為投資控股。本集團主要從事提供地基工程及附屬服務業務。本公司附屬公司的主要業務載於綜合財務報表附註12。本集團截至2019年3月31日止年度的業務分部資料載於綜合財務報表附註5。

業務回顧

本集團於本年度的業務回顧及主要風險已載於本年報的主席報告及管理層討論與分析內。

環境政策及與主要持份者的關係載於本年報的管理層討論與分析內。有關上述詳情載於本年報的企業社會責任報告內。

業績及股息

本集團於截至2019年3月31日止年度的業績載於第84頁的綜合全面收益表內。

董事不建議派發截至2019年3月31日止年度的末期股息。

五年財務概要

本集團過去五個年度的已刊發業績及資產負債概要載於本年報第196頁。

Directors' Report

董事會報告

DONATIONS

Charitable and other donations made by the Group during the year amounted to about HK\$50,000.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2019, calculated under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised), of the Cayman Islands, amounted to HK\$201 million (2018: HK\$200 million).

SHARES ISSUED IN THE YEAR

No shares were issued in the years ended 31 March 2019 and 2018. Details of share capital are set out in note 18 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

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

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

SHARE OPTION SCHEME

A share option scheme (the "Scheme") was adopted pursuant to a shareholders' written resolution of the Company passed on 15 September 2014. No options have been granted, exercised or cancelled under the Scheme since its adoption up to the date of this annual report.

捐款

本集團於年內作出慈善及其他捐款合共50,000港元。

可供分派儲備

於2019年3月31日，本公司根據開曼群島法例第22章《公司法》(1961年法例三，經綜合及修訂本)計算的可供分派儲備為201,000,000港元(2018年：200,000,000港元)。

年內已發行股份

於截至2019年及2018年3月31日止年度並無發行股份。股本詳情載於綜合財務報表附註18。

優先購買權

本公司的組織章程細則並無有關優先購買權的條文，而開曼群島法例並無對該等權利施加限制，規定本公司須按比例向現有股東提呈新股份。

購買、出售或贖回本公司上市證券

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

購股權

本公司根據於2014年9月15日通過的股東書面決議案，採納一項購股權計劃(「該計劃」)。自採納該計劃起至本年報日期為止，並無根據該計劃授出、行使或註銷任何購股權。



The purpose of the Scheme is to attract and retain personnels to remain with the Group and to motivate them to optimise their performance and efficiency for the benefit of the Group by providing them with the opportunity to acquire equity interests in the Company. The Board may, at its discretion, grant options pursuant to the Scheme to the directors (including executive directors, non-executive directors and independent non-executive directors), the directors of the Company's subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group.

Total number of shares in respect of which options may be granted to the Scheme and any other share options schemes of the Company shall not exceed 10% of the shares in issue on the Company's listing date, i.e. 16 October 2014, being 40,000,000 shares of HK\$0.01 each on the listing date (or equivalent to 160,000,000 shares of HK\$0.0025 each subsequent to share subdivision effective on 23 December 2015) (the "Scheme Mandate Limit"). The Company may renew the Scheme Mandate Limit with shareholders' approval provided that each such renewal must not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The maximum number of shares underlying all outstanding options which have been granted and have yet to be exercised pursuant to the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the shares in issue from time to time.

Unless approved by shareholders of the Company in the manner as set out in the Scheme, the maximum number of shares underlying the options granted to each eligible participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1.0% of the shares in issue for the time being.

The period during which an option may be exercised by a grantee (the "Option Period") shall be the period to be determined and notified by the Board to the grantee at the time of making an offer, which shall not expire later than 10 years from the offer date.

該計劃的目的是藉著向各員工提供購買本公司股權的機會，吸引及挽留彼等留任本集團，並鼓勵彼等提升表現及效率，為本集團獲利而努力。董事會可根據該計劃酌情向董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司的董事及本集團的僱員授出購股權，亦可向董事會全權認為曾對或將會對本集團作出貢獻的任何其他人士（包括諮詢人或顧問）授出購股權。

根據該計劃及本公司任何其他購股權計劃可予授出的購股權所涉及的股份總數，不得超過本公司於上市日期（2014年10月16日）已發行股份的10%（即40,000,000股於上市日期每股面值0.01港元的股份（或相當於2015年12月23日生效的股份拆細後的160,000,000股每股面值0.0025港元的股份））（「計劃授權上限」）。本公司可經股東批准下重訂計劃授權上限，惟每次進行的有關重訂均不得超過本公司於股東批准當日已發行股份的10%。

根據該計劃及本公司任何其他購股權計劃已授出但尚未行使的所有購股權所涉及股份最高數目，合共不得超過不時已發行股份的30%。

除非按該計劃所載方式獲本公司股東批准，每名合資格參與者在任何十二個月期間內獲授的購股權（包括已行使、已註銷及尚未行使的購股權）所涉及股份最高數目，不得超過當時已發行股份的1.0%。

承授人可行使購股權的期間（「購股權期間」）將由董事會於提呈要約時釐定及向承授人知會，有關期間不得於要約日期起計十年後屆滿。

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Subject to any restrictions applicable under the Listing Rules, an option may be exercised in whole or in part by the grantee at any time during the Option Period in accordance with the terms of the Scheme and the terms on which the option was granted.

The grantee shall pay HK\$1.00 upon acceptance of an offer of an option.

The exercise price shall be determined by the Board but in any event shall not be less than the highest of: (a) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the offer date, which must be a trading day; (b) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the offer date; or (c) the nominal value of the shares on the offer date of the relevant option.

The Scheme will remain in force for a period of 10 years after the date of adoption.

DIRECTORS

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

Executive directors

Mr. Lau Chun Ming (*Chairman*)
Mr. Lau Chun Kwok (*Chief Executive Officer*)
Mr. Lau Chun Ka
Ms. Leung Lai So

Independent non-executive directors

Professor Wong Sue Cheun, Roderick
Mr. Chu Tak Sum
Mr. Ip Tin Chee, Arnold

In accordance with article 84 of the Company's articles of association, Mr. Lau Chun Kwok, Professor Wong Sue Cheun, Roderick and Mr. Ip Tin Chee, Arnold will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

在上市規則項下任何適用限制的規限下，承授人可根據該計劃的條款及授出購股權的條款於購股權期間隨時行使全部或部分購股權。

承授人接納購股權要約時須繳付1.00港元。

行使價由董事會釐定，惟於任何情況下不得低於以下最高者：(a)聯交所於相關購股權要約日期(須為交易日)發出的每日報價表所報股份的收市價；(b)聯交所於緊接相關購股權要約日期前五個交易日發出的每日報價表所報股份的平均收市價；及(c)股份於相關購股權要約日期的面值。

該計劃將於採納日期後十年期間生效。

董事

於本年度內至本報告日期止的本公司董事如下：

執行董事

劉振明先生(主席)
劉振國先生(行政總裁)
劉振家先生
梁麗蘇女士

獨立非執行董事

王世全教授
朱德森先生
葉天賜先生

根據本公司組織章程細則第84條，劉振國先生、王世全教授及葉天賜先生將於應屆股東週年大會上告退，並符合資格膺選連任。

Directors' Report

董事會報告



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 Listing Rules. The Company considered all of the independent non-executive directors to be independent.

DIRECTORS' SERVICE CONTRACTS

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

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

Save for disclosed elsewhere in this annual report, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent companies was a party and in which a director or controlling shareholders of the Company and the directors' connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 57 to 60.

本公司已接獲每位獨立非執行董事根據上市規則第3.13條就其獨立性作出的年度確認書。本公司認為所有獨立非執行董事均符合有關獨立性的要求。

董事的服務合約

概無擬於應屆股東週年大會上膺選連任的董事與本集團任何成員公司訂有不可由本集團於一年內終止而毋須支付補償款項（法定補償除外）的服務合約。

董事／控股股東於對本集團業務而言屬重大的交易、安排及合約中擁有的重大權益

除於本年報其他部分所披露者外，本公司的附屬公司、同系附屬公司或母公司於年末或年內任何時間，並無訂有任何對本集團業務而言屬重大且本公司董事或控股股東及董事的關連人士於當中擁有重大權益（不論直接或間接）的交易、安排及合約。

董事及高級管理層履歷

董事及高級管理層履歷載於第57至第60頁。

Directors' Report

董事會報告

DISCLOSURE OF INTERESTS

As at 31 March 2019, the interests and short positions of directors in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO, or as 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, are as follows:

(a) Directors' interest in the Company:

Name of director 董事姓名	Number of ordinary shares of HK\$0.0025 each held (long position) 所持每股面值0.0025港元的普通股數目(好倉)	Percentage of shareholding 持股比例	Capacity 身份
Mr. Lau Chun Ming 劉振明先生	1,200,000,000	71.43%	Founder of a discretionary trust 全權信託的創辦人
Ms. Leung Lai So 梁麗蘇女士	1,200,000,000	71.43%	Beneficiary of a discretionary trust 全權信託的受益人

(b) Directors' interest in associated corporations of the Company:

Name of director 董事姓名	Name of associated corporation 相聯法團名稱	Number of shares 股份數目	Percentage of shareholding 持股比例	Capacity 身份
Mr. Lau Chun Ming 劉振明先生	Actiease Assets Limited	61 shares 61股	100%	Founder of a discretionary trust 全權信託的創辦人
Mr. Lau Chun Ming 劉振明先生	Silver Bright Holdings Limited	10,000 shares 10,000股	100%	Founder of a discretionary trust 全權信託的創辦人
Ms. Leung Lai So 梁麗蘇女士	Actiease Assets Limited	61 shares 61股	100%	Beneficiary of a discretionary trust 全權信託的受益人
Ms. Leung Lai So 梁麗蘇女士	Silver Bright Holdings Limited	10,000 shares 10,000股	100%	Beneficiary of a discretionary trust 全權信託的受益人

權益披露

於2019年3月31日，董事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」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第352條須予存置的登記冊所記錄的權益及淡倉，或根據上市規則附錄10所載的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：

(a) 董事於本公司的權益：

(b) 董事於本公司相聯法團的權益：

Directors' Report

董事會報告



So far as the directors are aware, as at 31 March 2019 the interest and short positions of the persons, other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

(c) Substantial shareholders' interests and short positions in the Company:

Name of shareholder 董事名稱	Number of ordinary shares of HK\$0.0025 each held 所持每股面值0.0025港元的 普通股數目	Percentage of shareholding 持股百分比	Capacity 身份
Actiease Assets Limited	Long position 1,200,000,000 好倉1,200,000,000股	71.43%	Beneficial owner 實益擁有人
Silver Bright Holdings Limited	Long position 1,200,000,000 好倉1,200,000,000股	71.43%	Interest of a controlled corporation 受控制法團的權益
Managecorp Limited as trustee of a unit trust (作為單位信託的受託人)	Long position 1,200,000,000 好倉1,200,000,000股	71.43%	Trustee 受託人
IQ EQ (NTC) Trustees Asia (Jersey) Limited (formerly known as First Names (NTC) Trustees Asia Limited) (前稱First Names (NTC) Trustees Asia Limited)	Long position 1,200,000,000 好倉1,200,000,000股	71.43%	Trustee 受託人

Notes:

- 1,200,000,000 shares were held by Actiease Assets Limited, a company wholly owned by Silver Bright Holdings Limited which is indirectly owned by a discretionary trust of which Ms. Leung Lai So is the beneficiary.
- Silver Bright Holdings Limited is 100% held by Managecorp Limited as trustee of a unit trust, of which issued units are 100% held by IQ EQ (NTC) Trustees Asia (Jersey) Limited (formerly known as First Names (NTC) Trustees Asia Limited) as trustee of a discretionary trust set up by Mr. Lau Chun Ming.

就董事所知，於2019年3月31日，以下人士（不包括本公司董事或主要行政人員）於本公司股份及相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊所記錄的權益及淡倉：

(c) 主要股東於本公司的權益及淡倉：

附註：

- 1,200,000,000股股份由Silver Bright Holdings Limited全資擁有的公司Actiease Assets Limited所持有，而Silver Bright Holdings Limited由其受益人為梁麗蘇女士的全權信託間接擁有。
- Silver Bright Holdings Limited由單位信託的受託人Managecorp Limited 100%持有，而Managecorp Limited的已發行單位則由IQ EQ (NTC) Trustees Asia (Jersey) Limited (前稱First Names (NTC) Trustees Asia Limited) 作為劉振明先生設立的全權信託的受託人100%持有。

Directors' Report

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MANAGEMENT CONTRACTS

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

DEED OF NON-COMPETITION

The controlling shareholders have confirmed to the Company of their compliance with the non-competition undertakings provided to the Company under a deed of non-competition dated 15 September 2014.

In addition, the Company requested and obtained the information of the companies owned by the controlling shareholders of the Company. The independent non-executive directors, based on their review of the confirmation, noted that no engagement in competing business had been reported by the controlling shareholder of the Company during the year ended 31 March 2019; and there was no particular situation rendering the full compliance of the undertakings being questionable.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's five largest customers in aggregate accounted for approximately 100% (2018: 100%) of the Group's total turnover. The largest customer accounted for approximately 72% (2018: 81%) of the Group's total turnover.

During the year, the Group's five largest suppliers in aggregate accounted for approximately 95% (2018: 94%) of the Group's total purchases. The largest supplier accounted for approximately 86% (2018: 75%) of the Group's total purchases.

To the best of the knowledge of the directors, none of the directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in these major suppliers or customers.

管理合約

於年內概無訂立或存有關於本公司全部或任何重大部分業務的管理及行政方面的合約。

不競爭契據

控股股東已向本公司確認，其已遵守根據日期為2014年9月15日的不競爭契據向本公司作出的不競爭承諾。

此外，本公司已索取並獲取本公司控股股東所擁有公司的資料。獨立非執行董事根據其對確認書的審閱注意到本公司控股股東於截至2019年3月31日止年度概無匯報曾參與競爭業務，亦不存在關於完全遵守承諾有爭議之特殊情況。

主要客戶及供應商

於年內，本集團五大客戶合共佔本集團總營業額約100%（2018年：100%）。最大客戶佔本集團總營業額約72%（2018年：81%）。

於年內，本集團五大供應商合共佔本集團總採購額約95%（2018年：94%）。最大供應商佔本集團總採購額約86%（2018年：75%）。

就董事所知，概無董事、彼等的聯繫人士或任何股東（就董事所知擁有本公司股本5%以上的人士）於上述主要供應商或客戶中擁有權益。



RELATED PARTY TRANSACTIONS

The significant related party transactions entered into by the Group during the year set out in note 26 to the financial statements included transactions that constitute connected/continuing connected transactions for which the disclosure requirements under the Listing Rules have been complied with.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 March 2019, the Group had the following continuing connected transactions:

Tenancy Agreements

Name of landlords 業主名稱	Term of lease agreements 租賃協議年期	Monthly rent 每月租金 (HK\$) (港元)	Annual rent 每年租金 (HK\$) (港元)
Leasing of storage property for use as open storage and service depot for the Group 租賃存倉物業以用作本集團的露天存倉及維修場			
Cheer Crown Limited 嘉勳有限公司	1/8/2017 ~ 31/7/2020	180,000	2,160,000
Leasing of residential properties and car parking spaces for use as quarter for the directors 租賃住宅物業及停車位以用作董事的居所			
Cheer Wealth International Development Limited 富怡國際發展有限公司	1/8/2017 ~ 31/7/2020	73,000	876,000
East Ascent Enterprises Limited 東升企業有限公司	1/8/2017 ~ 31/7/2020	3,800	45,600
Cheer Profit International Enterprise Limited 置利國際企業有限公司	1/8/2017 ~ 31/7/2020	3,800	45,600
Long Ascent Development Limited 長升發展有限公司	1/8/2017 ~ 31/7/2020	50,000	600,000
Healthy World Investment Limited 健匯投資有限公司	1/8/2017 ~ 31/7/2020	50,000	600,000
Total transaction amounts for the year ended 31 March 2019 截至2019年3月31日止年度的交易總額			4,327,200
Annual cap For the year ended 31 March 2019	年度上限 截至2019年3月31日止年度		4,327,200

關聯人士交易

本集團於本年度訂立的重大關聯交易載於財務報表附註26，包括構成關連／持續關連交易的交易，而本集團已就該等交易遵守上市規則的披露規定。

持續關連交易

於截至2019年3月31日止年度，本集團的持續關連交易如下：

租賃協議

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The rents paid by the Group to the above landlords were determined on an arm's length basis and reflected the prevailing market rents at the time. The relevant tenancy agreements were also entered into by the parties on normal commercial terms.

Relationships with Connected Persons

As Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka and Ms. Leung Lai So, each a director, and Ms. Lau Pui Shan, a daughter of Mr. Lau Chun Ming and Ms. Leung Lai So, owned the beneficial interests in the above landlords, each of the landlords above was therefore considered as a connected person of the Company and hence the transactions referred above constituted continuing connected transactions under Chapter 14A of the Listing Rules.

Review of Continuing Connected Transactions

The continuing connected transactions mentioned above have been reviewed by the independent non-executive directors of the Company who have confirmed that the transactions have been entered into (a) in the ordinary and usual course of business of the Company; (b) on normal commercial terms or better; and (c) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 69 to 70 in this annual report in accordance with rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

本集團向上述業主支付的租金乃按公平原則釐定，並已反映當時的現行市場租金。同樣，相關租賃協議由訂約各方按正常商業條款訂立。

與關連人士的關係

由於劉振明先生、劉振國先生、劉振家先生及梁麗蘇女士（彼等各自為董事）及劉沛珊女士（劉振明先生及梁麗蘇女士的女兒）於以上業主中擁有實益權益，因此以上業主均被視為本公司的關連人士，上述所指的交易亦因而構成上市規則第14A章項下的持續關連交易。

審閱持續關連交易

本公司的獨立非執行董事已審閱上述持續關連交易，並確認交易乃(a)於本公司日常一般業務過程中；(b)按一般商業條款或更佳條款；及(c)根據規管該等交易的相關協議，屬公平合理，且符合本公司股東整體利益而訂立。

本公司核數師獲委聘，遵照香港會計師公會頒發的香港鑒證業務準則第3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明第740號「上市規則規定的持續關連交易的核數師函件」，就本集團的持續關連交易作出報告。根據上市規則第14A.56條，核數師已就本集團於本年報第69至第70頁披露的持續關連交易，發出載有彼等的審核結果及結論的無保留意見函件。本公司已向聯交所呈交核數師函件的副本。



Save as disclosed above, a summary of significant related party transactions that did not constitute connected transactions made during the year is disclosed in note 26 to the financial statements.

MARKET CAPITALISATION

As at 31 March 2019, the market capitalisation of the listed securities of the Company was approximately HK\$302 million based on the total number of 1,680,000,000 issued shares of the Company and the closing price of HK\$0.18 per share.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the prescribed public float under the Listing Rules during the year ended 31 March 2019 and as at the date of this report.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year and up to the date of this report, the Group had complied with all the relevant laws and regulations in the places where we operate in all material respects.

PERMITTED INDEMNITY PROVISION

The Company's Articles provides that every director is entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to the director.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the directors.

除上文披露者外，於年內作出的並不構成關連交易的重大關聯人士交易概要於財務報表附註26披露。

市值

於2019年3月31日，按本公司已發行股份總數1,680,000,000股以及每股收市價0.18港元計算，本公司上市證券的市值約為302,000,000港元。

充足的公眾持股量

根據本公司獲得的公開資料及就董事所知，於截至2019年3月31日止年度及於本年報日期，本公司一直維持上市規則指定的公眾持股量。

遵守法律及規例

於年內及直至本報告日期，本集團已在各重要方面遵守旗下營運所在地的全部相關法律及規例。

獲准許彌償條文

本公司組織章程細則規定，就其任期內或因執行其職務而可能遭致或發生與此相關之所有損失或責任，每位董事有權從本公司資產中獲得賠償，惟與董事本身之欺詐或不誠實事宜有關者除外。

本公司於年內已購買及維持全年的董事責任保險，為董事提供適當的保障。

Directors' Report

董事會報告

EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 31 March 2019 and up to the date of this annual report.

AUDITOR

The consolidated financial statements for the year ended 31 March 2019 have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Mr. Lau Chun Ming

Chairman

Hong Kong, 21 June 2019

報告期後事項

本公司或本集團於2019年3月31日後及截至本年報日期並無進行任何重大其後事項。

核數師

截至2019年3月31日止年度的綜合財務報表已獲羅兵咸永道會計師事務所審核，其將於本公司應屆股東週年大會上任滿告退並願意接受續聘。

代表董事會

劉振明先生

主席

香港，2019年6月21日

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

To the Shareholders of Sam Woo Construction Group Limited

(incorporated in the Cayman Islands with limited liability)

致三和建築集團有限公司股東

(於開曼群島註冊成立的有限公司)

OPINION

意見

What we have audited

我們已審計的內容

The consolidated financial statements of Sam Woo Construction Group Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 84 to 195, which comprise:

三和建築集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第84至195頁的綜合財務報表，包括：

- the consolidated balance sheet as at 31 March 2019;
 - the consolidated statement of comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated statement of cash flows for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於2019年3月31日的綜合資產負債表；
 - 截至該日止年度的綜合全面收益表；
 - 截至該日止年度的綜合權益變動表；
 - 截至該日止年度的綜合現金流量表；及
 - 綜合財務報表附註，包括重要會計政策摘要。

Our opinion

我們的意見

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

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

Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

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

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

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。

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

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

Independent Auditor's Report

獨立核數師報告



KEY AUDIT MATTERS (Continued)

Key audit matter identified in our audit is summarised as follows:

- Accounting for construction contracts
- Estimated useful lives and residual values of plant and equipment

Key Audit Matter

關鍵審計事項

Accounting for construction contracts

Refer to note 2.19 in the summary of significant accounting policies, note 4(a) in the critical accounting estimates and judgements and note 5 to the consolidated financial statements.

請參閱重大會計政策概要附註2.19、綜合財務報表附註4(a)重要會計估計及判斷以及附註5。

For the year ended 31 March 2019, the Group derived revenue of HK\$452,268,000 from construction works. The related construction contracts costs amounted to HK\$420,092,000.

截至2019年3月31日止年度，貴集團452,268,000港元的收入乃來自建築工程。相關建築合約成本為420,092,000港元。

Revenue on construction contracts is recognised over the period of individual contract by measuring the progress towards complete satisfaction of individual performance obligation. The Group recognises revenue using either input method or output method, with the selection of method dependent upon which method best depicts the way the Group satisfies its performance obligation over time. The decision as to which method to use is made for each contract, after considering the nature of the goods or services that the Group promised to transfer to the customer.

