

# Dragon Rise Group Holdings Limited 龍昇集團控股有限公司

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

Stock code 股份代號 : 6829

2018/19

**Annual Report**

年報

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yip Yuk Kit (*Chairman*)  
Mr. Cheung Chun Fai

#### Non-Executive Director

Mr. Ling Zheng (resigned on 10 September 2018)

#### Independent Non-Executive Directors

Mr. Lo Chi Wang  
Mr. Chan Ka Yu  
Mr. Lee Kwok Lun  
Mr. Chan Wa Shing (appointed on 26 March 2019)

### AUDIT COMMITTEE

Mr. Lee Kwok Lun (*Chairman*)  
Mr. Lo Chi Wang  
Mr. Chan Ka Yu

### REMUNERATION COMMITTEE

Mr. Chan Ka Yu (*Chairman*)  
Mr. Yip Yuk Kit  
Mr. Lo Chi Wang

### NOMINATION COMMITTEE

Mr. Yip Yuk Kit (*Chairman*)  
Mr. Lee Kwok Lun  
Mr. Chan Ka Yu

### COMPANY SECRETARY

Mr. Leung Hoi Ki

### AUTHORISED REPRESENTATIVES

Mr. Cheung Chun Fai  
Mr. Leung Hoi Ki

### REGISTERED OFFICE

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

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

Office K, 12/F  
Kings Wing Plaza 2  
No. 1 On Kwan Street  
Shatin  
Hong Kong

### 董事會

#### 執行董事

葉育杰先生 (*主席*)  
張振輝先生

#### 非執行董事

凌正先生 (於二零一八年九月十日辭任)

#### 獨立非執行董事

羅智弘先生  
陳家宇先生  
李國麟先生  
陳華勝先生 (於二零一九年三月二十六日委任)

### 審核委員會

李國麟先生 (*主席*)  
羅智弘先生  
陳家宇先生

### 薪酬委員會

陳家宇先生 (*主席*)  
葉育杰先生  
羅智弘先生

### 提名委員會

葉育杰先生 (*主席*)  
李國麟先生  
陳家宇先生

### 公司秘書

梁海祺先生

### 授權代表

張振輝先生  
梁海祺先生

### 註冊辦事處

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

### 總部及香港主要營業地點

香港  
沙田  
安群街1號  
京瑞廣場2期  
12樓K室

### COMPLIANCE ADVISER

Grande Capital Limited  
Room 2701, 27/F  
Tower 1 Admiralty Center  
18 Harcourt Road  
Admiralty  
Hong Kong

### LEGAL ADVISER As to Hong Kong Law

ZM Lawyers  
*Solicitors, Hong Kong*  
20/F, Central 88  
Nos. 88–98 Des Voeux Road  
Central  
Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
P.O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### AUDITORS

Grant Thornton Hong Kong Limited  
Level 12  
28 Hennessy Road  
Wanchai  
Hong Kong

### PRINCIPAL BANK

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

### COMPANY'S WEBSITE

[www.kitkee.com.hk](http://www.kitkee.com.hk)

### STOCK CODE

6829

### 合規顧問

均富融資有限公司  
香港  
金鐘  
夏慤道18號  
海富中心1座  
27樓2701室

### 法律顧問 有關香港法律

ZM Lawyers  
*香港律師*  
香港  
中環  
德輔道中88–98號  
中環88·20樓

### 開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited  
P.O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### 香港股份過戶登記分處

寶德隆證券登記有限公司  
香港  
北角  
電氣道148號  
21樓2103B室

### 核數師

致同(香港)會計師事務所有限公司  
香港  
灣仔  
軒尼詩道28號  
12樓

### 主要來往銀行

香港上海滙豐銀行有限公司  
香港  
皇后大道中1號

### 公司網站

[www.kitkee.com.hk](http://www.kitkee.com.hk)

### 股份代號

6829



# CHAIRMAN'S STATEMENT

## 主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Dragon Rise Group Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I am pleased to present the annual report of the Group for the year ended 31 March 2019 (the "Review Year").

Hong Kong's construction industry did not conclude 2018 with an ideal performance. The gross value of construction works performed by main contractors recorded only a slight year-on-year growth of 0.9%, while the biggest contribution comes from the non-site locations. Information published by the Hong Kong Trade Development Council shows that, as at 31 December 2018, there were 1,489 construction sites in Hong Kong, a year-on-year increase of 3.5%, showing no shortage of projects. On the other hand, the employment at construction sites fell drastically by 16.1% as compared to last year, indicating an increasingly severe labour shortage.

The Group is principally engaged in undertaking foundation works in Hong Kong as a subcontractor. For the Review Year, the Group's total revenue amounted to approximately HK\$458.2 million, representing a decrease of approximately 43.1% as compared to that of last year. Profit attributable to owners of the Company for the Review Year was approximately HK\$9.8 million, representing a decrease of approximately 80.7% as compared to that of last year, which was mainly attributable to the decrease in contracting revenue, together with the increased material costs and intensified market competition.