建築合約的收入通過計量達致完全履行個別履約義務的進度在個別合約期內予以確認。貴集團採用輸入法或輸出法確認收入，方法的選擇取決於哪種方法能最佳地描述貴集團隨時間履行履約義務的方式。對各合約下採用何種方法是經考慮貴集團承諾轉讓給客戶的貨品或服務的性質後決定。

關鍵審計事項(續)

我們在審計中識別的關鍵審計事項概述如下：

- 建築合約的會計處理
- 機械及設備的估計可使用年期及剩餘價值

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

建築合約的會計處理

Our procedures in relation to management's accounting for measuring the progress towards satisfaction of the performance obligation, revenue, cost and profit recognition of construction contracts included:

就管理層對計量履行履約義務的進度、建築合約的收入、成本及溢利確認的會計處理，我們已採取的程序包括：

- We assessed and tested the key controls over the project costs budgetary process.
- 我們已評估及測試項目成本預算過程中的主要監控。
- We selected, on a sample basis, contracts to examine management's budget of the cost component, such as costs of materials, subcontracting fees and labour costs, etc. We compared the budgeted cost components to supporting documents including but not limited to price quotation and rate of labour costs.
- 我們抽樣選出合約以審視管理層對材料成本、分包費用及勞務成本等成本組成部分的預算。我們將預算成本的組成部分與佐證文件互相比對，當中包括但不限於報價單及勞務成本價格。
- We inspected material construction contracts of the Group for agreed contract sum and variations, if any.
- 我們已檢視貴集團的重大建築合約的協定合約金額及變更(如有)。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Under input method, revenue on construction contracts is recognised with reference to actual costs incurred by the Group up to the end of the reporting period as a percentage of total estimated costs for each contract. Under output method, revenue recognition is based on the stage of completion of contract activity by reference to work performed at balance sheet date as a percentage of the total contract value. 根據輸入法，建築合約的收入是參考直至報告期末貴集團實際產生的成本佔各合約估計成本總額的百分比而確認。根據輸出法，收入確認是基於經參考結算日所進行工程佔總合約價值百分比根據合約活動的完工階段。

Recognition of revenue, cost and profit on contracts requires significant judgement and estimates in (a) measuring the progress towards complete satisfaction of the performance obligation; (b) estimating total budgeted costs and profit margin for each projects; and (c) estimating the expected recovery of costs arising from variation of work scope during the contracts periods. We focused on this area as a key audit matter due to the significance of the revenue and the related costs to the Group's consolidated financial statements and the significance of the judgement and estimates involved.

合約的收入、成本及溢利確認需要對(a)計量達致完全履行履約義務的進度；(b)估計各合約的預算成本總額及利潤率；及(c)估計合約期間因工作範疇變更而產生的成本能否回收。由於收入及相關成本對貴集團綜合財務報表的重要性以及當中涉及的判斷及估計的重要性，我們視此為關鍵審計事項而專注於此範疇。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- We tested, on sample basis, actual costs incurred to supporting documents including, but no limited to, suppliers' invoices and labour cost allocation schedules.
- 我們已根據佐證文件(包括但不限於供應商的發票和勞工成本分配表)對已錄得的實際成本進行抽樣測試。

For projects where revenue was recognised using input method:

對於以輸入法確認收入的項目而言：

- We compared the actual costs incurred against the budgeted costs to understand the status of the project completion, identified whether there are any cost overruns or variation of work scope. Where applicable, we checked these changes from the original work scope to supporting documents.
- 我們將已錄得的實際成本與預算成本進行比較，以了解項目完工狀況，確定是否存在任何成本超支或工作範疇的變更。在適用的情況，我們會檢視對原始工作範疇之變更的佐證文件。
- We compared the project's stage of completion under input method with quantity surveyors' certificates at period end, where available. We inquired management in respect of significant differences noted and checked such differences to supporting documents.
- 如項目有期末的工料測量師證明書，我們將與項目在輸入法下的完工階段進行比較。我們已就所發現的重大差異向管理層提出查詢，並根據佐證文件檢查有關差異。

Independent Auditor's Report

獨立核數師報告



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Furthermore, for projects where revenue was recognised using output method:

此外，對於以輸出法確認收入的項目而言：

- We checked the completion status specified in quantity surveyors' certificates and compared the status/amount with revenue recognised.
- 我們已檢查工料測量師證明書中訂明的完工狀況並將有關狀況／金額與已確認收入作比較。
- We assessed the competence and independence of external quantity surveyors involved in selected contract.
- 我們評審參與所選出之合約的外聘工料測量師之能力及獨立性。
- We discussed with the project managers about the status of the projects, to identify any variations of contracts and claims, and to obtain explanations from management for fluctuations in margins and changes in budget as well as the expected recovery of variations.
- 我們已與項目經理討論項目狀況，以識別有否合約變更及申索，並就利潤率波動、預算變動及預期能否收回合約變更取得管理層的說明。
- We inspected the correspondence with customers and sub-contractors, on a sample basis, for corroboration of management explanations.
- 我們已抽樣檢視與客戶及分包商之間的通訊，以佐證管理層的說明。

We found the judgement and estimates adopted by management in determining the revenue, cost and profit recognition of construction contracts are supported by available evidence.

我們認為管理層在釐定建築合約的收入、成本及溢利確認時所應用的判斷及所採納的估計方面已獲現有證據支持。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key Audit Matter

關鍵審計事項

Estimated useful lives and residual values of plant and equipment

Refer to note 2.6 in the summary of significant accounting policies, note 4(b) in the critical accounting estimates and judgements and note 13 to the consolidated financial statements.

請參閱重大會計政策概要附註2.6、綜合財務報表附註4(b)重要會計估計及判斷以及附註13。

As at 31 March 2019, the carrying value of plant and equipment amounted to HK\$563,615,000, with depreciation charge for the year ended 31 March 2019 amounted to HK\$24,699,000.

於2019年3月31日，機械及設備之賬面值為563,615,000港元而截至2019年3月31日止年度之折舊支出為24,699,000港元。

關鍵審計事項(續)

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

機械及設備的估計可使用年期及剩餘價值

Our procedures in relation to management's estimated useful lives and residual values of plant and equipment included:

就管理層對機械及設備的估計可使用年期及剩餘價值，我們已採取的程序包括：

- We discussed with the management on trends of prevailing market values for equivalent aged assets for each category of plant and equipment and the value of scrap metal at year end. We performed independent research to corroborate with the management's assessment.
- 我們已與管理層討論各類機械及設備的同等賬齡資產的現行市值走勢及廢鐵於年末的價值。我們已進行獨立研究以證實管理層的評估。
- We sample checked market quotations and recent scrap metal price to assess whether the residual value of each type of plant and equipment is within reasonable range.
- 我們已抽樣核對市場報價及廢鐵的近期價格以評估各類機械及設備的剩餘價值屬合理範圍。
- We reviewed the sensitivity analysis performed by management on financial impact of fluctuation on residual values to depreciation.
- 我們已審閱管理層對剩餘價值波動與折舊的財務影響進行的敏感性分析。



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Management estimates useful lives of the plant and equipment by reference to the industry practice, expected usage of the assets, expected repair and maintenance, and if there is any technical or commercial obsolescence arising from changes or improvements in the market. Residual values of the plant and equipment are determined based on prevailing market values for equivalent aged assets taking into account the condition of the relevant assets or the value of scrap metal. Depreciation expense would be significantly affected by the useful lives and residual values of the plant and equipment as estimated by management.

管理層乃參考行業慣例、資產預期用途、預期維修及保養、以及是否有任何因市場變化或改善導致的技術或商業方面過時，估計機械及設備的可使用年期。機械及設備的剩餘價值乃根據具同等賬齡資產的現行市值釐定，並計及有關資產的狀況或廢鐵的價值。管理層所估計機械及設備的可使用年期及剩餘價值將對折舊費用有重大影響。

We focused on this area as a key audit matter due to the fact that the carrying value of plant and equipment represented 95% of non-current assets and 66% of total assets of the Group, and significant judgement is involved in determining the useful lives and residual values of plant and equipment.

由於機械及設備的賬面值佔 貴集團非流動資產的 95%及總資產的 66%，以及在釐定機械及設備的可使用年期及餘值時涉及重要判斷，我們視此為關鍵審計事項而專注於此範疇。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- We assessed useful lives by benchmarking to other industry players and performing research to consider whether there are changes or improvements in the market which could potentially result in technical or commercial obsolescence. Furthermore, we tested, on a sample basis, usage of the assets among different construction projects and expenditure of repair and maintenance.
- 我們以其他業界的基準評估可使用年期及進行研究以考慮是否有市場變化或改善而可能導致技術或商業方面過時。另外，我們已抽樣測試不同建築項目的資產用途以及維修及保養的開支。
- We tested, on a sample basis, whether additions to plant and equipment have been recorded in proper categories with relevant useful lives and residual values, for the calculation of depreciation.
- 就計提折舊，我們已抽樣測試機械及設備的添置是否記錄於合適的相關可使用年期及剩餘價值類別。

We found the judgement and estimates in determining the useful lives and residual values of plant and equipment are supported by available evidence.

我們認為，於釐定機械及設備的可使用年期及剩餘價值時運用的判斷及估計是有足夠證據支持的。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

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

董事及審核委員會就綜合財務報表須承擔的責任

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

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

Independent Auditor's Report

獨立核數師報告



RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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

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

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

董事及審核委員會就綜合財務報表須承擔的責任(續)

審核委員會須負責監督貴集團的財務報告過程。

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

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

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

Independent Auditor's Report

獨立核數師報告

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

(Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
 - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
 - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
 - 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

核數師就審計綜合財務報表承擔的責任 (續)

Independent Auditor's Report

獨立核數師報告



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

(Continued)

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay Gabriel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21 June 2019

核數師就審計綜合財務報表承擔的責任 (續)

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。

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陳顯基。

羅兵咸永道會計師事務所
執業會計師

香港，2019年6月21日

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Revenue from contracts with customers	客戶合約收入	5	452,268	518,479
Cost of sales	銷售成本	7	(447,886)	(474,434)
Gross profit	毛利		4,382	44,045
Other (loss)/gain, net	其他(虧損)/ 收益—淨額	6	(1,000)	5,788
Other income	其他收入	6	484	19,038
Administrative expenses	行政開支	7	(37,503)	(61,405)
Impairment losses on retention receivables	應收保留金之減值虧損	7(d)	(25,009)	—
Operating (loss)/profit	經營(虧損)/溢利		(58,646)	7,466
Finance income	財務收入	8	3,481	2,637
Finance costs	財務費用	8	(2,332)	(4,478)
Finance income/(costs), net	財務收入/(費用)— 淨額	8	1,149	(1,841)
(Loss)/profit before income tax	除所得稅前(虧損)/ 溢利		(57,497)	5,625
Income tax credit/(expense)	所得稅抵免/(開支)	9	7,127	(106)
(Loss)/profit for the year	年度(虧損)/溢利		(50,370)	5,519
(Loss)/profit attributable to equity holders of the Company	本公司權益持有人 應佔(虧損)/溢利		(50,370)	5,519
Other comprehensive income <i>Items that may be subsequently reclassified to profit or loss</i>	其他全面收入 可能於其後重新分類至 損益之項目			
Fair value gains on available-for-sale financial assets	可供出售金融資產 之公平值收益		—	770
Fair value gains on financial assets at fair value through other comprehensive income	按公平值計入其他全面 收入之金融資產之公 平值收益		400	—
Total comprehensive (loss)/income for the year	年度全面(虧損)/收入 總額		(49,970)	6,289
Total comprehensive (loss)/income attributable to equity holders of the Company	本公司權益持有人 應佔全面(虧損)/ 收入總額		(49,970)	6,289
			2019 HK cents 港仙	2018 HK cents 港仙
Basic (loss)/earnings per share	每股基本(虧損)/盈利	11	(3.00)	0.33
Diluted (loss)/earnings per share	每股攤薄(虧損)/盈利	11	(3.00)	0.33

The notes on pages 89 to 195 are an integral part of these consolidated financial statements.

第89至195頁之附註為此等綜合財務報表之組成部分。

Consolidated Balance Sheet

綜合資產負債表

As at 31st March 2019 於2019年3月31日



		Note	2019	2018
		附註	HK\$'000 千港元	HK\$'000 千港元
Assets	資產			
Non-current assets	非流動資產			
Plant and equipment	機械及設備	13	563,615	575,752
Deferred income tax assets	遞延所得稅資產	19	8,547	9,208
Available-for-sale financial assets	可供出售金融資產	14	–	20,520
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產	14	20,920	–
Deposits and prepayments	按金及預付款項	15	2,098	2,905
			595,180	608,385
Current assets	流動資產			
Trade and retention receivables	應收貿易款項及保留金	15	45,858	121,261
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	15	5,852	3,905
Contract assets	合約資產	16	8,616	–
Amounts due from customers for contract works	應收客戶合約工程金額	16	–	231
Income tax recoverable	可收回所得稅		2,389	600
Restricted bank balances	受限制銀行結餘	17	3,075	3,020
Cash and cash equivalents	現金及現金等價物	17	196,964	256,401
			262,754	385,418
Total assets	資產總值		857,934	993,803
Equity	權益			
Share capital	股本	18(a)	4,200	4,200
Reserves	儲備	18(b)	621,716	681,520
Total equity	權益總額		625,916	685,720

The notes on pages 89 to 195 are an integral part of these consolidated financial statements.

第89至195頁之附註為此等綜合財務報表之組成部分。

Consolidated Balance Sheet

綜合資產負債表

As at 31st March 2019 於2019年3月31日

		Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Liabilities	負債			
Non-current liabilities	非流動負債			
Borrowings – non-current portion	借款 – 非流動部份	22	3,400	15,904
Deferred income tax liabilities	遞延所得稅負債	19	53,062	59,357
Amount due to a director	應付一名董事款項	21, 26(d)	3,075	3,020
			59,537	78,281
Current liabilities	流動負債			
Trade and retention payables	應付貿易款項及保留金	20	34,833	53,432
Accruals and other payables	應計款項及其他應付款項	20	9,921	8,943
Contract liabilities	合約負債	16	34,311	–
Amounts due to customers for contract works	應付客戶合約工程金額	16	–	97,866
Borrowings – current portion	借款 – 流動部份	22	92,498	65,207
Income tax payable	應付所得稅		918	4,354
			172,481	229,802
Total liabilities	負債總額		232,018	308,083
Total equity and liabilities	權益及負債總額		857,934	993,803

The consolidated financial statements on pages 84 to 195 were approved by the Board of Directors on 21 June 2019 and were signed on its behalf.

第84至195頁之綜合財務報表已於2019年6月21日獲董事會批准，並由下列人士代表簽署。

Lau Chun Ming

劉振明

Director

董事

Leung Lai So

梁麗蘇

Director

董事

The notes on pages 89 to 195 are an integral part of these consolidated financial statements.

第89至195頁之附註為此等綜合財務報表之組成部分。

Consolidated Statement of Changes In Equity

綜合權益變動表

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



		Share capital	Share premium	Available-for-sale financial assets reserve	Financial assets at fair value through other comprehensive income reserve	Other reserves	Retained earnings	Total
		股本	股份溢價	可供出售金融資產儲備	按公平值計入其他全面收入之金融資產儲備	其他儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 April 2017	於2017年4月1日之結餘	4,200	194,087	-	-	10,500	487,444	696,231
Comprehensive income	全面收入							
Profit for the year	年度溢利	-	-	-	-	-	5,519	5,519
Fair value gains on available-for-sale financial assets	可供出售金融資產之公平值收益	-	-	770	-	-	-	770
Total comprehensive income for the year	年度全面收入總額	-	-	770	-	-	5,519	6,289
Contribution by and distribution to owners	擁有人之出資及向其作出的分派							
Final dividends relating to the year ended 31 March 2017	有關截至2017年3月31日止年度的末期股息	-	-	-	-	-	(16,800)	(16,800)
Balance at 31 March 2018	於2018年3月31日之結餘	4,200	194,087	770	-	10,500	476,163	685,720
Balance at 31 March 2018 as originally presented	於2018年3月31日之結餘(如原先呈列)	4,200	194,087	770	-	10,500	476,163	685,720
Changes in accounting policies (note 2.2)	會計政策變動(附註2.2)	-	-	(770)	770	-	(9,834)	(9,834)
Balance at 1 April 2018 as restated	於2018年4月1日之結餘(經重列)	4,200	194,087	-	770	10,500	466,329	675,886
Comprehensive income	全面收入							
Loss for the year	年度虧損	-	-	-	-	-	(50,370)	(50,370)
Fair value gains on financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產之公平值收益	-	-	-	400	-	-	400
Total comprehensive loss for the year	年度全面虧損總額	-	-	-	400	-	(50,370)	(49,970)
Balance at 31 March 2019	於2019年3月31日之結餘	4,200	194,087	-	1,170	10,500	415,959	625,916

The notes on pages 89 to 195 are an integral part of these consolidated financial statements.

第89至195頁之附註為此等綜合財務報表之組成部分。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Cash flows from operating activities			
Net cash (used in)/generated from operations	25(a)	(62,552)	56,886
Interest paid		(1,486)	(2,783)
Interest received		3,481	2,637
Interest element of finance lease payments	8	(791)	(1,532)
Restricted bank balances	17	(55)	17,844
Hong Kong profits tax paid		(1,789)	(6,297)
Net cash (used in)/generated from operating activities		(63,192)	66,755
Cash flows from investing activities			
Purchase of plant and equipment		(13,562)	(1,157)
Proceeds from sales of plant and equipment	25(b)	-	37,749
Net cash (used in)/generated from investing activities		(13,562)	36,592
Cash flows from financing activities			
Capital element of finance lease payments		(17,125)	(24,936)
Drawdown of long-term bank loans		-	559
Repayment of long-term bank loans		(18,932)	(38,386)
Drawdown of short-term bank loans		193,624	36,628
Repayment of short-term bank loans		(140,250)	(151,954)
Dividend paid		-	(16,800)
Net cash generated from/(used in) financing activities		17,317	(194,889)
Net decrease in cash and cash equivalents		(59,437)	(91,542)
Cash and cash equivalents at beginning of the year		256,401	347,943
Cash and cash equivalents at end of the year	17	196,964	256,401

The notes on pages 89 to 195 are an integral part of these consolidated financial statements.

第89至195頁之附註為此等綜合財務報表之組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註



1 GENERAL INFORMATION

Sam Woo Construction Group Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, the Cayman Islands.

The Company is an investment holding company and its subsidiaries (together the “Group”) are principally engaged in foundation works and ancillary services in Hong Kong and Macau.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and requirements of Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements of the Group have been prepared under the historical cost convention except for the financial assets at fair value through other comprehensive income (note 14) which are stated at fair value.

1 一般資料

三和建築集團有限公司(「本公司」)根據開曼群島法例第22章《公司法》(1961年法例3，經綜合及修訂本)在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司為投資控股公司，而其附屬公司(統稱「本集團」)主要於香港及澳門從事地基工程及附屬服務。

本公司之股份於香港聯合交易所有限公司主板上市。

除另有所指外，綜合財務報表以港元(「港元」)呈列。

2 重大會計政策概要

編製此等綜合財務報表所採用的主要會計政策載於下文。除另有指明者外，該等政策於所有呈列年度一直貫徹應用。

2.1 編製基準

本集團之綜合財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈之所有適用香港財務報告準則(「香港財務報告準則」)及香港法例第622章香港公司條例之規定編製。本集團之綜合財務報表以歷史成本法編製，惟按公平值計入其他全面收入之金融資產(附註14)根據公平值列賬除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of the financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

(a) New and amended standards adopted by the Group

The Group has adopted the following new standards and amendments for the first time for their financial reporting period commencing 1 April 2018:

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

2 重大會計政策概要 (續)

2.1 編製基準 (續)

根據香港財務報告準則編製財務報表須運用若干關鍵會計估計。管理層於應用本集團會計政策時亦須作出判斷。涉及較多判斷或較複雜，或有關假設及估計對綜合財務報表有重大影響的範疇於附註4披露。

(a) 本集團已採納的新訂及經修訂準則

本集團已就2018年4月1日開始的財務報告期間首次採納以下新訂準則及修訂：

香港財務報告準則之修訂	2014年至2016年週期香港財務報告準則的年度改進
香港會計準則第40號(修訂)	轉撥投資物業
香港財務報告準則第2號(修訂)	以股份支付交易之分類及計量
香港財務報告準則第4號(修訂)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收入
香港財務報告準則第15號(修訂)	香港財務報告準則第15號之澄清
香港(國際財務報告詮釋委員會)第22號	外幣交易及墊款代價

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(a) New and amended standards adopted by the Group (Continued)

The Group had to change its accounting policies and make certain adjustments following the adoption of HKFRS 9 and HKFRS 15. Other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and amended standards not yet adopted by the Group

The following new standards and amendments have been issued but are not effective for the financial year beginning on or after 1 April 2018 and have not been early adopted:

Amendments to HKFRSs	Annual improvement to HKFRSs 2015-2017 cycle ⁽¹⁾
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ⁽¹⁾
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ⁽¹⁾
Amendments to HKFRS 3	Definitions of Business ⁽²⁾
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ⁽¹⁾
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽⁴⁾
HKFRS 16	Leases ⁽¹⁾
HKFRS 17	Insurance Contracts ⁽³⁾
HK (IFRIC) – Interpretation 23	Uncertainty over Income Tax Treatments ⁽¹⁾

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(a) 本集團已採納的新訂及經修訂準則 (續)

於採納香港財務報告準則第9號及香港財務報告準則第15號後，本集團需更改其會計政策及作出若干調整。上述其他修訂對以前期間確認的金額概無任何影響，預計不會對當前或未來期間產生重大影響。

(b) 本集團尚未採納的新訂及經修訂準則

以下新訂準則及修訂已頒佈，但於2018年4月1日或之後開始的財政年度尚未生效，以及並未提早應用：

香港財務報告準則之修訂	2015年至2017年週期香港財務報告準則的年度改進 ⁽¹⁾
香港會計準則第19號之修訂	計劃修訂、縮減或結清 ⁽¹⁾
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ⁽¹⁾
香港財務報告準則第3號之修訂	業務之定義 ⁽²⁾
香港財務報告準則第9號之修訂	具有負值補償之預付款項特點 ⁽¹⁾
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司及合營企業之間的資產出售或注資 ⁽⁴⁾
香港財務報告準則第16號	租賃 ⁽¹⁾
香港財務報告準則第17號	保險合約 ⁽³⁾
香港 (國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性 ⁽¹⁾

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New and amended standards not yet adopted by the Group (Continued)

- (1) Effective for the Group for annual period beginning on or after 1 January 2019.
- (2) Effective for the Group for annual period beginning on or after 1 January 2020.
- (3) Effective for the Group for annual period beginning on or after 1 January 2021.
- (4) Effective date to be determined.

None of these HKFRSs is expected to have a significant effect on the consolidated financial statements of the Group, except for the following:

HKFRS 16 Leases

Nature of change

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) 本集團尚未採納的新訂及經修訂準則 (續)

- (1) 於2019年1月1日或之後開始的年度期間對本集團有效。
- (2) 於2020年1月1日或之後開始的年度期間對本集團有效。
- (3) 於2021年1月1日或之後開始的年度期間對本集團有效。
- (4) 生效日期有待釐定。

此等香港財務報告準則預期不會對本集團的綜合財務報表造成重大影響，惟以下列載者除外：

香港財務報告準則第16號租賃

變動之性質

香港財務報告準則第16號乃於2016年1月頒佈。其將引致絕大部分租賃於綜合資產負債表確認，乃因經營與融資租賃間之區分被刪除。根據新準則，資產（使用租賃項目之權利）及支付租金之金融負債被確認。唯一之例外情況是短期及低價值租賃。

出租人入賬將無重大變化。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards not yet adopted by the Group (Continued)*

HKFRS 16 Leases (Continued)

Impact

HKFRS 16 provides new provisions for the accounting treatment of leases and all non-current leases, including future operating lease commitments, must be recognised in the form of an asset (for the right of use) and a financial liability (for the payment obligation). Short-term leases of less than twelve months and leases of low-value assets are exempt from the reporting obligation. The new standard will therefore result in an increase in assets and financial liabilities in the consolidated balance sheet. Operating expenses under otherwise identical circumstances will decrease, and depreciation, amortisation and interest expense will increase. It is expected that certain portion of these lease commitments will be required to be recognised in the statement of balance sheet as right of use assets and lease liabilities.

The standard will affect primarily the accounting for Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments approximately HK\$12,468,000, see note 23(b). Of these commitments, HK\$1,859,000 relate to short-term leases which will be recognised on a straight-line basis as expenses in profit or loss.

For the remaining lease commitments, the Group expects to recognise right-of-use assets of HK\$9,961,000 on 1 April 2019 and lease liabilities of HK\$9,828,000 (after adjustments for prepayments recognised as at 31 March 2019). Overall net current assets will be approximately HK\$6,900,000 lower due to the presentation of a portion of the liabilities as a current liability.

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) *本集團尚未採納的新訂及經修訂準則(續)*

香港財務報告準則第16號租賃(續)

影響

香港財務報告準則第16號訂有關於租賃會計處理的新規定，所有非即期租賃（包括未來經營租賃承擔）均須以資產（若為使用權）及金融負債（若為付款責任）的形式確認。少於12個月的短期租賃及低價值資產租賃獲豁免遵守申報責任。因此，新訂準則將導致綜合財務狀況表的資產及金融負債增加。相同情況下的經營開支會減少，而折舊及攤銷和利息開支會增加。預期該等租賃承擔的若干部分將須於綜合財務狀況表內確認為使用權資產及租賃負債。

該準則將主要影響本集團經營租賃之入賬。於報告日期，本集團擁有不可撤銷經營租賃承擔約12,468,000港元（見附註23(b)）。在此等承擔之中，1,859,000港元是關於短期租賃而將按直線法於損益支銷。

就餘下租賃承擔而言，本集團預期於2019年4月1日確認使用權資產9,961,000港元及租賃負債9,828,000港元（就於2019年3月31日確認之預付款項作出調整後）。由於部分負債呈列為流動負債，故整體流動資產淨值將減少約6,900,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New and amended standards not yet adopted by the Group (Continued)

HKFRS 16 Leases (Continued)

Date of adoption by the Group

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting periods and on any foreseeable future transactions.

2.2 Changes in accounting policies

This note explains the impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers on the Group's consolidated financial statements on 1 April 2018.

(a) Impact on the consolidated financial statements

As explained in Notes 2.2(b) and 2.2(c) below, HKFRS 9 and HKFRS 15 were generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the restated consolidated balance sheet as at 31 March 2018, but are recognised in the opening consolidated balance sheet on 1 April 2018.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) 本集團尚未採納的新訂及經修訂準則 (續)

香港財務報告準則第16號租賃 (續)

本集團採納日期

新準則於2019年1月1日或之後開始之財政年度強制施行。於此階段，本集團不擬於其生效日期前採納該準則。

概無其他準則尚未生效及預計會對當前或未來報告期內的實體以及可預見的未來交易產生重大影響。

2.2 會計政策變動

本附註解釋採納香港財務報告準則第9號金融工具及香港財務報告準則第15號客戶合約收入對本集團於2018年4月1日綜合財務報表的影響。

(a) 對綜合財務報表的影響

誠如下文附註2.2(b)及2.2(c)所述，香港財務報告準則第9號及香港財務報告準則第15號通常於採納時不重述比較資料。因此，新減值規則產生的重新分類及調整未於2018年3月31日的經重列綜合資產負債表中反映，惟於2018年4月1日的期初綜合資產負債表中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(a) Impact on the consolidated financial statements (Continued)

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. The adjustments are explained in more details by standard below.

Consolidated balance sheet (extract)	綜合資產負債表 (摘要)	31 March			1 April
		2018	As originally presented	HKFRS 9	HKFRS 15
		於2018年3月31日 (如原先呈列)	香港財務報告準則第9號	香港財務報告準則第15號	於2018年4月1日 (經重列)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Non-current assets	非流動資產				
Available-for-sale financial assets	可供出售金融資產	20,520	(20,520)	-	-
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產	-	20,520	-	20,520
Deferred income tax asset	遞延所得稅資產	9,208	-	2,462	11,670
Current assets	流動資產				
Contract assets	合約資產	-	-	231	231
Amounts due from customers for contract works	應收客戶合約工程金額	231	-	(231)	-
Equity	權益				
Retained earnings	保留盈利	476,163	-	(9,834)	466,329
Available-for-sale financial assets reserve	可供出售金融資產儲備	770	(770)	-	-
Financial assets at fair value through other comprehensive income reserve	按公平值計入其他全面收入之金融資產儲備	-	770	-	770
Current liabilities	流動負債				
Income tax payable	應付所得稅	4,354	-	519	4,873
Contract liabilities	合約負債	-	-	109,643	109,643
Amounts due to customers for contract works	應付客戶合約工程金額	97,866	-	(97,866)	-

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(a) 對綜合財務報表的影響 (續)

下表載列每個單獨細列項目確認的調整，未受變更影響之細列項目不包括於下表。下列準則更詳細地解釋調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 Financial Instruments from 1 April 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The new accounting policies are set out in Note 2.8 below.

In accordance with the transitional provision in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated.

Impact

(i) Classification and measurement of financial instruments

On 1 April 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories.

2 重大會計政策概要(續)

2.2 會計政策變動(續)

(b) 香港財務報告準則第9號金融工具

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

自2018年4月1日起採納香港財務報告準則第9號金融工具已引致會計政策變動並對綜合財務報表所確認的金額作出調整。新會計政策載於下文附註2.8。

根據香港財務報告準則第9號(7.2.15)及(7.2.26)的過渡條文，並無重列比較數字。

影響

(i) 金融工具之分類及計量

於2018年4月1日(首次應用香港財務報告準則第9號當日)，本集團管理層已評估何種業務模式適用於本集團持有的金融資產，並已將其金融工具分類為合適的香港財務報告準則第9號類別。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 Financial Instruments (Continued)

Impact (Continued)

(i) Classification and measurement of financial instruments (Continued)

The Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income for all its available-for-sale financial assets, because these measurements are held as long-term strategic investments that are not expected to be sold in the short to medium term. The Group has used modified retrospective approach while adopting HKFRS 9, without restating comparative information. As a result, available-for-sale financial assets with a fair value of HK\$20,520,000 at 31 March 2018 were reclassified from available-for-sale financial assets to financial assets at fair value through other comprehensive income (“FVOCI”) on 1 April 2018.

The reclassification would not change the fair value measurement method of these long term financial assets at FVOCI from available-for-sale financial assets except for any gains or losses realised upon sale will no longer be transferred to the profit and loss account, but instead reclassified from “Financial assets at fair value through other comprehensive income reserve” (previously named as “available-for-sale financial assets reserve”) to “Retained earnings”. As reclassifications were made with modified retrospective approach, available-for-sales financial assets reserve of HK\$770,000 at 31 March 2018 were reclassified from financial assets at FVOCI reserve on 1 April 2018.

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第9號金融工具 (續)

影響 (續)

(i) 金融工具之分類及計量 (續)

本集團在初始確認時作出不可撤銷的選擇而將其全部可供出售金融資產指定為按公平值計入其他全面收入之股本投資，原因為此等項目是持作長期策略投資而並不預期會於短至中期內出售。本集團已於採納香港財務報告準則第9號時已採用經修訂追溯法而並無重列比較資料。因此，於2018年3月31日之可供出售金融資產之公平值為20,520,000港元，已由可供出售金融資產重新分類為於2018年4月1日之按公平值計入其他全面收入（「按公平值計入其他全面收入」）之金融資產。

此等長期金融資產由可供出售金融資產重新分類為按公平值計入其他全面收入，對其公平值計量方法並無改變，惟因出售時實現的任何收益或虧損將不再轉撥至損益賬，但改為由「按公平值計入其他全面收入之金融資產儲備」（前稱「可供出售金融資產儲備」）重新分類為「保留盈利」。由於已經按經修訂追溯法作出重新分類，於2018年3月31日之770,000港元可供出售金融資產儲備已於2018年4月1日由按公平值計入其他全面收入之金融資產儲備重新分類。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 Financial Instruments (Continued)

Impact (Continued)

(i) Classification and measurement of financial instruments (Continued)

In addition, there will be no more impairment losses required to be charged to the profit and loss account for equity investments at FVOCI under the new guidance.

(ii) Impairment of financial assets

The Group has three types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- trade and retention receivables
- other receivables
- contract assets

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets.

While cash in bank, restricted bank balances and deposits and other receivables are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was not material (note 3.1(c)).

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第9號金融工具 (續)

影響 (續)

(i) 金融工具之分類及計量 (續)

此外，根據新指引，再毋須就按公平值計入其他全面收入的股本投資在損益賬扣除更多減值虧損。

(ii) 金融資產減值

本集團有三類須遵守香港財務報告準則第9號的新預期信貸虧損模式的金融資產：

- 應收貿易款項及保留金
- 其他應收款項
- 合約資產

本集團需就每類資產按香港財務報告準則第9號修訂其減值方法。

銀行現金、受限制銀行結餘以及按金及其他應收款項亦需遵守香港財務報告準則第9號的減值要求，而已識別的減值虧損並不重大(附註3.1(c))。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(b) HKFRS 9 Financial Instruments (Continued)

Impact (Continued)

(ii) Impairment of financial assets (Continued)

Trade and retention receivables, other receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected losses allowance for all trade and retention receivables, other receivables and contract assets. To measure the expected credit losses, trade and retention receivables, other receivables and contract assets have been grouped based on common credit risk characteristics and the aging of the trade and retention receivables and contract assets, and assessed collectively or individually for likelihood of recovery. They are written off when there is no reasonable expectation of recovery.

The Group has assessed the expected credit loss model applied to trade and retention receivables, other receivables and contract assets as at 1 April 2018. The change in impairment methodologies has no significant impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(b) 香港財務報告準則第9號金融工具 (續)

影響 (續)

(ii) 金融資產減值 (續)

應收貿易款項及保留金、其他應收款項及合約資產

本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，就所有應收貿易款項及保留金、其他應收款項及合約資產使用整個存續期預期虧損撥備。為計量預期信貸虧損，應收貿易款項及保留金、其他應收款項及合約資產已根據共同信貸風險特徵以及應收貿易款項及保留金和合約資產的賬齡進行分組，並對收回的成數進行集體或單獨評估。當沒有收回款項的合理預期時，有關項目予以撇銷。

本集團已評估對於2018年4月1日的應收貿易款項及保留金、其他應收款項及合約資產所應用的預期信貸虧損模式。減值方法的變動對本集團的綜合財務報表並無顯著影響而並無就此重列期初虧損撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(c) HKFRS 15 Revenue from Contracts with Customers

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The new accounting policies are set out in note 2.19.

In accordance with the modified retrospective approach in HKFRS 15, comparative figures have not been restated.

The impact of the adoption of HKFRS 15 is shown as follows:

Presentation of contract assets and liabilities

Previously, contract balances relating to construction contracts in progress were presented in the consolidated balance sheet under “amounts due from/(to) customers for contract work”, “trade and retention receivables” or “trade and retention payables” respectively.

2 重大會計政策概要(續)

2.2 會計政策變動(續)

(c) 香港財務報告準則第15號客戶合約收入

本集團自2018年4月1日起已採納香港財務報告準則第15號客戶合約收入，導致會計政策出現變動以及綜合財務報表中確認的金額的調整。新會計政策載於附註2.19。

根據香港財務報告準則第15號的經修訂追溯法，並無重列比較數字。

採納香港財務報告準則第15號的影響如下：

合約資產及負債的呈列

過往，與施工中建築合約有關的合約結餘已於綜合財務狀況表分別呈列為「應收／(應付)客戶合約工程金額」、「應收貿易款項及保留金」或「應付貿易款項及保留金」。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

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

Presentation of contract assets and liabilities (Continued)

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue.

2 重大會計政策概要(續)

2.2 會計政策變動(續)

(c) 香港財務報告準則第15號客戶合約收入(續)

合資資產及負債的呈列(續)

根據香港財務報告準則第15號，應收款項僅當本集團擁有無條件收取代價的權利時確認。倘本集團於合約中所承諾的商品及服務的代價成為無條件權利前確認相關收入，則代價的權利分類為合約資產。同樣地，在本集團確認相關收入前，客戶支付代價或合約上須支付代價且該金額已到期，則確認為合約負債(而非應付款項)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

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

Presentation of contract assets and liabilities (Continued)

Reclassifications were made as at 1 April 2018 to be consistent with the terminology under HKFRS 15:

		At		At
		31 March	Effects of	
Consolidated balance sheet (extract)	綜合資產負債表 (摘要)	as originally presented	adoption of HKFRS 15	restated
		於2018年3月31日 (如原先呈列)	採納香港財務報告準則第15號之影響	於2018年4月1日 (經重列)
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Deferred income tax assets	遞延所得稅資產	9,208	2,462	11,670
Amounts due from customers for contract works	應收客戶合約工程金額	231	(231)	-
Contract assets	合約資產	-	231	231
Reserves	儲備	681,520	(9,834)	671,686
Amounts due to customers for contract work	應付客戶合約工程金額	97,866	(97,866)	-
Contract liabilities	合約負債	-	109,643	109,643
Income tax payable	應付所得稅	4,354	519	4,873

The adoption of HKFRS 15 has decreased the comprehensive income for HK\$9,834,000 to the consolidated income statement and has no impact to the net cash flow from operating, investing and financing activities on the consolidated statement of cash flows.

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(c) 香港財務報告準則第15號客戶合約收入 (續)

合資資產及負債的呈列 (續)

已於2018年4月1日作出重新分類，以與香港財務報告準則第15號的術語一致：

採納香港財務報告準則第15號令綜合收益表內之全面收入減少9,834,000港元，而對於綜合現金流量表內的經營、投資及融資活動的現金流量淨額並無影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(c) HKFRS 15 Revenue from Contracts with Customers (continued)

The impact of the Group's retained earnings and its related impact on tax, as at 1 April 2018 is as follows:

Closing retained earnings as at 31 March 2018
Recognition of revenue and cost over time
Tax effect

Adjustment to retained earnings from adoption of HKFRS 15 on 1 April 2019

Opening retained earnings as at 1 April 2018

Reclassifications were made as at 1 April 2018 to be consistent with the terminology used under HKFRS 15.

Contract assets recognised in relation to construction contracts were previously presented as amounts due from customers for contract works.

Contract liabilities for the progress billing recognised in relation to construction contracts were previously presented as amounts due to customers for contract work.

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(c) 香港財務報告準則第15號客戶合約收入 (續)

對本集團於2018年4月1日的保留盈利的影響及其對稅項之相關影響如下：

於2018年3月31日的期末保留盈利
隨著時間而確認收入和成本
稅務影響

於2019年4月1日採納香港財務報告準則第15號而對保留盈利作出調整

於2018年4月1日的期初保留盈利

對於2018年4月1日進行重新分類，以與香港財務報告準則第15號所用術語一致。

已就建築合約確認的合約資產過往呈列為應收客戶合約工程金額。

已就建築合約確認的進度付款之合約負債過往呈列為應付客戶合約工程金額。

2018
HK\$'000
千港元

476,163

(11,777)

1,943

(9,834)

466,329

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

- (d) *Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2019 as a result of the adoption of HKFRS 15 on 1 April 2018*

The following tables summarise the estimated impact of adoption of HKFRS 15 on the Group's consolidated financial statements for the year ended 31 March 2019, by comparing the amounts reported under HKFRS 15 in these consolidated financial statements with estimates of the hypothetical amounts that would have been recognised under HKAS 18 and HKAS 11 if those superseded standards had continued to apply to 2018 instead of HKFRS 15. These tables show only those line items impacted by the adoption of HKFRS 15:

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

- (d) *由於在2018年4月1日採納香港財務報告準則第15號，故披露截至2019年3月31日止年度所呈報金額的估計影響*

下表概述採納香港財務報告準則第15號對本集團截至2019年3月31日止年度的綜合財務報表的估計影響，將該等綜合財務報表中香港財務報告準則第15號所呈報的金額與香港會計準則第18號及香港會計準則第11號確認的假設金額之估計（倘該等被取代標準繼續適用於2018年而非應用香港財務報告準則第15號）進行比較。此等列表僅載列因採納香港財務報告準則第15號而受影響的細列項目：

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

(d) Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2019 as a result of the adoption of HKFRS 15 on 1 April 2018 (continued)

Consolidated balance sheet (extract)	綜合資產負債表 (摘要)
Deferred income tax assets	遞延所得稅資產
Amounts due from customers for contract works	應收客戶合約工程金額
Contract assets	合約資產
Reserves	儲備
Amounts due to customers for contract work	應付客戶合約工程金額
Contract liabilities	合約負債
Deferred income tax liabilities	遞延所得稅負債

Consolidated statement of comprehensive income (extract)	綜合全面收益表 (摘要)
Revenue from contract with customers	客戶合約收入
Cost of sales	銷售成本
Income tax	所得稅

2 重大會計政策概要 (續)

2.2 會計政策變動 (續)

(d) 由於在2018年4月1日採納香港財務報告準則第15號，故披露截至2019年3月31日止年度所呈報金額的估計影響 (續)

At 31 March 2019 without the adoption of HKFRS 15	Effects of adoption of HKFRS 15	At 31 March 2019 as reported
於2019年3月31日 (並無採納香港財務報告準則第15號)	採納香港財務報告準則第15號之影響	於2019年3月31日 (如呈報)
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
7,882	665	8,547
11,547	(11,547)	-
-	8,616	8,616
628,362	(6,646)	621,716
29,967	(29,967)	-
-	34,311	34,311
53,026	36	53,062

For the year ended 31 March 2019 without the adoption of HKFRS 15	Effects of adoption of HKFRS 15	For the year ended 31 March 2019 as reported
截至2019年3月31日止年度 (並無採納香港財務報告準則第15號)	採納香港財務報告準則第15號之影響	截至2019年3月31日止年度 (如呈報)
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
368,552	83,716	452,268
(368,672)	(79,214)	(447,886)
8,441	(1,314)	7,127

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation

2.3.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (note 2.3.2).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重大會計政策概要(續)

2.3 綜合入賬之原則

2.3.1 附屬公司

附屬公司為本集團控制的所有實體(包括結構實體)。倘本集團須承擔或享有參與實體活動可變回報的風險及權利，且有能力透過其指示對實體活動之權力影響該等回報時，則本集團對該實體擁有控制權。附屬公司自控制權轉入本集團之日起全面綜合入賬，自停止控制之日起取消綜合入賬。

本集團應用會計收購法將業務綜合入賬(附註2.3.2)。

公司間交易、結餘和集團公司之間交易的未變現收益予以抵銷。未實現的虧損亦予抵銷，除非交易提供所轉移資產減值的憑證。附屬公司的會計政策乃於必要時更改，以確保與本集團採納的政策保持一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation (Continued)

2.3.2 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business, the equity interests issued by the group, the fair value of any asset or liability resulting from a contingent consideration arrangement, and the fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

2 重大會計政策概要(續)

2.3 綜合入賬之原則(續)

2.3.2 業務合併

無論所收購的是權益工具或其他資產，所有業務合併均按會計收購法入賬。就收購附屬公司轉讓的代價包括所轉讓資產、所收購業務的前擁有人所錄得的負債、集團發行的股權之公平值、或然代價安排產生的任何資產或負債的公平值，以及於該附屬公司的任何既有股權的公平值。

除有限的例外情況，業務合併過程中所收購的可識別資產以及承擔的負債及或然負債最初按收購日期的公平值計量。本集團以每宗收購為基準而按公平值或非控股權益按比例應佔所收購實體可識別資產淨值而確認於所收購實體的任何非控股權益。

與收購有關的費用於產生時支銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation (Continued)

2.3.2 Business combinations (Continued)

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2.3.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 重大會計政策概要(續)

2.3 綜合入賬之原則(續)

2.3.2 業務合併(續)

所轉讓代價、所收購實體的任何非控股權益金額、以及所收購實體之前任何權益在收購日期的公平值超出所收購可識別資產淨值公平值的差額記錄為商譽。倘該等金額低於所收購業務的可識別資產淨值的公平值，則差額直接於損益中確認為廉價購買。

2.3.3 獨立財務報表

於附屬公司之投資乃按成本減減值入賬。成本包括投資直接應佔成本。附屬公司之業績乃由本公司按已收及應收股息基準入賬。

倘股息超過附屬公司於宣派股息期間之全面收入總額或倘於獨立財務報表內投資之賬面值超過被投資方之資產淨值(包括商譽)於綜合財務報表內之賬面值，則於自該等投資收取股息時，須對於附屬公司之投資進行減值測試。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

2.5 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

2 重大會計政策概要(續)

2.4 分部報告

經營分部的呈報方式與向主要經營決策者提供內部報告的方式一致。作出策略性決定的執行董事為主要經營決策者，負責分配資源及評估經營分部表現。

2.5 外幣匯兌

(a) 功能及呈列貨幣

本集團各實體財務報表內所包含項目，均以該實體經營所在主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列，港元為本公司的功能貨幣及本集團的呈列貨幣。

(b) 交易及結餘

外幣交易均按交易當日適用的匯率換算為功能貨幣。上述交易結算以及以外幣計值的貨幣資產及負債按年末匯率換算產生的外匯損益均於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as in other comprehensive income.