Since our projects from last year substantially completed, our financial performance during the Review Year was significantly affected by the decreased contracting revenue and the challenges in the industry. However, as a seasoned market player with over 20 years of operational history, we remain prudently optimistic, leveraging on our major competitive strengths, including: (i) our history and reputation established in the market over the decades; (ii) our technology and machinery capacities to carry out foundation works that meet the requirements of main construction contractors; (iii) our firmly-established long-term relationships with customers; and (iv) our experienced and dedicated management team.

致各位股東：

本人謹代表龍昇集團控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）董事（「董事」）會（「董事會」），欣然提呈本集團截至二零一九年三月三十一日止年度（「回顧年度」）之年報。

二零一八年，香港的建築行業表現不理想。主要承包商進行的建築工程的總值僅錄得0.9%的輕微年同比增長，而最大的貢獻來自非現場地點。香港貿易發展局刊發的資料顯示，於二零一八年十二月三十一日，香港有1,489個建築工地，年同比增加3.5%，表明並不缺乏項目。另一方面，建築工地的就業人數較去年大幅下降16.1%，表明勞工短缺日益嚴重。

本集團主要以分包商身份於香港承接地基工程。於回顧年度，本集團的總收益約達458.2百萬港元，較去年減少約43.1%。於回顧年度，本公司擁有人應佔溢利約為9.8百萬港元，較去年減少約80.7%，這主要是由於合約收益減少，以及材料成本增加及市場競爭加劇。

從去年開始我們的項目基本完成，我們於回顧年度的財務表現受合約收益減少及行業挑戰的顯著影響。然而，作為擁有超過20年經營歷史的經驗豐富的市場參與者，我們仍然保持謹慎樂觀態度，充分利用我們的主要競爭優勢，包括：(i)我們於過往數十年中在市場上建立的歷史及聲譽；(ii)我們的技術及機械能力，以進行符合主要建築承包商要求的地基工程；(iii)我們與客戶建立牢固的長期關係；及(iv)我們擁有經驗豐富及專責的管理團隊。

## CHAIRMAN'S STATEMENT 主席報告

This is the second fiscal year after the Company's shares were listed on the stock exchange. This year, we placed more importance and allocated more resources in developing our community and helping people in need. We sponsored events and organisations to help bring love and care to the elderly and children, which made our development mission more meaningful than merely business growth.

Today, Dragon Rise, like all peer groups engaged in the foundation works industry in Hong Kong, faces major challenges due to the increased costs and competition. It is vital for us to strengthen what we are already good at and explore areas to improve. As we seek more growth opportunities, we will always uphold our principles in maintaining reliable operational performances and outstanding project execution.

The Group is considering exploring other business opportunities and/or expanding the geographical coverage of the principal business of the Group beyond the Hong Kong market in order to enhance our future development and to strengthening the revenue bases of the Group. We are aware that (i) there is an increasing demand in construction materials for infrastructure, residential and commercial buildings in Hong Kong; and (ii) the property industry in the Greater Bay Area has been growing favourably in recent years. We believe that it would be worthwhile exploring and keeping a close eye on these areas so that we will be ready to dive into any opportunities as they arise or come to our attention. We expect that diversification of our business will provide a better return to the shareholders of the Company.

To conclude, I would like to acknowledge the Board and management team in leading the Company through another challenging year, and our staffs for their dedication and commitment, which will continue to fuel our business expansion.

**Yip Yuk Kit**  
*Chairman and executive Director*

這是本公司股份在聯交所上市後的第二個財政年度。本年度，我們更加重視並分配更多資源發展我們的社區並幫助有需要人士。我們贊助活動及組織，以幫助老人及兒童獲得關愛及關懷，這令我們的發展使命更有意義，而非單純的業務增長。

如今，龍昇如同所有於香港從事地基工程行業的同行團體，因成本及競爭的加劇而面臨著重大挑戰。加強我們已擅長的領域並探索需要改進的領域對我們至關重要。在我們尋求更多增長機會的同時，我們將始終堅持我們的原則，以保持可靠的營運績效及出色的項目執行。

本集團正考慮探索其他商機及／或擴大本集團主營業務於香港市場以外的地域版圖，從而提升我們的未來發展，鞏固本集團收益基礎。我們意識到(i)香港的基建、住宅及商業樓宇對建築材料的需求不斷上升；及(ii)近年來大灣區房地產行業持續向好增長。我們認為探索該等區域及保持密切關注以於任何機會出現或我們發現機會時把握住機會意義非凡。我們預期業務多元化將為本公司股東帶來更豐厚的回報。