2.6 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

2 重大會計政策概要 (續)

2.5 外幣匯兌 (續)

(c) 集團公司

本集團旗下功能貨幣與呈列貨幣不同的所有實體(有關實體並無具有惡性通貨膨脹經濟的貨幣)的業績及財務狀況,均按以下方法換算為呈列貨幣:

- 每份呈列的資產負債表的資產及負債均以資產負債表結算日的收市匯率換算;
- 每份全面收益表的收入及開支均按平均匯率換算(除非此平均數並非合理接近交易日適用匯率之累積影響,於此情況下,收入及開支按交易日期之匯率換算);及
- 所有因此而產生的匯兌差額於其他全面收入內確認。

2.6 機械及設備

機械及設備按歷史成本減累計折舊與累計減值列賬。歷史成本包括收購資產直接應佔的開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Plant and equipment (Continued)

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

Depreciation of both owned and leased plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over the estimated useful lives, as follows:

Machinery and equipment	10-15 years
Furniture and fixtures	5 years
Motor vehicles	5 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the consolidated statement of comprehensive income.

2 重大會計政策概要(續)

2.6 機械及設備(續)

當與資產有關之未來經濟利益可能流入本集團，以及資產成本能可靠計量時，其後成本方會計入資產的賬面值或確認為獨立資產(如適用)。重置部分的賬面值同時取消確認。所有其他維修及保養費於產生當期在損益支銷。

自置及租賃機械及設備以直線法按其估計可使用年期將其成本值分配至其剩餘價值計算折舊。估計可使用年期如下：

機械及設備	10至15年
傢具及裝置	5年
汽車	5年

資產的剩餘價值及可使用年期於各報告期末檢討及調整(如適宜)。

倘資產之賬面值超過其估計可收回金額，則該資產之賬面值即時撇減至其可收回金額(附註2.7)。

出售所產生利得或虧損通過所得款項與賬面值的比較釐定，並於綜合全面收益表內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Financial assets

(a) Classification

From 1 April 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at FVOCI; and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income.

2 重大會計政策概要(續)

2.7 非金融資產的減值

當有事件出現或情況改變顯示賬面值可能無法收回時，需攤薄之資產會就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額的差額確認。可收回金額為資產的公平值減銷售成本或使用價值兩者中的較高者。於評估減值時，資產按可單獨分辨的最小現金流量產生單位（現金產生單位）予以分類。倘商譽以外之非金融資產出現減值，則於各報告日期檢討是否有減值可予撥回。

2.8 金融資產

(a) 分類

自2018年4月1日起，本集團將其金融資產分類為以下計量類別：

- 其後以按公平值計入其他全面收入之方式計量；及
- 按攤銷成本計量

分類視乎實體用以管理金融資產的業務模式及現金流量的合約條款而定。

對於按公平值計量之資產，收益及虧損將於其他全面收入入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(a) Classification (Continued)

The Group reclassifies debt investments when and only when its business model for managing the assets changes.

(b) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as amortised cost.

2 重大會計政策概要(續)

2.8 金融資產(續)

(a) 分類(續)

本集團只會在改變其用以管理該等資產的業務模式時才會將債務投資重新分類。

(b) 確認及計量

常規買入及出售的金融資產於本集團承諾買入或出售資產的交易日確認。當收取來自金融資產之現金流量的權利到期或經已轉讓，而本集團已將所有權的所有風險和回報實際轉移時，金融資產即終止確認。

(c) 計量

在首次確認時，本集團以公平值加上(若金融資產並非按公平值計入損益(按公平值計入損益))收購金融資產直接應佔之交易成本計量。按公平值計入損益之金融資產之交易成本於損益支銷。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及該資產之現金流量特徵。本集團將其債務工具分類為攤銷成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

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

Equity instruments

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

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2 重大會計政策概要(續)

2.8 金融資產(續)

(c) 計量(續)

債務工具(續)

對於持有以收取合約現金流量的資產，如果合約現金流量僅代表對本金和利息的支付，則該資產以攤銷成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的任何收益或虧損直接計入損益，並連同匯兌收益及虧損在其他收益／（虧損）呈列。減值虧損在綜合全面收益表中呈列為個別的單行項目。

股本投資

本集團後續按公平值計量所有股本投資。倘本集團管理層選擇於其他全面收入呈列股本投資公平值收益及虧損，終止確認投資後不會再將公平值收益及虧損重新分類至損益。當本集團確立收取股息款項的權利時，該等投資的股息繼續於損益確認為其他收益。

按公平值計入其他全面收入的股本投資減值虧損（及減值虧損撥回）不會自公平值其他變動獨立呈報。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(d) Impairment

The Group's financial assets measured at amortised cost are subject to HKFRS 9's new expected credit loss model. The Group assesses on a forward looking basis where the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(c) set out the details on how the Group determines whether there has been a significant increase in credit risk.

For trade and retention receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The provision matrix is determined based on historical observed default rates over the expected life of the contract assets and trade receivables with similar credit risk characteristics and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on other receivables is assessed on a 12-month expected credit losses. If a significant increase in credit risk of a receivables has occurred since initial recognition, then the impairment is measured as lifetime expected credit losses.

2 重大會計政策概要(續)

2.8 金融資產(續)

(d) 減值

本集團按攤銷成本計量的金融資產須遵守香港財務報告準則第9號的新預期信貸虧損模式。本集團按前瞻性基準予以評估，與其資產相關的預期信貸虧損按攤銷成本列賬。所採用的減值方法取決於信貸風險是否顯著增加。附註3.1(c)載列有關本集團如何確定信貸風險是否顯著增加的詳情。

就應收貿易款項及保留金以及合約資產而言，本集團採用香港財務報告準則第9號允許的簡化方法，其中要求整個存續期的預期虧損須自初始確認應收款項時確認。撥備矩陣根據具有類似信貸風險特點之合約資產及應收貿易款項於預期年內觀察所得的歷史違約率確定，並就前瞻性估計進行調整。觀察所得的歷史違約率於每個報告日期進行更新，並對前瞻性估算的變動進行分析。

其他應收款項的減值按12個月預期信貸虧損予以評估。倘應收款項自初始確認起的信貸風險明顯增加，有關減值則計量為整個存續期的預期信貸虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(e) Accounting policies applied until 31 March 2018

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 March 2018, the Group classifies its financial assets in the following categories: loans and receivables and available-for-sale investments.

The classification determined on the purpose for which the investments were acquired. Management determined the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluated this designation at the end of each reporting period.

(i) Recognition and measurement

The measurement at initial recognition did not change the adoption of HKFRS 9, see description above.

Subsequent to the initial recognition, loans and receivables were subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised in other comprehensive income.

2 重大會計政策概要(續)

2.8 金融資產(續)

(e) 直至2018年3月31日應用的會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較資料。因此，比較資料依舊按照與本集團以往相一致的會計政策入賬。

截至2018年3月31日，本集團將其金融資產分類為以下類別：貸款及應收款項以及可供出售投資。

分類乃按投資被收購的目的釐定。管理層在初始確認時釐定其投資的分類，如分類為持有至到期的資產，則在每個報告期末重新評估該指定。

(i) 確認及計量

初步確認時的計量並未改變香港財務報告準則第9號的採納，詳見上文。

初始確認後，貸款及應收款項其後以實際利率法按攤銷成本列賬。

可供出售金融資產其後按公平值計量。公平值變動產生的收益或虧損於其他全面收入確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(e) *Accounting policies applied until 31 March 2018 (Continued)*

(ii) Impairment

The Group assessed at the end of each reporting period whether there was objective evidence that a financial asset or group of financial assets was impaired. A financial asset or a group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that could be reliably estimated.

Assets carried at amortised cost

For loans and receivables, the amount of the loss was measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that had not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss. If a loan or held-to-maturity investment had a variable interest rate, the discount rate for measuring any impairment loss was the current effective interest rate determined under the contract. As a practical expedient, the Group could measure impairment on the basis of an instrument’s fair value using an observable market price.

2 重大會計政策概要 (續)

2.8 金融資產 (續)

(e) *直至2018年3月31日應用的會計政策 (續)*

(ii) 減值

本集團會於各報告期末評估是否有客觀證據顯示某一項金融資產或某一組金融資產已減值。當有客觀證據顯示於初次確認資產後曾發生一宗或多宗導致減值的事件(「虧損事件」)，而該宗或該等虧損事件對該項或該組金融資產的估計未來現金流量構成能可靠地估計的影響，則該項或該組金融資產已減值及產生減值虧損。

按攤銷成本列賬之資產

就貸款及應收款項而言，虧損金額乃根據資產賬面值與按金融資產原實際利率折現的估計未來現金流量(不包括尚未產生的未來信貸虧損)現值之間的差額計量。資產的賬面值會被削減，而虧損金額則在損益內確認。倘貸款或持有至到期之投資按浮動利率計息，計量任何減值虧損的折現率為按合約釐定的當前實際利率。作為可行的權宜之計，本集團可利用可觀察市場價格按某工具的公平值計量減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Financial assets (Continued)

(e) Accounting policies applied until 31 March 2018 (Continued)

(ii) Impairment (Continued)

Assets carried at amortised cost (Continued)

If, in a subsequent period, the amount of the impairment loss decreased and the decrease could be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss was recognised in profit or loss.

Assets classified as available for sale financial assets

If there is objective evidence of impairment for FVOCI, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

2 重大會計政策概要 (續)

2.8 金融資產 (續)

(e) 直至2018年3月31日應用的會計政策 (續)

(ii) 減值 (續)

按攤銷成本列賬之資產 (續)

倘減值虧損金額於其後期間減少，而能客觀釐定有關減幅與確認減值後發生的事件相關（如債務人的信貸評級改善），則撥回過往確認的減值虧損，並於損益內確認。

分類為可供出售金融資產之資產

倘有客觀證據顯示按公平值計入其他全面收入之金融資產出現減值，則累計虧損（按收購成本與現時公平值之差額減去該金融資產先前於損益確認之任何減值虧損計量）從權益中剔除並在損益中確認。

於損益確認之股本工具之減值虧損於其後期間並不通過損益撥回。

倘分類為可供出售債務工具之公平值於其後期間增加，而有關增加可客觀地與減值虧損於損益確認後發生之事件有關，則減值虧損會通過損益撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2.10 Leased assets

The Group leases certain machinery and equipment. Leases of machinery and equipment where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased machinery and equipment and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The machinery and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2 重大會計政策概要(續)

2.9 抵銷金融工具

若本集團現時擁有具法律約束力之行使權可抵銷已確認之金額及有意作淨額結算或同時變現資產及負債，則抵銷金融資產及負債，並於資產負債表內報告淨額。本集團亦已訂立不符合對銷準則但仍允許有關金額於若干情況(例如破產或終止合約)對銷的安排。

2.10 租賃資產

本集團租賃若干機械及設備。若本集團擁有機械及設備租賃所有權的絕大部分風險及回報，該等機械及設備租賃歸類為融資租賃。融資租賃在租賃開始時按租賃機械及設備的公平值與最低租賃付款現值兩者的較低者撥充資本。

每項租金於負債及財務開支之間分攤，以達到估融資餘額的固定比率。相應租賃責任在扣除財務開支後計入其他短期及其他長期應付款項內。財務費用的利息部分於租賃期內在綜合全面收益表內支銷，以使估各期間的負債餘額產生常數定期比率。根據融資租購入的機械及設備按資產的可使用年期及租賃期兩者之間的較短者計提折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Trade and retention receivables, and deposits and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 90 days and therefore are all classified as current. If not, they are presented as non-current assets.

Trade and retention receivables, and deposits and other receivables are recognised initially at the amount of the unconditional consideration unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

See Note 15 for further information about the Group's accounting for trade and retention receivables and deposits and other receivables, and Note 2.8(d) for a description of the Group's impairment policies.

2.12 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with banks, other short-term highly liquid investments with original maturity of three months or less.

2.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2 重大會計政策概要(續)

2.11 應收貿易款項及保留金，以及按金及其他應收款項

應收貿易款項為在日常經營活動中就銷售貨品或提供服務而應收客戶的款項。有關款項一般於90日內結清及因此全部分類為流動；否則呈列為非流動資產。

應收貿易款項及保留金，以及按金及其他應收款項初步按無條件代價之金額確認，惟倘當中包含顯著之融資成份，則按公平值確認。本集團持有應收貿易款項之目標為收取合約現金流，因此其後以實際利率法按攤銷成本計量。

本集團有關應收貿易款項及保留金以及按金及其他應收款項之會計政策之其他資料載於附註15，而本集團有關減值政策之描述載於附註2.8(d)。

2.12 現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括手頭現金及銀行通知存款、原到期日不超過三個月其他短期高度流通投資。

2.13 股本

普通股被分類為權益。

直接歸屬於發行新股的新增成本在權益中列為所得款項的減少(扣除稅項)。



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Trade and retention payables, and other payables

Trade and retention payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and retention payables, and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2 重大會計政策概要(續)

2.14 應付貿易款項及保留金，以及其他應付款項

應付貿易款項及保留金乃就日常業務過程中從供應商購買的貨品或服務付款的責任。如應付貿易款項的支付日期在一年或以內(如若長於一年，但於正常業務經營週期內)，則被分類為流動負債。否則，在非流動負債中呈列。

應付貿易款項及保留金，以及其他應付款項初步按公平值確認，隨後用實際利率法按攤銷成本計量。

2.15 借款

借款初步按公平值扣除已產生的交易成本確認。借款其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值的任何差額於借款期內使用實際利率法於損益內確認。

在貸款將很有可能部分或全部提取的情況下，就設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下，該費用將遞延至提取貸款為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用會資本化作為流動資金服務的預付款項，並於有關融資期間內予以攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Borrowings (Continued)

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

2.16 Borrowing costs

Borrowing costs are charged to the profit or loss in the period in which they are incurred.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 重大會計政策概要(續)

2.15 借款(續)

若合約所指定的責任被解除、取消或終止時，借款會從綜合資產負債表被取消。

除非本集團有權無條件將債務結算遞延至結算日後至少十二個月，否則借款將被分類為流動負債。

2.16 借款成本

借款成本於其產生期間在損益中支銷。

2.17 撥備

當本集團須就已發生的事件承擔現有的法定或推定責任，而履行該責任很可能會導致資源流出，而資源流出金額能可靠估計，則確認撥備。不會就未來經營虧損確認撥備。

倘出現多項類似責任，則履行該責任是否會導致資源流出須對責任類別作整體考慮後釐定。即使同類別責任中的任何一項導致資源流出的可能性很低，仍須確認撥備。

撥備採用稅前比率(可反映現時市場對貨幣時間價值及該責任的特定風險的評估)，按預期履行責任所需開支的現值計量。因時間過去而增加的撥備確認為利息開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2 重大會計政策概要(續)

2.18 即期及遞延所得稅

本年度所得稅開支或抵免額為根據各司法管轄權區的適用稅率按本年度應課稅收入計算的應繳稅項，並且就歸屬於暫時差異的遞延稅項資產及負債的變動以及未使用的稅項虧損作出調整。

(a) 即期所得稅

即期所得稅支出乃根據本集團營運所在及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況。其在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

(b) 遞延所得稅

遞延所得稅採用負債法就資產及負債的稅基與其於綜合財務報表的賬面值之間的暫時性差額悉數撥備。然而，倘遞延稅項負債自初步確認商譽產生則不會予以確認。倘遞延所得稅乃產生自交易（業務合併除外）中初步確認的資產或負債，且對交易當時的會計或應課稅溢利或虧損並無影響，亦不會入賬。遞延所得稅乃根據報告期末已頒佈或實際頒佈，並預期於有關遞延所得稅資產變現或遞延所得稅負債清償時適用的稅率（及法例）釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 重大會計政策概要 (續)

2.18 即期及遞延所得稅 (續)

(b) 遞延所得稅 (續)

遞延稅項資產僅在未來將有應課稅金額以利用有關暫時差異和虧損時才予以確認。

若有關公司能夠控制暫時差異撥回的時間，且該等差異可能不會於可預見將來撥回，則並無就賬面值與外國業務投資之稅項基準之間的暫時差額而確認遞延稅項負債及資產。

遞延稅項資產及負債在有合法可執行權利抵銷即期稅項資產及負債以及遞延稅項結餘與同一稅務機關有關時予以抵銷。當實體擁有合法可執行權利以抵銷並擬以淨額基準結算或變現資產並同時結清負債時，即期稅項資產及稅項負債予以抵銷。

即期及遞延稅項於損益內確認，惟與於其他全面收入或直接於權益確認的項目有關者除外。其時，稅項亦分別在其他全面收入或直接於權益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. Revenue is recognised when goods are transferred or services are rendered to the customer.

Depending on the terms of the contract and the laws that apply to the contract, service may provide over time or at a point in time. Service is provided over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If service transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

2 重大會計政策概要(續)

2.19 收入確認

收入按銷售貨品所收或應收代價的公平值計量，在扣除折扣、退貨及增值稅後列示。收入在貨品轉移或提供服務予客戶時確認。

根據合約條款及適用於合約的法律，服務可能會在一段時間內或於某一時間點提供。

- 客戶同時收取且耗用由本集團履約所帶來的所有利益；或
- 創建及提升於本集團履約時由客戶控制的資產；或
- 並無製造出對本集團而言有其他用途的資產，且本集團就迄今為止已完成的履約擁有可強制執行收款的權利。

如果服務在一段時間內轉移，收入會於整個合約期間按完成履行履約責任的進度予以確認。否則，收入會在客戶獲得服務之時予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Revenue recognition (Continued)

If the Group expects the reference to progress certificates issued by the customers, with additional adjustments where necessary, depicts the Group's performance in transferring control of goods or services promised to customers for individual projects, the Group satisfies the performance obligation over time and therefore, recognises revenue over time in accordance with the output method for measuring progress. Under output method, revenue recognition is 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 by reference to the construction works certified by independent surveyors.

If construction projects have no alternative use to the Group contractually and the Group has an enforceable right to payment from the customers for performance completed to date, the Group satisfies the performance obligation over time and therefore, recognises revenue over time in accordance with the input method for measuring progress. Under input method, revenue on construction contracts is recognised based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

When the outcome of a contract cannot be estimated reliably, foundation work and ancillary service is recognised only to the extent of contract costs incurred that are likely to be recoverable.

2 重大會計政策概要 (續)

2.19 收入確認 (續)

倘若本集團預期參考客戶所發出的進度證明(並作出必要的額外調整)說明本集團就個別項目向客戶轉讓已承諾貨物或服務控制權的情況,本集團隨著時間履行履約責任,因此根據計量進度的輸出法隨著時間確認收入。根據輸出法,收入按合約完成階段確認,前提是合約完成階段和合約工作的總計費值可以可靠地計量。合約完成階段是參考獨立測量師認證的建築工程而確立。

倘建築項目依合約對本集團無替代用途且本集團有強制執行權利就至今已完成的履約部分向客戶收取款項,本集團隨著時間履行履約責任,因此根據計量進度的輸入法隨著時間確認收入。根據輸入法,建築合約的收入乃根據本集團為履行履約義務所作的努力或輸入而確認,當中參考截至報告期末所產生的合約成本佔每份合約估計總成本的百分比。

倘合約結果不能可靠估計,則只有在產生的合約成本可能收回情況才能確認地基工程及附屬服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Revenue recognition (Continued)

Variations in contract work, claims and incentive payments are included in supply and foundation work and ancillary service to the extent of contract costs incurred that are likely to be recoverable.

A contract asset is the Group's right to consideration in exchange for the services that the Group has transferred to a customer. In addition, incremental costs incurred to obtain a new contract, if recoverable, are capitalised as contract assets and subsequently amortised when the related revenue is recognised.

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of financial assets carried at amortised cost.

A contract liability is the Group's obligation to render the services to a customer for which the Group has received consideration from the customer. A contract liability is recognised by the Group when the customer pays consideration in advance before the Group renders the service to the customer. Contract liabilities mainly included the advance payments received for provision of foundation work and ancillary services.

On the consolidated balance sheet, the Group reports the net contract position for each contract as either an asset or a liability. A contract asset represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract liability represents a liability where the opposite is the case.

2 重大會計政策概要(續)

2.19 收入確認(續)

合約工程的變動、申索及獎金在產生的合約成本相當可能收回的情況計入地基工程及附屬服務。

合約資產即本集團就本集團已轉移予客戶的服務收取相應代價的權利。此外，獲得新合約而產生的增支成本(如可收回)將撥充合約資產，其後於確認相關收入時攤銷。

合約資產按與按攤銷成本列賬的金融資產減值評估所採用的相同方法進行減值評估。

合約負債為本集團向本集團已收到客戶代價的客戶交付服務的責任。當客戶在本集團向客戶提供服務之前預先支付代價時，本集團確認合約負債。合約負債主要包括就提供地基工程及附屬服務收到的預付款項。

於綜合資產負債表內，本集團將各合約之合約狀況淨額呈報為資產或負債。合約資產為產生之成本加確認溢利(減確認虧損)超過進度款之資產；合約負債則為相反情況之負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.21 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity or paternity leaves are not recognised until the time of leave.

2 重大會計政策概要(續)

2.20 利息收入

利息收入以實際利率法確認。如貸款及應收款項出現減值，本集團會將其賬面值撇減至其可收回金額，即按該工具原定實際利率折現的估計未來現金流量，並繼續將折現金額兌現作利息收入。有關減值貸款及應收款項的利息收入按原定實際利率確認。

2.21 僱員福利

(a) 僱員應享假期

僱員享有年假的權利在僱員應享有時確認。本公司就截至結算日止僱員已提供的服務所產生的年假的估計負債作出撥備。

僱員可享有的病假及產假或陪妻分娩假於休假時方予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Employee benefits (Continued)

(b) Retirement benefits

The Group operates defined contribution plans and pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after balance sheet date are discounted to present value.

2 重大會計政策概要(續)

2.21 僱員福利(續)

(b) 退休福利

本集團設有定額供款計劃，並按強制規定、合約或自願基準向由公營或私營機構管理的退休金保險計劃作出供款。本集團於支付有關供款後再無其他付款責任。有關供款於到期時確認為僱員福利開支。預付供款於可能有現金退款或可用作扣減日後供款時確認為資產。

(c) 離職福利

離職福利於僱員在正常退休日期前被本集團終止僱用，或僱員自願接受遣散以換取該等福利時支付。本集團於其明確承諾根據具體正式計劃終止現職僱員的僱用且不可能撤回承諾時確認離職福利。在提出鼓勵自願接受遣散要求的情況下，離職福利會根據預期接受要約的僱員人數計量。於結算日後十二個月以上到期的福利將折算為現值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are charged to the profit or loss on a straight-line basis over the period of the lease.

Income from lease of machinery is recognised on a straight-line basis over the terms of the relevant leases.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements and Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

2 重大會計政策概要 (續)

2.22 租賃

所有權的大部分風險及回報由出租人保留的租賃均分類為經營租賃。根據經營租賃支付的款項(經扣除自出租人收取的任何獎勵後)於租賃年內以直線法於損益支銷。

租賃機械收入於相關租賃期內按直線法確認。

2.23 股息分派

向本公司股東分派的股息在本公司股東或董事(如適合)批准派息的期間於本集團的綜合財務報表及本公司的財務報表內列為負債。

2.24 或然負債

或然負債指因已發生的事件而可能引起的責任，而須視乎日後會否出現一宗或多宗本集團無法完全控制的不確定事件方可確實。或然負債亦可能是已發生的事件引致的現有責任，但由於未必需要流出經濟資源或負債數額無法可靠估計而未有確認。

或然負債不予確認，但於綜合財務報表的附註內披露。倘經濟資源流出的可能性改變而很可能流出經濟資源，則此等負債將確認為撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out under policies approved by the directors of the Company. The Directors provide principles for an overall risk management, as well as policies covering specific areas.

(a) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the Company's functional currency.

The Group's transactions are mainly denominated in HK\$ and Macao Patacas ("MOP"). The majority of assets and liabilities are denominated in HK\$, MOP and Euro ("EUR"), and there are no significant assets and liabilities denominated in other currencies. Management considered that the foreign exchange risk for MOP is minimal since exchange rate fluctuation was minimal.

3 財務風險管理

3.1 財務風險因素

本集團的業務活動面對各種財務風險：市場風險（包括外匯風險及利率風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃著眼於金融市場的不可預測性，並盡量將其對本集團財務表現的潛在不利影響降至最低。

風險管理按照本公司董事批准的方針實施。董事就整體風險管理制訂原則，以及就特定範疇制訂政策。

(a) 外匯風險

外匯風險來自以並非為本公司功能貨幣的貨幣計值的未來商業交易及已確認資產及負債。

本集團的交易主要以港元及澳門幣（「澳門幣」）結算。資產及負債大部分以港元、澳門幣及歐元（「歐元」）結算，且並無任何重大資產及負債以其他貨幣折算。管理層認為澳門幣的外匯風險極低，原因為澳門幣的匯率波幅極微。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Foreign exchange risk (Continued)

As at 31 March 2019, if HK\$ had strengthened/weakened by 5% (2018: 5%) against EUR with all other variables held constant, the Group's net assets at the year end and profits for the year would have been HK\$1,327,000 (2018: HK\$1,453,000) higher/lower, respectively, mainly as a result of foreign currency gains/losses on translation of the bank borrowings dominated in EUR.

(b) Interest rate risk

The Group's interest rate risk is mainly attributable to its cash and bank balances and borrowings. Except for borrowings with variable interest, the Group has no other significant interest-bearing liabilities. Borrowings at variable interest rates expose the Group to cash flow interest rate risk. Cash and bank balances at fixed rates expose the Group to fair value interest rate risk. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

As at 31 March 2019, if the interest rates on borrowings had been 100 basis-points higher/lower with all other variables held constant, post-tax profit for the year would be HK\$826,000 (2018: HK\$702,000) lower/higher mainly as a result of higher/lower interest expense on floating rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 外匯風險(續)

於2019年3月31日，倘港元兌歐元匯價上升／下降5%（2018年：5%）而所有其他變數維持不變，則本集團於年結之資產淨值及年度溢利將分別上升／下降1,327,000港元（2018年：1,453,000港元），主要由於換算以歐元計值的銀行借貸產生的外幣收益／虧損。

(b) 利率風險

本集團的利率風險主要源自其現金及銀行結餘以及借款。除了浮息借款外，本集團並無其他重要計息負債。浮息借款令本集團面對現金流量利率風險。按固定利率計息的現金及銀行結餘令本集團面對公平值利率風險。本集團並無使用利率掉期對沖其利率風險。

於2019年3月31日，倘借款的利率上調／下調100個基點而所有其他變數維持不變，則年內除稅後溢利將分別減少／增加826,000港元（2018年：702,000港元），主要由於浮息借款的利息開支增加／減少所致。

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Credit risk

The credit risk of the Group mainly arises from trade and retention receivables, deposits and other receivables, contract assets, cash in bank and restricted bank balances.

To manage the risk arising from cash in bank and restricted bank balances, the Group only transacts with reputable banks which are all high-credit-quality financial institutions. There has no recent history of default in relation to these financial institutions. The expected credit loss is close to zero.

For deposits and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of deposits and other receivables based on historical settlement records and past experience. The management believes that the expected credit loss is close to zero.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, all trade and retention receivables and contract assets are monitored on an ongoing basis.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 信貸風險

本集團的信貸風險主要來自應收貿易款項及保留金、按金及其他應收款項、合約資產、銀行現金及受限制銀行結餘。

為管理銀行現金及受限制銀行結餘產生的風險，本集團僅與有信譽的銀行交易，該等銀行均為高信用等級的金融機構。並無近期違約記錄與該等金融機構有關。預期信貸虧損乃近乎零。

就按金及其他應收款項而言，管理層根據過往結算記錄及過往經驗對按金及其他應收款項的收回可能性定期作出整體評估以及個別評估。管理層相信預期信貸虧損乃近乎零。

本集團僅與認可及信譽卓著的第三方交易。本集團政策要求所有有意按信貸條款進行買賣的客戶接受信用核實。此外，本集團會持續監控所有應收貿易款項及保留金以及合約資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Credit risk (Continued)

The Group applies the simplified approach to measure expected credit losses prescribed by HKFRS 9, which permits the use of a lifetime expected loss allowance for all trade and retention receivables and contract assets.

To measure the expected credit losses, trade and retention receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets related to unbilled work in progress and have substantially the same risk characteristics as the trade and retention receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets and retention receivables.

The expected loss rates are based on the payment profiles of trade and retention receivables and contract assets over the period before the consolidated balance sheet date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the customers to settle the receivables. The Group has identified the Gross Domestic Product (GDP) of the cities in which it operates to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 信貸風險(續)

本集團採用根據香港財務報告準則第9號規定的簡化法計量預期信貸虧損，其允許就所有應收貿易款項及保留金及合約資產使用整個存續期預期虧損撥備。

為計量預期信貸虧損，應收貿易款項及保留金以及合約資產已基於分估信貸風險特徵及逾期日數分組。合約資產與在建未開單工程有關，並且與同類合約的應收貿易款項及保留金的風險特徵基本相同。因此，本集團認為應收貿易款項的預期虧損率與合約資產及應收保留金的虧損率合理相若。

預期虧損率乃基於綜合資產負債表日期前期間的應收貿易款項及保留金以及合約資產付款情況及本期間內所經歷的相應過往信貸虧損。過往虧損率乃經調整以反映影響客戶結清應收款項的宏觀經濟因素之現時及前瞻性資料。本集團已確定其經營所在城市的國內生產總值(GDP)為最相關因素，並據此基於該等因素的預期變動而調整過往虧損率。

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Credit risk (Continued)

The Group overall considers the shared credit risk characteristic and the days past due of the trade and retention receivables as the measurement for the expected credit loss. During the year, expected loss rate of trade and retention receivables are assessed to be less than 0.1%. The loss allowance provision for these balances was not material during the years ended 31 March 2018 and 2019.

The Group categorises trade or other receivables for write off when a debtor fails to make contractual payments. Where trade or other receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in consolidated statement of comprehensive income.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 信貸風險(續)

本集團整體認為應收貿易款項及保留金分佔信貸風險特徵及逾期日數乃作為計量預期信貸虧損。於本年度，應收貿易款項及保留金的預期信貸虧損被評為少於0.1%。該等結餘的虧損撥備於截至2018年及2019年3月31日止年度並不重大。

倘債務人未能履行合約付款，本集團會將應收貿易款項或其他應收款項分類作撇銷。倘應收貿易款項或其他應收款項已撇銷，本集團會繼續進行強制行動以嘗試收回到期應收款項。倘得以收回款項，則於綜合全面收益表中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Credit risk (Continued)

Previous accounting policy for impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The Group considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial reorganisation; and
- default or late payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

(d) Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 信貸風險 (續)

先前的應收貿易款項減值會計政策

於過往年度，應收貿易款項減值乃根據已產生虧損模式評估。已知無法收回的個別應收款項藉由直接扣減賬面值而撇銷。對其他應收款項則進行集體評估，以確定是否有客觀證據表示已發生減值但尚未識別。就該等應收款項而言，估計減值虧損於另一項減值撥備確認。如出現以下任何指標，則本集團認為存在減值跡象：

- 債務人遇到重大財政困難；
- 債務人可能破產或進行財務重組；及
- 拖欠或延遲付款(逾期30日以上)。

當預期不會收回額外現金時，則以撥備撇銷有關已確認減值撥備的應收款項。

(d) 流動資金風險

流動資金風險指實體難以履行以交付現金或另一金融資產以清償金融負債的相關責任的風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets, receivables and certain assets that the Group considers appropriate and long term financing including long-term borrowings are also considered by the Group in its capital structuring. The Group aims to maintain flexibility in funding by keeping sufficient bank balances and interest bearing borrowings which enable the Group to continue its business for the foreseeable future.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interests payments computed using contractual rates, or if floating, based on the current rates at the year end date). Where the loan agreement contains a repayable on demand clause which gives the lender the unconditional right to call the loan at any time, the amounts repayable are classified in the earliest time bracket in which the lender could demand repayment. The maturity analysis for other borrowings is prepared based on the scheduled repayment dates. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(d) 流動資金風險 (續)

本集團透過多種方式(包括於本集團認為適當的情況下有序變現短期金融資產、應收款項及若干資產)維持流動資金,本集團亦同時考慮將長期融資(包括長期借款)納入其資本結構內。本集團旨在透過保持充足銀行結餘及計息借款,從而維持資金的靈活彈性,讓本集團於可見將來繼續經營其業務。

下表呈列根據於結算日至合約到期日的餘下期間按有關到期情況劃分的本集團金融負債分析。該表所披露的金額為合約未折現現金流量(包括根據合約利率計算的利息付款,或如按浮動利率計息,則為根據年結日的當前利率計算的利息付款)。如貸款協議內載有讓貸款人可隨時無條件要求償還之條款,此等貸款則歸類於貸款人最早可要求償還之時期。其他借款的到期日分析乃根據協定還款日期編製。由於折現的影響不大,於12個月內到期的結餘與其賬面值相等。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

3 財務風險管理(續)

3.1 財務風險因素(續)

(d) 流動資金風險(續)

		On demand and less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
		按要求及少於一年	一至兩年	二至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 31 March 2019	於2019年3月31日				
Trade and retention payables	應付貿易款項及保留金	34,833	-	-	34,833
Accruals and other payables	應計款項及其他應付款項	8,684	-	-	8,684
Amount due to a director	應付一名董事款項	-	-	3,186	3,186
Long-term bank loans	長期銀行貸款	5,065	1,642	384	7,091
Short-term bank loans	短期銀行貸款	80,018	-	-	80,018
Obligations under finance leases	融資租賃責任	7,897	1,449	-	9,346
		136,497	3,091	3,570	143,158

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(d) Liquidity risk (Continued)

		On demand	Between 1 and 2 years	Between 2 and 5 years	Total
		and less than 1 year	years	years	
		按要求及少於一年	一至兩年	二至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 31 March 2018	於2018年 3月31日				
Trade and retention payables	應付貿易款項 及保留金	53,432	–	–	53,432
Accruals and other payables	應計款項及其 他應付款項	7,936	–	–	7,936
Amount due to a director	應付一名 董事款項	–	–	3,147	3,147
Long-term bank loans	長期銀行貸款	19,680	4,996	2,016	26,692
Short-term bank loans	短期銀行貸款	29,109	–	–	29,109
Obligations under finance leases	融資租賃責任	17,852	7,855	1,443	27,150
		128,009	12,851	6,606	147,466

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(d) 流動資金風險 (續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital risk management

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

The capital structure of the Group consists of equity and borrowings. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce borrowings. The Group monitors capital on the basis of gearing ratio. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less cash and cash equivalents, short-term bank deposit and restricted bank balances pledged for security of the borrowings. The gearing ratios were as follows:

Borrowings (including obligations under finance leases (note 22)	借款(包括融資租賃責任)(附註22)
Less: cash and cash equivalents (note 17)	減: 現金及現金等價物(附註17)
Net cash	現金淨額
Total equity	權益總額
Gearing ratio	資產負債比率

3 財務風險管理(續)

3.2 資本風險管理

本集團管理資本的目標是保障本集團有持續經營的能力，從而為股東帶來回報及為其他權益持有人提供利益，同時保持最佳的資本結構以降低資本成本。

本集團的資本結構包括權益及借款。為維持或調整資本架構，本集團或會調整支付予股東的股息金額、向股東發還資金、發行新股或出售資產以減少借款。本集團以資產負債比率監察資本。資產負債比率以負債淨額除以總權益計算。負債淨額以總借款減現金及現金等價物、短期銀行存款以及就作為借款抵押品所抵押之受限制銀行結餘計算。資產負債比率如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
95,898	81,111
(196,964)	(256,401)
(101,066)	(175,290)
625,916	685,720
N/A不適用	N/A不適用

Notes to the Consolidated Financial Statements

綜合財務報表附註



3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

The carrying amounts of the Group's financial assets (other than financial assets at fair value through other comprehensive income) and financial liabilities, including cash and cash equivalents, short-term bank deposits, restricted bank balances, trade and retention receivables, deposits and other receivables, trade and retention payables, other payables and borrowings approximate their fair values, which either due to their short-term maturities, or that they are subject to floating rates.

The carrying amount of amount due to a director was a reasonable approximation of its fair value.

The Group's financial instruments are measured in the consolidated balance sheet at fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

3 財務風險管理(續)

3.3 公平值估計

本集團的金融資產(按公平值計入其他全面收入之金融資產除外)及金融負債(包括現金及現金等價物、短期銀行存款、受限制銀行結餘、應收貿易款項及保留金、按金及其他應收款項、應付貿易款項及保留金、其他應付款項及借款)因到期日較短或按浮動利率計息，該等資產及負債的賬面值與彼等的公平值相若。

應付一名董事款項的賬面值為其公平值的合理約數。

本集團之金融工具按用以計算公平值之估值技術輸入值層級於綜合資產負債表按公平值入賬。該等輸入值按照公平值層級歸類為如下三層：

		Level 1	Level 2	Level 3
		第一層	第二層	第三層
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2019				
Financial assets at fair value through other comprehensive income (note 14)	按公平值計入其他全面收入之金融資產 (附註14)	-	-	20,920
2018				
Available-for-sale financial assets (note 14)	可供出售金融資產 (附註14)	-	-	20,520

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

For the year ended 31 March 2019, there were no transfers of financial assets of the Group between different levels of the fair value hierarchy.

For the year ended 31 March 2019, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets.

For the year ended 31 March 2019, there were reclassifications of financial assets of the Group after the adoption of HKFRS 9, as set out in note 2.2(b).

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3 財務風險管理(續)

3.3 公平值估計(續)

截至2019年3月31日止年度，並無本集團金融資產在公平值層級內之不同層級之間的轉撥。

截至2019年3月31日止年度，影響本集團金融資產公平值的業務或經濟環境並無重大變動。

截至2019年3月31日止年度，於採納香港財務報告準則第9號後，本集團的金融資產重新分類(如附註2.2(b)所載)。

4 重要會計估計及判斷

估計及判斷乃依據過去經驗及其他因素(包括在個別情況下對未來事件作出被認為合理的預期)作持續評估。

本集團對未來作出估計及假設。就會計估計的結果而言，顧名思義，絕少會與有關實際結果相同。有極高風險導致下個財政年度的資產及負債的賬面值作出重大調整的估計及假設討論如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Construction contracts

The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by the management on the basis of quotations prepared by the management on the basis of quotations from time to time provided by the major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, management conducts periodic reviews of the budgets of contracts by comparing the budgeted amounts to the actual amounts incurred. Such significant estimate may have impact on the profit recognised in each period.

The Group recognises its contract revenue based on the satisfaction of the performance obligation either input method or output method, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract or according to the percentage of work performed to date of individual contract of construction works as a percentage of total contract value. Because of the nature of the activity undertaken in construction contracts, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revised the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progress. Management regularly reviews the progress of the contracts and the corresponding costs of the contract revenue.

4 重要會計估計及判斷(續)

(a) 建築合約

本集團於合約進行時檢討及修訂為各建築合約編製的合約收入、合約成本、變更項目及合約索償估計。管理層根據管理層編製的報價(乃根據參與項目的主要承建商、供應商或服務供應商不時提供的報價而編製)及管理層的經驗編製建築成本預算。為維持準確及最新的預算，管理層通過比較預算金額及實際產生金額而定期對合約預算進行審閱。該項重大估計可能影響於各期間確認的溢利。

本集團根據對履約責任的履行以輸入法或輸出法確認其合約收入，當中參考直至報告期末產生的合約成本佔各合約總估計成本的百分比或各獨立建築工程合約至今已進行的工程佔總合約價值之百分比。由於根據建造合約進行活動的性質，合約活動的訂立日期與活動的完成日期通常屬於不同的會計期間。本集團會於合約進行時檢討及修訂為各建築合約編製的合約收入、合約成本、變更項目及合約索償估計。管理層定期檢討合約進度及合約收入的相應成本。

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綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Estimated useful lives and residual values of plant and equipment

Management estimates useful lives of the plant and equipment by reference to the Group's business model, its assets management policy, the industry practice, expected usage of the assets, expected repair and maintenance, the technical or commercial obsolescence arising from changes or improvements in the market. Residual values of the machinery and equipment are determined based on prevailing market values for equivalent aged assets taking into account the condition of the relevant assets or the value of scrap metal and other economic considerations. Depreciation expense would be significantly affected by the useful lives and residual values of the plant and equipment as estimated by management.

If the residual values of plant and equipment had further decreased by 10%, the depreciation expenses would increase by HK\$5,344,000 for the year ended 31 March 2019 (2018: HK\$4,984,000).

(c) Estimated impairment of plant and equipment

The Group assesses annually whether plant and equipment exhibit any indications of impairment. The recoverable amounts, if required, are determined based on value-in-use calculations or market valuations. These calculations require the use of judgment and estimates.

4 重要會計估計及判斷(續)

(b) 機械及設備的估計可使用年期及剩餘價值

管理層乃參考本集團的業務模式、其資產管理政策、行業慣例、資產預期用途、預期維修及保養、因市場變化或改善導致的技術或商業方面過時，估計機械及設備的可使用年期。機械及設備的剩餘價值乃根據具同等賬齡資產的現行市值釐定，並計及有關資產的狀況或廢鐵的價值及其他經濟考慮因素。管理層所估計機械及設備的可使用年期及剩餘價值將對折舊費用有重大影響。

若機械及設備的剩餘價值進一步減少10%，則於截至2019年3月31日止年度的折舊費用將增加5,344,000港元（2018年：4,984,000港元）。

(c) 機械及設備的估計減值

本集團每年評估機械及設備及土地使用權有否減值跡象。可收回金額（如有規定）乃根據使用價值計算方法或市場估值釐定。該等計算需要作出判斷及估計。

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綜合財務報表附註



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(c) Estimated impairment of plant and equipment (Continued)

Management judgement is required in the area of asset impairment particularly in assessing:

- (i) whether an event has occurred that may indicate that the related asset value may not be recoverable;
- (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to dispose or net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and
- (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate.

Changing the assumptions selected by management in assessing impairment, including the discount rates, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated statement of comprehensive income.

4 重要會計估計及判斷 (續)

(c) 機械及設備的估計減值 (續)

管理層釐定資產減值須運用判斷，尤其為評定：

- (i) 是否已出現可能顯示有關資產值或無法收回之事件；
- (ii) 可收回金額（即公平值減出售成本或估計繼續在業務中使用資產所帶來之未來現金流量現值淨額兩者之較高者）是否足以支持資產賬面值；及
- (iii) 編製現金流量預測所用之主要假設是否恰當，包括該等現金流量預測是否以適當利率折現。

管理層於評估減值時選擇之假設（包括折現率）若有所變化，或會對減值測試所用之現值淨額帶來重大影響，從而影響本集團之財務狀況及經營業績。倘預測表現及所得之未來現金流量預測出現重大不利變動，則可能須於綜合全面收益表中計提減值開支。

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綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Income taxes

The Group is subject to income taxes in Hong Kong and Macau. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4 重要會計估計及判斷(續)

(d) 金融資產減值

金融資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於各報告期末，本集團根據本集團過往歷史、現時市況及前瞻性估計，通過判斷作出該等假設及選擇減值計算之輸入數據。

(e) 所得稅

本集團須繳納香港及澳門所得稅。在決定所得稅撥備時，須作出重大判斷。有多項交易及計算難以釐定其最終稅務結果。本集團根據額外稅項會否到期的估算，確認預計稅項審計事宜的債項。若該等事宜的最終稅項結果與初步入賬的金額不同，則該等差異將對作出有關釐定的期間的即期及遞延所得稅資產及負債造成影響。

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5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION

Revenue from contracts with customers, which is also the Group's turnover, represents gross contract receipts on foundation works and ancillary services in the ordinary course of business. Revenue recognised is as follows:

Foundation works and ancillary services	地基工程及附屬服務
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The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors regard the Group's business as one single operating segment and reviews financial information accordingly.

Revenue from foundation works and ancillary services are recognised over time during the year 31 March 2019 (2018: same).

(a) Segment information

The Group's revenue is mainly derived from customers in Hong Kong. The principal assets of the Group were also located in Hong Kong as at 31 March 2019. Accordingly, no analysis by geographical segment is provided.

5 客戶合約收入及分部資料

客戶合約收入指在日常業務過程中地基工程及附屬服務的總合約收款，亦為本集團的營業額。確認的收入如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
452,268	518,479

本公司的執行董事被確定為其主要營運決策人。執行董事將本集團的業務劃分為一個單一經營分部，並相應審閱財務資料。

於截至2019年3月31日止年度，地基工程及附屬服務的收入乃隨時間確認(2018年：相同)。

(a) 分部資料

本集團的收入主要來自香港客戶。截至2019年3月31日，本集團的主要資產亦位於香港。因此，並無提供按地區分部進行的分析。

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綜合財務報表附註

5 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION

(Continued)

(b) Revenue derived from major customers

External customers which individually contributed over 10% of the total revenue of the Group for any of the years ended 31 March 2019 and 2018 are as below:

Customer A	客戶甲
Customer B (Note)	客戶乙 (附註)

Note: The corresponding revenue did not contribute over 10% of total revenue of the Group for the respective year.

5 客戶合約收入及分部資料 (續)

(b) 來自主要客戶的收入

於截至2019年及2018年3月31日止任何一個年度單獨地為本集團於有關年度的總收入貢獻超過10%之外界客戶如下：

Year ended 31 March 截至3月31日止年度

2019 HK\$'000 千港元	2018 HK\$'000 千港元
326,384	420,221
90,753	N/A不適用

附註：有關收入對本集團於相關年度之總收入的貢獻並不超過10%。

6 OTHER (LOSS)/GAIN, NET, AND OTHER INCOME

6 其他(虧損)/收益—淨額以及其他收入

Other (loss)/gain, net	其他(虧損)/收益—淨額
Gain on disposal of plant and equipment	出售機械及設備的收益
Write-off of plant and equipment	撇銷機械及設備

2019 HK\$'000 千港元	2018 HK\$'000 千港元
-	5,960
(1,000)	(172)
(1,000)	5,788

Notes to the Consolidated Financial Statements

綜合財務報表附註



6 OTHER (LOSS)/GAIN, NET, AND OTHER INCOME (Continued)

Other income	其他收入
Leasing of machinery	租賃機械
Government grant	政府補助
Reimbursement from the deed of indemnity (note)	根據彌償契據獲得之償付款項(附註)

Note:

The balance of amounts due from customers for contract work as at 31 March 2017 included HK\$9,374,000 not yet certified by a customer. On 14 November 2013, a subsidiary of the Company served a notice of arbitration to this customer to settle the dispute on the final payment of the contract.

In connection with the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a deed of indemnity (the "Deed of Indemnity") was signed on 25 September 2014, pursuant to which Mr. Lau Chun Ming, irrecoverably and unconditionally undertakes to pay up the entire sum or the shortfall, if any, on demand by the Group if the Group fails to recover such amount of HK\$9,374,000.

On 30 November 2017, the final award of the arbitration was issued concluding this customer as the successful party to resist the claim by the Group, and the Group should also pay a portion of this customer's costs of claim. Management of the Group decided to accept the conclusion by arbitrator and the Deed of Indemnity was consequently executed to compensate the corresponding amount of HK\$9,374,000 written off from contracting work-in-progress to the costs of sales and HK\$9,502,000 costs of claim specified in the final award charged to the administrative expense. The reimbursement from the deed of indemnity is recorded in other income.

6 其他(虧損)/收益—淨額以及其他收入(續)

2019 HK\$'000 千港元	2018 HK\$'000 千港元
484	—
—	162
—	18,876
484	19,038

附註：

於2017年3月31日之應收客戶合約工程金額結餘包括一名客戶尚未核實的9,374,000港元。於2013年11月14日，本公司附屬公司向該名客戶發出仲裁通知，藉此解決有關合約最終付款的糾紛。

於2014年9月25日，就本公司於香港聯合交易所有限公司主板上市簽訂一份彌償契據(「彌償契據」)，據此，本公司董事劉振明先生不可撤回及無條件承諾，倘本集團未能收回有關款項9,374,000港元，彼將應本集團要求全額支付有關金額或差額(如有)。

於2017年11月30日，該仲裁之最終裁決予以發出，結論為此客戶成功駁回本集團之申索，而本集團亦應支付該客戶的部分申索成本。本集團管理層決定接受仲裁員作出的結論，並據此執行彌償契據，以銷售成本補償從在建合約工程中撇銷之9,374,000港元相應金額以及在行政開支支銷最終裁決中訂明之申索成本9,502,000港元。根據彌償契據獲得之償付款項列作其他收入。

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7 EXPENSES BY NATURE

7 按性質劃分的開支

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Cost of sales	銷售成本		
Construction contracts costs (note (a))	建築合約成本(附註(a))	420,092	441,310
Depreciation	折舊		
– owned plant and equipment	– 自置機械及設備	22,966	24,282
– leased plant and equipment	– 租賃機械及設備	1,215	2,140
Repair and maintenance	維修及保養	251	702
Others	其他	3,362	6,000
		447,886	474,434
Administrative expenses	行政開支		
Staff costs, including directors' emoluments (note (b))	員工成本(包括董事酬金)(附註(b))	13,925	15,372
Auditors' remuneration	核數師酬金	1,557	1,507
Depreciation	折舊		
– owned plant and equipment	– 自置機械及設備	518	549
Operating lease rental in respect of	以下各項的經營租賃租金		
– office and storage premises	– 辦公室及倉庫物業	9,803	10,363
– directors' quarters (note 29(a))	– 董事宿舍 (附註29(a))	2,168	2,167
Professional fees	專業費用	4,155	16,081
Motor vehicle expenses	汽車開支	1,905	1,927
Bank charges	銀行開支	502	585
Exchange (gains)/losses	匯兌(收益)/虧損	(2,517)	7,627
Others	其他	5,487	5,227
		37,503	61,405
Total cost of sales and administrative expenses	銷售成本及行政開支總額	485,389	535,839

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7 EXPENSES BY NATURE (Continued)

Notes:

(a) Construction contract costs included but are not limited to costs of construction materials, staff costs (refer to note (b) below), consultancy fee, parts and consumables, subcontracting charges and transportation.

(b)

Wages and salaries	工資及薪金
Pension costs – defined contribution plans (note)	退休金成本 – 一定額供款計劃(附註)
Employment benefits	僱員福利
Less: amount included in construction contracts costs or capitalised in contract assets/work-in-progress	減：計入建築合約成本或合約資產／在建工程資本化金額

The Group participates in a Mandatory Provident Fund scheme (the “MPF Scheme”) in accordance with the Mandatory Provident Fund Scheme Ordinance of Hong Kong. Under the rules of the MPF Scheme, the employer and its employees in Hong Kong are each required to contribute 5% of the employees’ gross earnings with a ceiling of HK\$1,500 per month to the MPF Scheme.

The Group also participates in an employee social security plan (the “Social Security Plan”) and contributes a fixed amount for each employee as required by the regulations in Macau.

The only obligation of the Group with respect to the MPF Scheme and the Social Security Plan is to make the required contributions under the scheme.

7 按性質劃分的開支(續)

附註：

(a) 建築合約成本包括但不限於建築材料成本、員工成本(參見下文附註(b))、顧問費用、零件及消耗品、分包費用及運輸費用。

(b)

2019 HK\$'000 千港元	2018 HK\$'000 千港元
84,917	95,386
2,750	3,010
938	1,263
88,605	99,659
(74,680)	(84,287)
13,925	15,372

本集團根據香港《強制性公積金計劃條例》參與於強制性公積金計劃(「強積金計劃」)。根據強積金計劃的規則，香港僱主及其僱員須各自按僱員總收入的5%向強積金計劃作出供款，每月上限為1,500港元。

本集團亦按澳門法規規定為每名僱員參與僱員社會保障計劃(「社會保障計劃」)，並作出固定金額供款。

本集團就強積金計劃及社會保障計劃的唯一責任是根據有關計劃作出規定的供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 EXPENSES BY NATURE (Continued)

Notes: (Continued)

(c) Five highest paid individuals

For the year ended 31 March 2019, the five individuals whose emoluments were the highest in the Group include three directors (2018: three) whose emoluments were reflected in the analysis presented in note 29(a). The emoluments paid to the remaining two individuals (2018: two) are as follows:

Salaries, other allowances and benefits in kind	薪金、其他津貼及實物福利
Bonus	花紅
Pension costs – defined contribution plans	退休金成本—定額供款計劃

The emoluments of these individuals fell within the following bands:

HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元

No emolument was paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for the loss of office.

7 按性質劃分的開支(續)

附註：(續)

(c) 五名最高薪人士

截至2019年3月31日止年度，本集團五名最高薪人士分別包括三名(2018年：三名)董事，彼等的酬金於附註29(a)的分析中呈列。向其餘兩名(2018年：兩名)人士支付的酬金如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
2,920	2,628
245	194
36	36
3,201	2,858

該等人士的酬金介乎以下範圍：

Number of individuals 人數

2019 HK\$'000 千港元	2018 HK\$'000 千港元
–	1
2	1
2	2

本集團概無向任何董事或五名最高薪人士支付任何酬金作為加入本集團或加入本集團時的獎勵或離職補償。

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7 EXPENSES BY NATURE (Continued)

Notes: (Continued)

- (d) With effect from 1 April 2018, loss allowance on trade, retention and other receivables will be separately disclosed as impairment losses on retention receivables.

7 按性質劃分的開支(續)

附註：(續)

- (d) 由2018年4月1日起，應收貿易款項及保留金以及其他應收款項將分別披露為應收保留金之減值虧損。

8 FINANCE INCOME/(COSTS), NET

8 財務收入／(成本)－淨額

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Finance income	財務收入		
– Interest income on bank deposits	– 銀行存款的利息收入	3,481	2,637
Finance costs	財務費用		
– Interest expense on bank loans	– 銀行貸款的利息開支	(1,440)	(2,783)
– Interest expense on bank overdrafts	– 銀行透支的利息開支	(46)	–
– Interest expense on obligations under finance leases	– 融資租賃責任的利息開支	(791)	(1,532)
– Interest expense on amount due to a director (note 26(b))	– 應付一名董事款項的利息開支(附註26(b))	(55)	(163)
		(2,332)	(4,478)
Finance income/(costs), net	財務收入／(費用)－淨額	1,149	(1,841)

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 INCOME TAX (CREDIT)/EXPENSE

The amount of income tax (credited)/charged to the consolidated statement of comprehensive income represents:

Hong Kong profits tax	香港利得稅
Current income tax	即期所得稅
Deferred income tax (note 19)	遞延所得稅 (附註19)
Macau profits tax	澳門所得補充稅
Current income tax	即期所得稅
Over-provision of current income tax in prior year	去年即期所得稅的 超額撥備

Hong Kong profits tax and Macau complementary tax have been provided at the rate of 16.5% and 12%, respectively, on the estimated assessable profit for the year ended 31 March 2019 (2018: 16.5% and 12%).

9 所得稅(抵免)/開支

於綜合全面收益表(計入)/支銷的所得稅金額指：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
(518)	2,493
(3,172)	(2,387)
(3,001)	–
(436)	–
(7,127)	106

截至2019年3月31日止年度，已就估計應課稅溢利分別按16.5%及12%稅率計提香港利得稅及澳門所得補充稅撥備(2018年：16.5%及12%)。

Notes to the Consolidated Financial Statements

綜合財務報表附註



9 INCOME TAX (CREDIT)/EXPENSE (Continued)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the tax rate of Hong Kong as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(57,497)	5,625
Calculated at tax rate of 16.5%	按16.5%的稅率計算的稅項	(9,487)	928
Tax effects of:	以下各項的稅務影響：		
Tax rates of overseas operation	海外業務的稅率	1,163	(29)
Income not subject to tax	毋須課稅收入	(842)	(1,354)
Expenses not deductible for tax purposes	不可扣稅開支	38	688
Tax losses for which no deferred income tax asset was recognised	並無確認遞延所得稅資產的稅項虧損	2,441	19
Utilisation of previously unrecognised tax losses	動用以往並無確認之稅項虧損	(4)	(86)
Over-provision of income tax in prior year	去年所得稅的超額撥備	(436)	-
Tax concessions	稅項減免	-	(60)
Income tax (credit)/expense	所得稅(抵免)/開支	(7,127)	106

9 所得稅(抵免)/開支(續)

本集團除所得稅前(虧損)/溢利的稅額與採用香港稅率計算的理論稅額的差異如下：

10 DIVIDEND

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

10 股息

董事建議不派發截至2019年3月31日止年度的末期股息(2018年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective years. The weighted average number of ordinary shares used for such purpose has been retrospectively adjusted to reflect the share subdivision with effect from 23 December 2015.

(Loss)/profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔(虧損)/溢利(千港元)
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (thousands)	計算每股基本盈利的普通股加權平均數(千股)
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)

(b) Diluted

Diluted (loss)/earnings per share is of the same amount as the basic (loss)/earnings per share as there were no potential dilutive ordinary shares for the year ended 31 March 2019 and 2018.

11 每股(虧損)/盈利

(a) 基本

每股基本(虧損)/盈利乃根據本公司權益持有人應佔(虧損)/溢利除以相關年度已發行普通股加權平均數計算。作此用途之普通股加權平均數已作出追溯調整，以反映自2015年12月23日起的股份拆細。

2019	2018
(50,370)	5,519
1,680,000	1,680,000
(3.00)	0.33

(b) 攤薄

每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同，此乃由於在截至2019年及2018年3月31日止年度並無未行使的潛在攤薄普通股。

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12 SUBSIDIARIES

12 附屬公司

Name 名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Effective interest held as at		Principal activities and place of operation 主營業務及營運地點
			2019	2018	
Directly held by the Company: 由本公司直接持有：					
Sam Woo Group Limited ("SW (BVI)") (「三和(BVI)」)	British Virgin Islands 英屬處女群島	US\$10,000 10,000美元	100%	100%	Investment holding 投資控股
Capital Plus Group Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	100%	100%	Investment holding 投資控股
Indirectly held by the Company: 由本公司間接持有：					
Sam Woo Bore Pile Foundation Limited ("SWBP") 三和地基有限公司 (「三和地基」)	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	100%	Foundation works and ancillary services in Hong Kong 於香港進行地基工程及 提供附屬服務
Sam Woo Construction & Engineering Limited 三和建設機械有限公司	Hong Kong 香港	HK\$100,000 100,000港元	100%	100%	Trading of and leasing of machinery and equipment in Hong Kong 於香港買賣及租賃機械及設備
Sam Woo Engineering Equipment Limited ("SWEE") 三和機械有限公司(「三和機械」)	Hong Kong 香港	HK\$500,000 500,000港元	100%	100%	Leasing of machinery and equipment in Hong Kong 於香港租賃機械及設備

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12 SUBSIDIARIES

12 附屬公司

Name 名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Effective interest held as at		Principal activities and place of operation 主營業務及營運地點
			2019	2018	
Indirectly held by the Company:					
(Continued)					
由本公司間接持有：(續)					
Sam Woo Foundation Limited	Macau	MOP30,000	100%	100%	Foundation works and ancillary services in Macau
Sam Woo地基有限公司	澳門	澳門幣30,000			於澳門進行地基工程及提供附屬服務
Sam Woo Construction Limited	Hong Kong	HK\$9,300,000	100%	100%	Foundation works and ancillary services in Hong Kong
三和營造有限公司	香港	9,300,000港元			於香港進行地基工程及提供附屬服務
Sam Woo Civil Contractors Limited	Hong Kong	HK\$10,000	100%	100%	Inactive
三和土木工程有限公司	香港	10,000港元			暫無營業
Sam Woo Civil Works Limited	Hong Kong	HK\$2	100%	100%	Inactive
三和土木有限公司	香港	2港元			暫無營業
Sam Woo Foundation Limited	Hong Kong	HK\$2	100%	100%	Foundation works and ancillary services in Hong Kong
三和地基工程有限公司	香港	2港元			於香港進行地基工程及提供附屬服務

Notes to the Consolidated Financial Statements

綜合財務報表附註



12 SUBSIDIARIES

12 附屬公司

Name 名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Effective interest held as at		Principal activities and place of operation 主營業務及營運地點
			2019	2018	
Indirectly held by the Company:					
(Continued)					
由本公司間接持有：(續)					
Sam Woo Finance Limited	Hong Kong	HK\$2	100%	100%	Provision of financial services to group companies
三和財務有限公司	香港	2港元			向集團公司提供金融服務
Sam Woo Offshore Engineering Limited	Hong Kong	HK\$1	100%	100%	Inactive
三和海洋工程有限公司	香港	1港元			暫無業務
Sam Woo Asia Development Group Limited	Hong Kong	HK\$1	100%	100%	Inactive
三和亞洲發展集團有限公司	香港	1港元			暫無業務
Sam Woo Foundation Group Limited	Hong Kong	HK\$1	100%	100%	Inactive
三和地基集團有限公司	香港	1港元			暫無業務
Redland Contractors Limited	Hong Kong	HK\$2	100%	100%	Foundation works and ancillary services in Hong Kong
中威營造有限公司	香港	2港元			於香港進行地基工程及提供附屬服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

13 PLANT AND EQUIPMENT

13 機械及設備

		Machinery and equipment	Furniture and fixtures	Motor vehicles	Total
		機械及設備	傢俬及裝置	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 March 2017	於2017年3月31日				
Cost	成本	836,934	1,796	8,776	847,506
Accumulated depreciation	累計折舊	(206,316)	(1,434)	(6,229)	(213,979)
Net book amount	賬面淨值	630,618	362	2,547	633,527
Year ended 31 March 2018	截至2018年3月31日				
	止年度				
Opening net book amount	年初賬面淨值	630,618	362	2,547	633,527
Additions	添置	327	110	720	1,157
Written-off	撇銷	(172)	-	-	(172)
Disposals	出售	(31,789)	-	-	(31,789)
Depreciation	折舊	(25,930)	(162)	(879)	(26,971)
Closing net book amount	年終賬面淨值	573,054	310	2,388	575,752
At 31 March 2018	於2018年3月31日				
Cost	成本	804,783	1,287	9,380	815,450
Accumulated depreciation	累計折舊	(231,729)	(977)	(6,992)	(239,698)
Net book amount	賬面淨值	573,054	310	2,388	575,752
Year ended 31 March 2019	截至2019年3月31日				
	止年度				
Opening net book amount	年初賬面淨值	573,054	310	2,388	575,752
Additions	添置	13,492	34	36	13,562
Write-off	撇銷	(1,000)	-	-	(1,000)
Depreciation	折舊	(23,592)	(127)	(980)	(24,699)
Closing net book amount	年終賬面淨值	561,954	217	1,444	563,615
At 31 March 2019	於2019年3月31日				
Cost	成本	816,884	1,299	9,415	827,598
Accumulated depreciation	累計折舊	(254,930)	(1,082)	(7,971)	(263,983)
Net book amount	賬面淨值	561,954	217	1,444	563,615

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綜合財務報表附註



13 PLANT AND EQUIPMENT (Continued)

- (a) The net book amount of plant and equipment held under finance lease obligations comprises (note 22(e)):

Cost – Capitalised finance leases	成本－已撥充資本的 融資租賃
Accumulated depreciation	累計折舊
Net book amount	賬面淨值

- (b) As at 31 March 2019, plant and equipment amounting to HK\$76,372,000 (2018: HK\$116,969,000) were secured for the Group's bank loans (note 22(f)(ii)).

13 機械及設備 (續)

- (a) 根據融資租賃責任持有的機械及設備的賬面淨值包括(附註22(e)):

2019 HK\$'000 千港元	2018 HK\$'000 千港元
68,432	89,706
(4,046)	(5,997)
64,386	83,709

- (b) 於2019年3月31日，金額為76,372,000港元(2018年：116,969,000港元)的機械及設備用作本集團銀行貸款的抵押(附註22(f)(ii))。

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity investments at fair value through other comprehensive income

Opening amount	年初金額
Fair value gain	公平值收益
Closing amount	年末金額

14 按公平值計入其他全面收入之金融資產

按公平值計入其他全面收入之股本投資

2019 HK\$'000 千港元	2018 HK\$'000 千港元
20,520	–
400	–
20,920	–

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綜合財務報表附註

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Financial assets previously classified as available-for-sale financial assets (2018)

Opening amount	年初金額
Fair value gain	公平值收益
Closing amount	年末金額

Financial assets at fair value through other comprehensive income/available-for-sale financial assets are unlisted equity securities in Hong Kong.

As at 31 March 2019, the Group holds 5% of issued capital of Gold Champion Enterprises Limited which is an unlisted entity principally engaged in investment properties holding (2018: same).

None of the financial assets is impaired.

Management considered the fair value of the unlisted securities mainly represented the fair values of the investee's investment properties, net of its net current liabilities. These investment properties which are situated in Hong Kong are valued by an independent valuer, RHL Appraisal Limited, with reference to prices realised on actual sales and/or asking prices of comparable properties of similar size, development scale, nature, character and locations. The valuations have been made on the assumption that the owner sells the investment properties on the market in their existing state without the benefit of a cash rebate, deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which could serve to increase the value of the properties. Management considered that the net current liabilities approximated their fair values due to their short-term maturities.

The fair values of financial assets through other comprehensive income/available-for-sales financial asset are within level 3 of the fair value hierarchy (see note 3.3).

14 按公平值計入其他全面收入之金融資產(續)

過往分類為可供出售金融資產 (2018年)之金融資產

2019 HK\$'000 千港元	2018 HK\$'000 千港元
-	19,750
-	770
-	20,520

按公平值計入其他全面收入之金融資產／可供出售金融資產為於香港之非上市股本證券。

於2019年3月31日，本集團持有金冠企業有限公司(「金冠」)已發行股本5%。金冠為主要從事投資物業控股之非上市實體(2018年：相同)。

概無金融資產出現減值。

管理層認為，非上市證券之公平值主要指被投資方投資物業之公平值(扣除其流動負債淨額)。該等投資物業位於香港，乃經考慮類似大小、發展規模、性質、特徵和位置的可比較物業的實際銷售中實現的價格及／或要價後由獨立估值師永利行評值顧問有限公司進行估值。估值乃假設擁有人以物業現況在市場上出售投資物業而無現金回贈、遞延條款合約、售後回租、合營企業、管理協議或任何其他可提升物業價值之類似安排的好處。管理層認為流動負債淨額因短期到期而接近其公平值。

按公平值計入其他全面收入之金融資產／可供出售金融資產之公平值屬於公平值層級之第三級(見附註3.3)。

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綜合財務報表附註



15 TRADE AND RETENTION RECEIVABLES, AND DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Trade receivables	應收貿易款項
Retention receivables	應收保留金
Trade and retention receivables	應收貿易款項及保留金
Less: loss allowance (note (b) and (c))	減：虧損撥備 (附註(b)及(c))
Deposits, prepayments and other receivables (note (a))	按金、預付款項及其他應收款項 (附註(a))
Less: non-current portion	減：非即期部分
Current portion	即期部分

Note (a): The balance mainly represents rental deposit, prepayment for sub-contractor fee, prepayment for plant and equipment and other miscellaneous prepayments.

The credit period granted to trade customers other than for retention receivables was generally ranged from 45 to 90 days. The terms and conditions in relation to the release of retention vary from contract to contract, which may be subject to practical completion, the expiry of the defect liability period or a pre-agreed time period. The Group does not hold any collateral as security.

15 應收貿易款項及保留金，以及按金、預付款項及其他應收款項

2019 HK\$'000 千港元	2018 HK\$'000 千港元
14,780	70,499
56,087	50,762
70,867	121,261
(25,009)	–
45,858	121,261
7,950	6,810
(2,098)	(2,905)
5,852	3,905

附註(a)：該結餘主要為租金按金、分包費預付款項、機械及設備的預付款項以及其他雜項預付款項。

除應收保留金外，貿易客戶一般獲授45至90日的信貸期。退回保留金的條款及條件因應各合約而有所不同，可能須待實際竣工、缺陷責任期或預先約定的期間屆滿後方會解除。本集團並無持有任何抵押品作為抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 TRADE AND RETENTION RECEIVABLES, AND DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

The ageing analysis of the trade receivables based on invoice date was as follows:

1 to 30 days	1至30日
31 to 60 days	31至60日
Total	總計

In the consolidated balance sheet, retention receivables were classified as current assets. The ageing of the retention receivables based on invoice date was as follows:

Within 1 year	一年內
Between 1 and 5 years	一至五年
More than 5 years	超過五年

As at 31 March 2019, there were no trade and retention receivables which were past due (2018: Nil).

15 應收貿易款項及保留金，以及按金、預付款項及其他應收款項 (續)

應收貿易款項根據發票日期作出的賬齡分析如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
14,780	18,712
–	51,787
14,780	70,499

於綜合資產負債表內，應收保留金分類為流動資產。應收保留金根據發票日期的賬齡如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
6,766	8,617
48,799	41,623
522	522
56,087	50,762

於2019年3月31日，並無已逾期的應收貿易款項及保留金(2018年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註



15 TRADE AND RETENTION RECEIVABLES, AND DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Movements in the provision for impairment of trade and retention receivables that are assessed for impairment are as follows:

Opening amount	年初金額
Increase in loss allowance recognised in profit and loss during the year (note (b) and (c))	年內於損益確認之虧損撥備增加 (附註(b)及(c))
Closing amount	年末金額

As at 31 March 2019, retention receivables of HK\$25,009,000 were fully provided.

Note (b)

On 13 February 2017, a subsidiary of the Company has filed a civil procedure in Macau court against a customer to recover certain retention receivables amounted to HK\$10,134,000. During the year, the Macau First Instance Court delivered a judgement against the claims, since then, management has begun to launch an appeal against such judgement. The subsidiary of the Company has submitted an appeal of the judgement to the Macau Second Instance Court before year ended. Taking into consideration the uncertainty surrounding the outcome of the appeal, management has decided to make a full provision on the retention receivables and the appeal is still on progress as at 31 March 2019.

15 應收貿易款項及保留金，以及按金、預付款項及其他應收款項 (續)

評估減值的應收貿易款項及保留金減值撥備變動如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
—	—
25,009	—
25,009	—

於2019年3月31日，25,009,000港元之應收保留金已悉數撥備。

附註(b)

於2017年2月13日，本公司附屬公司針對此客戶向澳門法院提出民事法律程序以收回10,134,000港元之若干應收保留金。年內，澳門初級法院作出駁回有關申索之判決，而管理層自其時起開始對有關判決提出上訴。本公司附屬公司已於年結前向澳門中級法院提出對判決之上訴。考慮到圍繞上訴結果之不明朗因素，管理層決定對應收保留金計提全數撥備，而上訴於2019年3月31日仍在進行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 TRADE AND RETENTION RECEIVABLES, AND DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Note (c)

As at 31 March 2018, a subsidiary of the Company has an amount of HK\$14,875,000 retention receivables outstanding from another customer. During the year, the employer of the customer lost its land use right in the relevant construction site to Macau Court of Final Appeal. Management is in the process of seeking to negotiate with the customer for the recovery of the retention receivables. However, in view of the uncertainty in the current situation, the management has decided to make a full provision on this retention receivables.

The carrying amounts of trade and retention receivables approximated their fair values and were denominated in the following currencies:

HK\$	港元
MOP	澳門幣

Impairment and risk exposure

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and retention receivables and contract assets.

Information about the impairment of trade receivables and the Group's exposure to credit risk, foreign currency risk and interest risk can be found in note 3.1.

15 應收貿易款項及保留金，以及按金、預付款項及其他應收款項 (續)

附註(c)

本公司附屬公司有應收另一名客戶之14,875,000港元應收保留金。年內，澳門終審法院判該客戶之僱主失去其於相關建築工地的土地使用權。管理層正尋求與該客戶進行磋商以收回應收保留金。然而，鑑於目前情況之不確定因素，管理層決定對此項應收保留金計提全數撥備。

應收貿易款項及保留金的賬面值與其公平值相若，並以下列貨幣計值：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
45,858	96,252
—	25,009
45,858	121,261

減值及風險

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，就所有應收貿易款項及保留金以及合約資產使用整個存續期預期虧損撥備。

有關應收貿易款項減值及本集團信貸風險、外匯風險及利率風險的資料載於附註3.1。

Notes to the Consolidated Financial Statements

綜合財務報表附註



16 CONTRACT ASSETS AND CONTRACT LIABILITIES/AMOUNT DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORK

16 合約資產及合約負債／應收／(應付)客戶合約工程金額

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Contract costs incurred plus attributable profits less foreseeable losses to date	截至該日所產生的合約成本加應佔溢利減可預見虧損	1,404,940	1,016,128
Progress billings to date	截至該日的進度付款	(1,430,635)	(1,113,763)
		(25,695)	(97,635)
Included in current assets/(liabilities) are the following:			
Due from customers for contract works		-	231
Due to customers for contract works		-	(97,866)
Contract assets (note i)		8,616	-
Contract liabilities (note ii)		(34,311)	-
		(25,695)	(97,635)

(i) Contract assets related to construction services consist of unbilled amount resulting from construction when the cost-to-cost method of revenues recognised exceeds the amount billed the customer.

(ii) The contract liabilities primarily relate to the advanced consideration received from customers.

(i) 與建築服務有關之合約資產包括因建築服務產生的已確認成本比例法收入超過已向客戶開立賬單的金額時的未開立賬單金額。

(ii) 合約負債主要與自客戶收到的墊付代價有關。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 CASH AND CASH EQUIVALENTS AND RESTRICTED BANK BALANCES

17 現金及現金等價物以及受限制銀行結餘

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Cash at bank	銀行現金	196,919	256,358
Cash on hand	手頭現金	45	43
Cash and cash equivalents	現金及現金等價物	196,964	256,401
Restricted bank balances	受限制銀行結餘	3,075	3,020
Maximum exposure to credit risk	所承擔的最高信貸風險	199,994	259,378

Note: As at 31 March 2019, the restricted bank balance represents a deposit of HK\$3,075,000 (2018: HK\$3,020,000) placed by a director (note 21).

附註：於2019年3月31日，受限制銀行結餘代表3,075,000港元（2018年：3,020,000港元）由一名董事存入的按金（附註21）。

Notes to the Consolidated Financial Statements

綜合財務報表附註



17 CASH AND CASH EQUIVALENTS AND RESTRICTED BANK BALANCES (Continued)

The carrying amounts of cash and cash equivalents and restricted bank balances were denominated in the following currencies:

HK\$	港元
MOP	澳門幣
Others	其他

17 現金及現金等價物以及受限制銀行結餘(續)

現金及現金等價物以及受限制銀行結餘的賬面值以下列貨幣計值：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
199,801	258,331
98	815
140	275
200,039	259,421

18 SHARE CAPITAL, SHARE PREMIUM AND RESERVES

(a) Share capital

Ordinary shares, authorised:

At 31 March 2018 and
31 March 2019

普通股(法定)：
於2018年3月31日及
2019年3月31日

4,000,000,000 10,000,000

Ordinary shares, issued and fully paid:

At 31 March 2018 and
31 March 2019

普通股(已發行及
繳足)：
於2018年3月31日及
2019年3月31日

1,680,000,000 4,200,000

18 股本、股份溢價及儲備

(a) 股本

Number of shares 股份數目	HK\$ 港元
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Notes to the Consolidated Financial Statements

綜合財務報表附註

18 SHARE CAPITAL, SHARE PREMIUM AND RESERVES (Continued)

(b) Share premium and reserves

		Share premium	Available-for-sale financial assets reserve	Financial assets at fair value through other comprehensive income reserve	Other reserves	Retained earnings	Total
		股份溢價 HK\$'000 千港元	可供出售 金融資產儲備 HK\$'000 千港元	按公平值 計入其他 全面收入 之金融資產 儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元 (Note) (附註)	保留盈利 HK\$'000 千港元	總計 HK\$'000 千港元
At 31 March 2017	於2017年3月31日	194,087	-	-	10,500	487,444	692,031
Profit for the year	年度溢利	-	-	-	-	5,519	5,519
Fair value gains on available-for-sale financial assets	可供出售金融資產之公平值收益	-	770	-	-	-	770
Final dividends relating to the year ended 31 March 2017	有關截至2017年3月31日止年度的末期股息	-	-	-	-	(16,800)	(16,800)
At 31 March 2018	於2018年3月31日	194,087	770	-	10,500	476,163	681,520
Changes in accounting policies	會計政策變動	-	(770)	770	-	(9,834)	(9,834)
Restated balance at 1 April 2018	於2018年4月1日之經重列結餘	194,087	-	770	10,500	466,329	671,686
Loss for the year	年度虧損	-	-	-	-	(50,370)	(50,370)
Fair value gains on financial assets at FVOCI	按公平值計入其他全面收入之金融資產之公平值收益	-	-	400	-	-	400
At 31 March 2019	於2019年3月31日	194,087	-	1,170	10,500	415,959	621,716

18 股本、股份溢價及儲備 (續)

(b) 股份溢價及儲備

		Share premium	Available-for-sale financial assets reserve	Financial assets at fair value through other comprehensive income reserve	Other reserves	Retained earnings	Total
		股份溢價 HK\$'000 千港元	可供出售 金融資產儲備 HK\$'000 千港元	按公平值 計入其他 全面收入 之金融資產 儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元 (Note) (附註)	保留盈利 HK\$'000 千港元	總計 HK\$'000 千港元
At 31 March 2017	於2017年3月31日	194,087	-	-	10,500	487,444	692,031
Profit for the year	年度溢利	-	-	-	-	5,519	5,519
Fair value gains on available-for-sale financial assets	可供出售金融資產之公平值收益	-	770	-	-	-	770
Final dividends relating to the year ended 31 March 2017	有關截至2017年3月31日止年度的末期股息	-	-	-	-	(16,800)	(16,800)
At 31 March 2018	於2018年3月31日	194,087	770	-	10,500	476,163	681,520
Changes in accounting policies	會計政策變動	-	(770)	770	-	(9,834)	(9,834)
Restated balance at 1 April 2018	於2018年4月1日之經重列結餘	194,087	-	770	10,500	466,329	671,686
Loss for the year	年度虧損	-	-	-	-	(50,370)	(50,370)
Fair value gains on financial assets at FVOCI	按公平值計入其他全面收入之金融資產之公平值收益	-	-	400	-	-	400
At 31 March 2019	於2019年3月31日	194,087	-	1,170	10,500	415,959	621,716

Notes to the Consolidated Financial Statements

綜合財務報表附註



18 SHARE CAPITAL, SHARE PREMIUM AND RESERVES (Continued)

(b) Share premium and reserves

Note:

Other reserves of the Group represented the difference between the share capital of the subsidiaries acquired pursuant to the Reorganisation over the nominal value of the share capital of the Company issued in exchange thereof and the difference between the aggregation of the nominal value of the share capital of SWBP and SWEE acquired over the nominal value of the share capital of SW (BVI) issued in exchange thereof pursuant to the reorganisation completed in 2003.

19 DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities were as follows:

Deferred income tax asset:	遞延所得稅資產：
Recoverable after more than 12 months	於12個月後收回
Deferred income tax liabilities:	遞延所得稅負債：
Payable or to be settled more than 12 months	於12個月後應付或結清
Payable or to be settled within 12 months	於12個月內應付或結清
Deferred income tax liabilities, net	遞延所得稅負債－淨額

18 股本、股份溢價及儲備(續)

(b) 股份溢價及儲備

附註：

本集團的其他儲備指根據重組所收購的附屬公司的股本高於為換取有關股本所發行本公司股本面值的差額及根據於2003年完成的重組所收購的三和地基與三和機械的股本面值總和，高於為換取有關股本而發行的三和(BVI)股本面值的差額。

19 遞延所得稅

遞延稅項資產及遞延稅項負債分析如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
8,547	9,208
(49,556)	(56,017)
(3,506)	(3,340)
(44,515)	(50,149)

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 DEFERRED INCOME TAX (Continued)

Deferred income tax and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement on the deferred income tax account was as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Balance at 1 April, as originally presented	於4月1日之結餘 (如原先呈列)	(50,149)	(52,536)
Change in accounting policy (note 2.2)	會計政策變動 (附註2.2)	2,462	-
Balance at 1 April, as restated	於4月1日之結餘 (經重列)	(47,687)	(52,536)
Recognised in the consolidated statement of comprehensive income (note 9)	於綜合全面收益表內 確認 (附註9)	3,172	2,387
Balance at 31 March	於3月31日之結餘	(44,515)	(50,149)

The movements in deferred tax assets and liabilities without taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows:

Deferred income tax liabilities

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 April 2018	於2018年4月1日之結餘	92,213	92,213
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認	(831)	(831)
Balance at 31 March 2018	於2018年3月31日之結餘	91,382	91,382
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內確認	147	147
Balance at 31 March 2019	於2019年3月31日之結餘	91,529	91,529

19 遞延所得稅(續)

遞延所得稅資產及負債於有可依法強制執行權利將即期稅項資產與即期稅項負債對銷，且遞延所得稅與同一財政機關相關時予以抵銷。

遞延所得稅賬目變動如下：

遞延稅項負債和資產的變動(並不考慮相同稅務司法管轄權區內之結餘對銷)如下：

遞延所得稅負債

Notes to the Consolidated Financial Statements

綜合財務報表附註



19 DEFERRED INCOME TAX (Continued)

Deferred income tax assets

Balance at 1 April 2017	於2017年4月1日之結餘
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內 確認
Balance at 31 March 2018, as originally presented	於2018年3月31日之結餘 (如原先呈列)
Changes in accounting policies (note 2.2)	會計政策變動 (附註2.2)
Balance at 1 April 2018, as restated	於2018年4月1日之結餘 (經重列)
Recognised in the consolidated statement of comprehensive income	於綜合全面收益表內 確認
Balance at 31 March 2019	於2019年3月31日之 結餘

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax jurisdiction. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet.

19 遞延所得稅 (續)

遞延所得稅資產

Unrealised profit	Tax losses	Total
未實現溢利	稅項虧損	總計
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
917	38,760	39,677
8,291	(6,735)	1,556
9,208	32,025	41,233
2,462	-	2,462
11,670	32,025	43,695
(3,123)	6,442	3,319
8,547	38,467	47,014

遞延所得稅資產及負債於有可依法強制執行權利將即期所得稅資產與即期所得稅負債對銷，且遞延所得稅與同一稅務司法權區相關時予以抵銷。於綜合資產負債表中載列的金額（於作出適當對銷後釐定）如下：

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Deferred income tax liabilities	遞延所得稅負債	(53,062)	(59,357)
Deferred income tax assets	遞延所得稅資產	8,547	9,208
		(44,515)	(50,149)

Notes to the Consolidated Financial Statements

綜合財務報表附註

19 DEFERRED INCOME TAX (Continued)

Deferred income tax assets (Continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. As at 31 March 2019, the Group had unrecognised tax losses of approximately HK\$19,595,000 (2018: HK\$4,997,000) that can be carried forward to offset against future taxable income, of which an amount of HK\$1,264,000 and HK\$844,000 (2018: HK\$1,264,000 will expire in 2020) will expire in 2020 and 2021 respectively and an amount of HK\$17,487,000 (2018: HK\$3,733,000) has no expiry date.

20 TRADE AND RETENTION PAYABLES, ACCRUALS AND OTHER PAYABLES

Trade payables	應付貿易款項
Retention payables	應付保留金
Total trade and retention payables	應付貿易款項及保留金 總額
Accruals and other payables (Note)	應計款項及其他 應付款項 (附註)

Note: The amounts mainly represent accruals and other payables for constructing work-in-progress, wages, legal and professional fees and transportation costs.

19 遞延所得稅 (續)

遞延所得稅資產 (續)

倘有相關稅務利益可透過未來應課稅溢利變現，則可就所結轉的稅項虧損確認遞延所得稅資產。於2019年3月31日，本集團的未獲確認稅項虧損約19,595,000港元（2018年：4,997,000港元），該等金額可結轉用作抵銷未來應課稅收入，當中1,264,000港元及844,000港元（2018年：1,264,000港元將於2020年到期）將分別於2020年及2021年到期而17,487,000港元（2018年：3,733,000港元）並無到期日。

20 應付貿易款項及保留金、應計款項及其他應付款項

2019 HK\$'000 千港元	2018 HK\$'000 千港元
19,550	39,462
15,283	13,970
34,833	53,432
9,921	8,943
44,754	62,375

附註：該等款項主要為就建造在建工程、工資、法律及專業費用與運輸成本的應計款項及其他應付款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註



20 TRADE AND RETENTION PAYABLES, ACCRUALS AND OTHER PAYABLES (Continued)

The ageing analysis of the trade payables based on invoice date was as follows:

0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
181 to 365 days	181至365日
More than 365 days	超過365日

In the consolidated balance sheet, retention payables were classified as current liabilities. The ageing of the retention payables was as follows:

Within 1 year	一年內
Between 1 and 5 years	一至五年
Over 5 years	五年以上

The carrying amounts of trade and retention payables approximated their fair value and were denominated in the following currencies:

HK\$	港元
MOP	澳門幣
Others	其他

20 應付貿易款項及保留金、應計款項及其他應付款項(續)

應付貿易款項根據發票日期的賬齡分析如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
14,651	38,619
3,292	10
705	-
72	3
830	830
19,550	39,462

於綜合資產負債表內，應付保留金分類為流動負債。應付保留金的賬齡如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
2,872	4,503
12,405	9,461
6	6
15,283	13,970

應付貿易款項及保留金的賬面值與彼等的公平值相若，並以下列貨幣計值：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
30,206	48,806
4,431	4,431
196	195
34,833	53,432

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 AMOUNT DUE TO A DIRECTOR

Pursuant to the Deed of Indemnity, Mr. Lau Chun Ming, a director of the Company, irrevocably undertakes to deposit a sum of HK\$20,000,000 into a bank account under the name of the Group for the purpose of indemnifying the Group against any claims, challenges and rejections from the Hong Kong tax authority and/or Macau tax authority and costs incurred in relation to the Group's tax liabilities arising up to October 2014.

In the event that no claim in relation to taxation is instituted by both Macau tax authority and Hong Kong taxation authority against the Group within seven years after the date on which dealings in the shares on the Main Board first commenced, i.e. 16 October 2014 ("the Listing Date"), the balance shall be released and returned to Mr. Lau Chun Ming on the seventh anniversary of the Listing Date.

In June 2017, the final and conclusive tax assessment and final tax demand note for the years 2013 and 2014 were issued by the tax authority in Macau. The Group has no outstanding amount on the required tax for the years of assessment of 2013 and 2014 in Macau; the Macau tax assessment for the years 2013 and 2014 have been concluded, final and settled. There is no tax liability so far demanded by Hong Kong tax authority in respect of the transactions and income contemplated under the Machinery Lease Agreement and the Machinery Agency Agreement.

In June 2017, the directors (including all of the independent non-executive directors) of the Company resolved to partially return HK\$17,000,000 out of the deposit of HK\$20,000,000 pursuant of Deed of Indemnity together with all the bank interests earned up to 12 July 2017 amounting to HK\$1,006,000 in view of the updated tax positions mentioned above and the estimate on maximum exposure made by the tax advisers of the Company. The remaining HK\$3,000,000 represented the estimated remaining tax exposure of the Group. The payment of HK\$18,006,000 was made to Mr. Lau Chun Ming in July 2017.

21 應付一名董事款項

根據彌償契據，本公司董事劉振明先生不可撤回承諾，就彌償本集團被香港稅務部門及／或澳門稅務部門提出的任何申索、質詢及駁回，以及本集團截至2014年10月產生的稅務負債相關的成本，向本集團名下銀行賬戶存入存款20,000,000港元。

倘於股份首次開始於主板買賣之日（即2014年10月16日（「上市日期」））後七年內，澳門稅務部門及香港稅務部門概無對本集團提出有關稅項的申索，則餘額將於上市日期第七週年當日發放及退還予劉振明先生。

於2017年6月，澳門稅務部門已發出2013年及2014年最終及決定性評稅及最終評稅通知書，本集團並無未償還的澳門2013年及2014年評稅年度所需的稅項；而澳門2013年及2014年評稅已完結、最終及獲繳付。香港稅局至今並無就機器租賃協議及機器代理協議項下交易及收入要求徵收任何稅項。

鑒於上述最近的稅務狀況及本公司稅務顧問作出的上限風險估計，於2017年6月，本公司董事（包括所有獨立非執行董事）議決歸還彌償契據項下20,000,000港元存款中的部分17,000,000港元連同該筆存款截至2017年7月12日所賺取的一切銀行存款利息1,006,000港元。餘下3,000,000港元指本集團的估計餘下稅務風險。於2017年7月已向劉振明先生支付18,006,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註



21 AMOUNT DUE TO A DIRECTOR (Continued)

The balance of amount due to a director is secured by restricted bank balances of HK\$3,075,000 (2018: HK\$3,020,000) and interest bearing at effective interest rate of 1.81% (2018: 1.38%).

21 應付一名董事款項 (續)

應付一名董事款項之結餘由受限制銀行結餘3,075,000港元(2018年: 3,020,000港元)抵押, 並按實際利率1.81%(2018年: 1.38%)計息。

22 BORROWINGS

22 借款

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current	非流動		
Obligations under finance leases	融資租賃責任	1,431	9,115
Long-term bank loans	長期銀行貸款	1,969	6,789
		3,400	15,904
Current	流動		
Short-term bank loans	短期銀行貸款	79,910	29,066
Current portion of long-term bank loans due for repayment within one year	於一年內到期償還的 長期銀行貸款的 即期部分	4,868	18,980
Obligations under finance leases due for repayment within one year	於一年內到期償還的 融資租賃責任	7,720	17,161
		92,498	65,207
Total borrowings	借款總額	95,898	81,111

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 BORROWINGS (Continued)

(a) The maturity of borrowings was as follows:

(i) *Bank loans*

The maturity of bank loans are as follows:

Within 1 year	一年內
Between 1 and 2 years	一至兩年
Between 2 and 5 years	二至五年

(ii) *Obligations under finance leases*

The maturity of obligations under finance leases would be as follows:

Within 1 year	一年內
Between 1 and 2 years	一至兩年
Between 2 and 5 years	二至五年

22 借款(續)

(a) 借款的到期情況如下：

(i) 銀行貸款

銀行貸款的到期情況如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
84,778	48,046
1,588	4,827
381	1,962
86,747	54,835

(ii) 融資租賃責任

融資租賃責任的到期情況如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
7,720	17,161
1,431	7,689
-	1,426
9,151	26,276

Notes to the Consolidated Financial Statements

綜合財務報表附註



22 BORROWINGS (Continued)

(a) The maturity of borrowings was as follows:
(Continued)

(iii) The obligations under finance leases are as follows:

	融資租賃總額
Gross finance leases	融資租賃總額
– minimum lease payments	– 最低租賃付款
Within 1 year	一年內
Between 1 and 2 years	一至兩年
Between 2 and 5 years	二至五年
Future finance charges on finance lease	未來的融資租賃財務開支
Present value of obligations under finance leases	融資租賃責任的現值

(b) The weighted average interest rates were as follows:

Short-term bank loans	短期銀行貸款
Long-term bank loans	長期銀行貸款
Obligations under finance leases	融資租賃責任

22 借款(續)

(a) 借款的到期情況如下：(續)

(iii) 融資租賃責任載列如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
7,897	17,852
1,449	7,855
–	1,443
9,346	27,150
(195)	(874)
9,151	26,276

(b) 加權平均利率如下：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
3.2%	1.7%
4.6%	4.1%
4.0%	3.8%

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 BORROWINGS (Continued)

- (c) The carrying amounts of the Group's borrowings were denominated in the following currencies:

HK\$	港元
EUR	歐元

- (d) The carrying amounts of the Group's borrowings approximated their fair value as the impact of discounting is not significant. The fair values are within level 2 of the fair value hierarchy.

- (e) As at 31 March 2019, the finance leases are secured by certain plant and equipment with carrying amounts of HK\$64,386,000 (2018: HK\$83,709,000) of certain subsidiaries and guarantees provided by the Company.

- (f) The Group's banking facilities and obligations under finance leases are subject to annual review and the utilised facilities are secured or guaranteed by:

Secured	有抵押
Unsecured	無抵押

22 借款(續)

- (c) 本集團及借款的賬面值以下列貨幣計值：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
69,363	52,045
26,535	29,066
95,898	81,111

- (d) 由於折現影響極微，本集團的借款賬面值與其公平值相若。公平值屬於公平值層級的第二級。

- (e) 於2019年3月31日，融資租賃以若干附屬公司賬面值為64,386,000港元(2018年：83,709,000港元)的若干機械及設備作抵押及由本公司提供擔保。

- (f) 本集團的銀行信貸及融資租賃承擔每年均被進行審閱，且已動用信貸由以下各項作抵押或擔保：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
15,988	52,045
79,910	29,066
95,898	81,111

Notes to the Consolidated Financial Statements

綜合財務報表附註



22 BORROWINGS (Continued)

- (f) The Group's banking facilities and obligations under finance leases are subject to annual review and the utilised facilities are secured or guaranteed by: (Continued)
- (i) an unlimited guarantee given by certain subsidiaries as at 31 March 2019 (2018: same);
 - (ii) certain plant and equipment of the Group as detailed in notes 13(a) and (b).

The Group did not breach any financial bank covenant during the year ended 31 March 2019 (2018: none).

22 借款(續)

- (f) 本集團的銀行信貸及融資租賃承擔每年均被進行審閱，且已動用信貸由以下各項作抵押或擔保：(續)
- (i) 於2019年3月31日，由若干附屬公司提供的無限額擔保(2018年：相同)；及
 - (ii) 本集團之若干機械及設備(詳見附註13(a)及(b))。

截至2019年3月31日止年度，本集團並無違反任何金融銀行契諾(2018年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 COMMITMENTS

(a) Capital commitments

As at 31 March 2019, the Group did not have any capital commitment (2018: Nil).

(b) Operating lease commitments – as lessee

The future aggregate minimum lease rental expenses in respect of hiring equipment, office and storage premises, and quarters for workers and directors under non-cancellable operating leases are as follows:

No later than 1 year	不遲於一年
Later than 1 year and no later than 5 years	遲於一年但不遲於五年

(c) Operating lease commitments – as lessor

As at 31 March 2019, the Group did not have any operating lease commitments as a lessor (2018: Nil).

24 CONTINGENT LIABILITIES

As at 31 March 2019, the Group has given guarantees on performance bonds of HK\$17,751,000 and HK\$16,500,000, respectively, in respect of two construction contracts of the Group in its ordinary course of business (2018: same). The performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

23 承擔

(a) 資本承擔

於2019年3月31日，本集團並無任何資本承擔（2018年：無）。

(b) 經營租賃承擔—作為承租人

根據不可撤銷經營租賃就租用設備、寫字樓及倉庫物業以及員工及董事宿舍的未來最低租金開支總額須於以下期間內支付：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
9,040	8,130
3,428	6,662
12,468	14,792

(c) 經營租賃承擔—作為出租人

於2019年3月31日，本集團並無以出租人身份訂有任何經營租賃承擔（2018年：無）。

24 或然負債

於2019年3月31日，本集團就有關本集團日常業務範圍內的兩項建築合約的履約保函作出擔保分別為17,751,000港元及16,500,000港元（2018年：相同）。該等履約保函預計將根據各建築合約的條款解除。

Notes to the Consolidated Financial Statements

綜合財務報表附註



25 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

25 綜合現金流量表附註

(a) Reconciliation of (loss)/profit before income tax to net cash (used in)/generated from operations:

(a) 除所得稅前(虧損)/溢利與經營業務(所用)/所得現金淨額的對賬：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(57,497)	5,625
Depreciation of plant and equipment (note 13)	機械及設備折舊(附註13)	24,699	26,971
Gain on disposal of plant and equipment	出售機械及設備的收益	-	(5,960)
Write-off of plant and equipment (note 13)	撇銷機械及設備(附註13)	1,000	172
Finance income (note 8)	財務收入(附註8)	(3,481)	(2,637)
Finance costs (note 8)	財務費用(附註8)	2,332	4,478
Net exchange differences	淨滙兌差異	(2,530)	7,459
		(35,477)	36,108
Changes in working capital:	營運資金變動：		
Decrease in trade and retention receivables	應收貿易款項及保留金減少	75,403	36,189
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	(1,140)	181
(Increase)/decrease in contract assets/amounts due from customers for contract work	合約資產/應收客戶合約工程金額(增加)/減少	(8,385)	18,383
Increase in trade and retention payables	應付貿易款項及保留金增加	(18,599)	(26,102)
Increase/(decrease) in accruals and other payables	應計款項及其他應付款項增加/(減少)	978	(5,026)
(Decrease)/increase in contract liabilities/amounts due to customers for contract work	合約負債/應付客戶合約工程金額(減少)/增加	(75,332)	15,159
Decrease in amount due to a director	應付一名董事款項減少	-	(18,006)
Net cash (used in)/generated from operations	經營活動(所用)/所得現金淨額	(62,552)	56,886

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) In the consolidated statement of cash flows, proceeds from disposal of plant and equipment comprise:

Net book amount (note 13)	賬面淨值(附註13)
Gain on disposal of plant and equipment (note 6)	出售機械及設備的收益(附註6)
Cash proceeds from sales of plant and equipment	出售機械及設備的現金所得款項

25 綜合現金流量表附註(續)

(b) 於綜合現金流量表中，出售機械及設備的所得款項包括：

2019 HK\$'000 千港元	2018 HK\$'000 千港元
-	31,789
-	5,960
-	37,749

Notes to the Consolidated Financial Statements

綜合財務報表附註



25 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

25 綜合現金流量表附註 (續)

(c) Net debt reconciliation

This section sets out the reconciliation of liability from financing activity for each of the years presented.

(c) 淨債務對賬

本節載列呈列之各年度的融資活動產生之負債的對賬。

		Liabilities from financing activities 融資活動產生之負債				
		Cash and cash equivalents	Obligations under finance leases	Short-term bank loans	Long-term bank loans	Total
		現金及現金等價物	融資租賃責任	短期銀行貸款	長期銀行貸款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 March 2017	於2017年3月31日	347,943	(51,212)	(136,933)	(63,596)	96,202
Capital element of finance lease payments	融資租賃付款的資本部分	-	24,936	-	-	24,936
Drawdown of bank loans	提取銀行貸款	-	-	(36,628)	(559)	(37,187)
Repayment of bank loans	償還銀行貸款	-	-	151,954	38,386	190,340
Foreign exchange adjustments	外匯調整	-	-	(7,459)	-	(7,459)
Decrease in cash and cash equivalents	現金及現金等價物減少	(91,542)	-	-	-	(91,542)
As at 31 March 2018	於2018年3月31日	256,401	(26,276)	(29,066)	(25,769)	175,290

Notes to the Consolidated Financial Statements

綜合財務報表附註

25 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

25 綜合現金流量表附註(續)

(c) Net debt reconciliation (Continued)

(c) 淨債務對賬(續)

		Liabilities from financing activities 融資活動產生之負債				
		Cash and cash equivalents	Obligations under finance leases	Short-term bank loans	Long-term bank loans	Total
		現金及現金等價物	融資租賃責任	短期銀行貸款	長期銀行貸款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 March 2018	於2018年3月31日	256,401	(26,276)	(29,066)	(25,769)	175,290
Capital element of finance lease payments	融資租賃付款的資本部分	-	17,125	-	-	17,125
Drawdown of bank loans	提取銀行貸款	-	-	(193,624)	-	(193,624)
Repayment of bank loans	償還銀行貸款	-	-	140,250	18,932	159,182
Foreign exchange adjustments	外匯調整	-	-	2,530	-	2,530
Decrease in cash and cash equivalents	現金及現金等價物減少	(59,437)	-	-	-	(59,437)
As at 31 March 2019	於2019年3月31日	196,964	(9,151)	(79,910)	(6,837)	101,066



26 RELATED PARTY TRANSACTIONS

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

- (a) The directors of the Company are of the view that the following companies were related parties that had transactions or balances with the Group:

Name of the related party 關聯人士名稱	Relationship with the Group 與本集團的關係
Mr. Lau Chun Ming 劉振明先生	Director of the Company 本公司董事
Cheer Crown Limited 嘉勳有限公司	A related company beneficially wholly owned by Mr. Lau Chun Ming 由劉振明先生全資實益擁有的關聯公司
Cheer Profit International Enterprise Limited 置利國際企業有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
Cheer Wealth International Development Limited 富怡國際發展有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
East Ascent Enterprise Limited 東升企業有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
Healthy World Investment Limited 健匯投資有限公司	A related company wholly owned by certain directors of the Group 由本集團若干董事全資擁有的關聯公司
Long Ascent Development Limited 長升發展有限公司	A related company wholly owned by certain directors of the Group 由本集團若干董事全資擁有的關聯公司
Sky Ease Holdings Limited	A related company wholly owned by Mr. Lau Chun Ming 由劉振明先生全資擁有的關聯公司

26 關聯人士交易

關聯人士指有能力控制、共同控制被投資方或可對其他可對被投資方行使權力的人士行使重大影響力的人士；須承擔或享有自其參與被投資方的可變回報的風險或權利的人士；可利用其對被投資方的權力影響投資者回報金額的人士。受共同控制或聯合控制的人士亦被視為關聯人士。關聯人士可為個人或其他實體。

- (a) 本公司董事認為，下列公司為曾與本集團進行交易或彼此間有結餘的關聯人士：

Name of the related party 關聯人士名稱	Relationship with the Group 與本集團的關係
Mr. Lau Chun Ming 劉振明先生	Director of the Company 本公司董事
Cheer Crown Limited 嘉勳有限公司	A related company beneficially wholly owned by Mr. Lau Chun Ming 由劉振明先生全資實益擁有的關聯公司
Cheer Profit International Enterprise Limited 置利國際企業有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
Cheer Wealth International Development Limited 富怡國際發展有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
East Ascent Enterprise Limited 東升企業有限公司	A related company wholly owned by certain directors of the Group and their family member 由本集團若干董事及其家族成員全資擁有的關聯公司
Healthy World Investment Limited 健匯投資有限公司	A related company wholly owned by certain directors of the Group 由本集團若干董事全資擁有的關聯公司
Long Ascent Development Limited 長升發展有限公司	A related company wholly owned by certain directors of the Group 由本集團若干董事全資擁有的關聯公司
Sky Ease Holdings Limited	A related company wholly owned by Mr. Lau Chun Ming 由劉振明先生全資擁有的關聯公司

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions

In addition to those disclosed elsewhere in the consolidated financial statements, the following transactions were carried out with related parties at terms mutually agreed by both parties:

Continuing transactions

Paid to related parties:

Rental expenses to Cheer Crown Limited (note i)	
Rental expenses to East Ascent Enterprise Limited (note ii)	
Rental expenses to Cheer Profit International Enterprise Limited (note ii)	
Rental expenses to Long Ascent Development Limited (note ii)	
Rental expenses to Cheer Wealth International Development Limited (note ii)	
Rental expenses to Healthy World Investment Limited (note ii)	

Expense payable to a related party:

Interest expense payable to a director (note iii)	
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Note i: Rental expenses for storage of machinery and equipment are based on terms pursuant to the tenancy agreements as mutually agreed by the relevant parties.

26 關聯人士交易 (續)

(b) 交易

除於綜合財務報表其他部分所披露者外，本集團與關聯人士按雙方協定的條款進行以下交易：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	2,160	2,160
	46	46
	46	46
	600	600
	876	876
	600	600
	55	163

附註i：用作存放機械及設備的租金開支乃基於有關各方共同協定的租約的條款。

Notes to the Consolidated Financial Statements

綜合財務報表附註



26 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions (Continued)

Note ii: Rental expenses for directors' quarters are based on terms pursuant to the tenancy agreements as mutually agreed by the relevant parties.

Note iii: Interest expense was payable to a director, Mr. Lau Chun Ming, in respect of the amount due to a director (note 26(d)).

(c) Key management compensation

Key management includes directors (executive and non-executive) of the Group. The compensation paid or payable to key management for employee services is disclosed in note 29(a).

(d) Balance – non-trade

Payable to a director:
Mr. Lau Chun Ming (note 21)

應付一名董事款項：
劉振明先生(附註21)

2019 HK\$'000 千港元	2018 HK\$'000 千港元
3,075	3,020

27 ULTIMATE HOLDING COMPANY

Management consider that Silver Bright Holdings Limited, a company incorporated in the British Virgin Islands, is the ultimate holding company of the Group, which is a company indirectly owned by a discretionary trust, the beneficiary of which is Ms. Leung Lai So.

26 關聯人士交易(續)

(b) 交易(續)

附註ii: 用作董事宿舍的租金開支乃基於有關各方共同協定的租約的條款。

附註iii: 利息開支乃就應付一名董事款項而應付董事劉振明先生(附註26(d))。

(c) 主要管理人員報酬

主要管理人員包括本集團董事(執行及非執行)。就僱員服務已付或應付予主要管理人員的報酬於附註29(a)披露。

(d) 結餘—非貿易

27 最終控股公司

管理層認為Silver Bright Holdings Limited(一間於英屬處女群島註冊成立的公司)為本集團的最終控股公司,該公司由以梁麗蘇女士為受益人的全權信託間接擁有。

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

28 本公司的資產負債表及儲備變動

		Note 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Assets	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資		5,927	5,927
Current assets	流動資產			
Prepayments	預付款項		73	68
Amount due from a subsidiaries	應收一間附屬公司 款項		177,817	104,151
Restricted bank balances	受限制銀行結餘		3,075	3,020
Cash and cash equivalents	現金及現金等價物		21,326	94,198
			202,291	201,437
Total assets	資產總值		208,218	207,364
Equity	權益			
Capital and reserves	資本及儲備			
Share capital	股本		4,200	4,200
Reserves	儲備	(a)	200,859	200,065
Total equity	權益總額		205,059	204,265
Liabilities	負債			
Current liabilities	流動負債			
Amount due to a director	應付一名董事款項		3,075	3,020
Accruals and other payables	應計款項及其他 應付款項		84	79
Total liabilities	負債總額		3,159	3,099
Total equity and liabilities	權益及負債總額		208,218	207,364

The balance sheet of the Company was approved by the Board of Directors on 21 June 2019 and were signed on its behalf.

本公司的資產負債表已於2019年6月21日獲董事會批准，並由下列人士代表簽署。

Lau Chun Ming

劉振明

Director

董事

Leung Lai So

梁麗蘇

Director

董事

Notes to the Consolidated Financial Statements

綜合財務報表附註



28 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note (a):

Reserve movement of the Company

		Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2017	於2017年3月31日	194,087	5,927	2,400	202,414
Profit for the year	年度溢利	-	-	14,451	14,451
Final dividends relating to the year ended 31 March 2017	有關截至2017年3月31日止年度的末期股息	-	-	(16,800)	(16,800)
At 31 March 2018	於2018年3月31日	194,087	5,927	51	200,065
At 31 March 2018	於2018年3月31日	194,087	5,927	51	200,065
Profit for the year	年度溢利	-	-	794	794
At 31 March 2019	於2019年3月31日	194,087	5,927	845	200,859

Other reserve of the Company represents the difference between the net asset value of SW (BVI) acquired over the nominal value of the share capital of the Company issued in exchange thereof.

28 本公司的資產負債表及儲備變動(續)

附註(a)：

本公司的儲備變動

本公司的其他儲備指所收購三和(BVI)的資產淨值超過本公司為換取有關資產所發行股本面值的差額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of each director of the Company which were included in the staff costs as disclosed in note 7 is set out below:

29 董事福利及權益

(a) 董事酬金

附註7所披露已計入員工成本的本公司各董事的酬金載列如下：

For the year ended 31 March 2019

截至2019年3月31日止年度

	Fees	Salaries	Discretionary bonus	Directors' quarters	Employer's contribution to pension scheme	Total
	袍金	薪金	酌情花紅	董事宿舍	僱主向退休金計劃作出的供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors						
Mr. Lau Chun Ming [#]	-	797	66	643	-	1,506
Mr. Lau Chun Kwok [*]	-	840	70	600	-	1,510
Mr. Lau Chun Ka	-	840	70	600	11	1,521
Ms. Leung Lai So	-	456	38	325	-	819
Independent non-executive directors						
Professor Wong Sue Cheun, Roderick	240	-	-	-	-	240
Mr. Chu Tak Sum	240	-	-	-	-	240
Mr. Ip Tin Chee, Arnold	240	-	-	-	-	240
	720	2,933	244	2,168	11	6,076

Notes to the Consolidated Financial Statements

綜合財務報表附註



29 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

		For the year ended 31 March 2018 截至2018年3月31日止年度					
		Fees	Salaries	Discretionary bonus	Directors' quarters	Employer's contribution to pension scheme	Total
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	董事宿舍 HK\$'000 千港元	僱主向 退休金計劃 作出的供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors	執行董事						
Mr. Lau Chun Ming [#]	劉振明先生 [#]	-	797	66	643	-	1,506
Mr. Lau Chun Kwok [*]	劉振國先生 [*]	-	840	70	600	-	1,510
Mr. Lau Chun Ka	劉振家先生	-	840	70	600	18	1,528
Ms. Leung Lai So	梁麗蘇女士	-	456	38	324	-	818
Independent non-executive directors	獨立非執行董事						
Professor Wong Sue Cheun, Roderick	王世全教授	240	-	-	-	-	240
Mr. Chu Tak Sum	朱德森先生	240	-	-	-	-	240
Mr. Ip Tin Chee, Arnold	葉天賜先生	240	-	-	-	-	240
		720	2,933	244	2,167	18	6,082

[#] Chairman

^{*} Chief Executive Officer

[#] 主席

^{*} 行政總裁

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(a) Directors' emoluments (Continued)

The remuneration shown above represents remuneration received from the Group by these directors in their capacity as employees to the Group and/or in their capacity as directors of the companies now comprising the Group.

During the year ended 31 March 2019, none of the directors of the Company (i) received or paid any remuneration in respect of accepting office; (ii) received or paid emoluments in respect of services in connection with the management of the affairs of the Company or its subsidiaries undertaking; or (iii) waived or has agreed to waive any emolument (2018: same).

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the year ended 31 March 2019 (2018: same).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year ended 31 March 2019 (2018: same).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2019, no consideration was paid by the company to third parties for making available directors' services (2018: same).

29 董事福利及權益 (續)

(a) 董事酬金 (續)

上述酬金指該等董事作為本集團僱員及／或現時本集團旗下各公司的董事向本集團收取的酬金。

於截至2019年3月31日止年度內，概無本公司董事(i)就接受職位收取或支付任何酬金；(ii)就有關管理本公司或其附屬公司所承擔事務的服務收取或支付任何酬金；或(iii)放棄或同意放棄任何酬金(2018年：相同)。

(b) 董事之退休福利

截至2019年3月31日止年度概無董事已收取或將收取任何退休福利(2018年：相同)。

(c) 董事之離職福利

截至2019年3月31日止年度概無董事已收取或將收取任何離職福利(2018年：相同)。

(d) 就獲取董事服務而向第三方支付之代價

截至2019年3月31日止年度，本公司並無就獲取董事服務而向任何第三方支付代價(2018年：相同)。

Notes to the Consolidated Financial Statements

綜合財務報表附註



29 BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

- (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and controlled entities with such directors

During the year ended 31 March 2019, there were no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors (2018: same).

- (f) Directors' material interests in transactions, arrangements or contracts

Other than those disclosed in note 26 to the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2018: same).

29 董事福利及權益 (續)

- (e) 關於向董事、受控制的法人團體及有關連實體作出的貸款及類似貸款，以及惠及該等人士的其他交易的資料

截至2019年3月31日止年度，並無向董事、受控制的法人團體及有關連實體作出的貸款及類似貸款，以及惠及該等人士的其他交易（2018年：相同）。

- (f) 董事於交易、安排或合約的重大權益

除綜合財務報表附註26所披露者外，於年末或年內任何時間，概無本公司作為一方訂立且本公司董事直接或間接擁有重大權益且與本公司業務有關的重大交易、安排及合約存續（2018年：相同）。

Five Year Financial Summary

五年財務概要

A summary of the published results and of the assets, liabilities and equity of the Group for the last five financial years is as follows.

本集團於最近五個財政年度的已刊發業績及資產、負債以及權益概述如下。

		Year ended 31 March 截至3月31日止年度				
Results	業績	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Revenue	收入	452,268	518,479	817,682	1,061,482	851,285
Gross Profit	毛利	4,382	44,045	145,225	210,012	306,245
(Loss)/profit before income tax	除所得稅前 (虧損)/溢利	(57,497)	5,625	91,215	165,509	241,010
Income tax credit/(expense)	所得稅抵免/ (開支)	7,127	(106)	(12,235)	(12,632)	(21,842)
(Loss)/profit for the year	年度(虧損)/ 溢利	(50,370)	5,519	78,980	152,877	219,168
		As at 31 March 於3月31日				
Assets	資產	2019 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Non-current assets	非流動資產	595,180	608,385	654,959	608,314	513,389
Current assets	流動資產	262,754	385,418	551,115	546,640	472,831
Total assets	資產總值	857,934	993,803	1,206,074	1,154,954	986,220
Liabilities	負債					
Non-current liabilities	非流動負債	59,537	78,281	127,437	185,214	184,453
Current liabilities	流動負債	172,481	229,802	382,406	314,689	273,987
Total liabilities	負債總額	232,018	308,083	509,843	499,903	458,440
Total equity	權益總額	625,916	685,720	696,231	655,051	527,780

Note:

The summary above does not form part of the audited financial statements.

附註：

上述概要並不構成經審核財務報表的一部分。