最後，本人感謝董事會及管理團隊帶領公司度過另一個充滿挑戰的一年，並感謝我們的員工恪盡職守，不斷推動我們的業務擴展。

**主席兼執行董事**  
**葉育杰**

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### INDUSTRY OVERVIEW

In retrospect, Hong Kong's foundation industry contended with some lingering adversities in 2018. The overall trend in the construction industry has persisted with high labour costs and lower productivity mainly caused by, among other factors, the ageing or lesser-skilled work force. According to the Construction Industry Council's data on register workers for the year ended 31 August 2018, about 65.6% of workers aged over 40 and the largest concentration of about 25.5% of workers aged between 50 and 59. Average daily wage of foundation workers in Hong Kong is estimated to keep soaring in the coming years. In addition, the higher salaries offered in Macau and the PRC may attract some construction workers. Contractors are bound to compete for young and skilled labour or perhaps require longer production schedules with lesser-skilled labour, meanwhile facing rising costs of raw material.

On the demand side, Hong Kong currently has a number of ongoing and planned projects in various areas. Responding to the tense healthcare system, Hong Kong Hospital Authority launched the first 10-year Hospital Development Plan entailing constructions and expansions of hospitals and related healthcare facilities. Besides, West Kowloon Cultural District, Kai Tak Development, Hong Kong International Airport's third runway and MTR extension projects are still underway.

The shortage of public housing in Hong Kong emerged as a hot topic when the average waiting time exceeded five years, at an 18-year high. The Hong Kong Government had pledged to address the issue by identifying more land supply and speeding up public housing projects. The latest projection of total public housing production in the five-year period from 2018-19 to 2022-23 is estimated to be 100,800 units, with target for the ten-year period 2019-20 to 2028-29 of 315,000 units. Coupled with infrastructure projects, demand for the foundation industry in the coming years is deemed to remain stable.

Although there is no lack of projects in the pipeline, the foundation industry in Hong Kong still faces barriers which call for long-term solutions. Judging from circumstances of the industry, the Group remains prudently optimistic and will stay alert to industry trends and development to seize viable opportunities.

### 行業概覽

回顧過往，香港的地基行業於二零一八年的競爭中仍然存在部分揮之不去的逆境。建築行業的整體趨勢持續存在，勞動力成本高，生產率較低，主要由於老齡化或技術水平較低的勞動力等因素所致。根據建造業議會有關截至二零一八年八月三十一日止年度的註冊工人的數據，40歲以上工人約有65.6%及介乎50至59歲的工人最高集中度約25.5%。香港地基工人的平均日薪資估計於未來幾年將繼續飆升。此外，澳門及中國較高的薪資水平可能會吸引部分建築工人。承包商必須爭奪年輕及熟練的勞動力，或者因勞工技術欠熟練而需要延長生產計劃，同時面臨原材料成本不斷上升。

在需求方面，香港目前在各個領域均有部分正在進行及計劃中的項目。香港醫院管理局響應緊張的醫療制度，推出首個十年醫院發展計劃，規劃醫院及相關醫療設施的建設及擴建。此外，西九文化區、啟德發展、香港國際機場第三條跑道及港鐵延綫項目仍在進行中。

香港公共房屋短缺成為熱門話題，因為其平均輪候時間超過5年，達到18年來的高位。香港政府承諾通過物色更多土地供應及加快公共住房項目解決該問題。二零一八／一九年至二零二二／二三年的五年期間，公共住房總產量的最新預測估計為100,800個單位，二零一九／二零年至二零二八／二九的十年期間目標為315,000個單位。加上基礎設施項目，未來幾年對地基行業的需求將保持穩定。

雖然目前不缺乏進行中項目，但香港的地基行業仍面臨需要長期解決方案的障礙。從行業情況判斷，本集團仍保持謹慎樂觀態度，並會對行業趨勢及發展保持警覺，以抓住可行機會。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### BUSINESS REVIEW AND OUTLOOK

The Group has been established in the industry for over two decades, focusing primarily on providing foundation works services as a subcontractor, and have developed the experience and capability to provide a comprehensive range of foundation construction and related services. Our specialised areas of expertise include excavation and lateral support works, pile caps construction works, disposal of excavated materials from piling and ancillary services including dismantling of shoring, site formation, steel fixing and site clearance. Kit Kee Engineering Limited (“Kit Kee Engineering”), the principal operating subsidiary, is registered with the Construction Industry Council under the Subcontractor Registration Scheme under the sub-register of the structural and civil trade group.

In the Review Year, the Group’s business experienced delay in commencement of new projects. This prevented revenue to be realised in time while most projects on hand came to completion in the year ended 31 March 2018. On top of this, profit margins for the Review Year also shows the negative impact from heightening overall construction costs. Meanwhile, the Group faced intense competition for new projects with a growing number of competitors with funding for larger-scale projects. Despite the above, we will continue our endeavours in strengthening our principle business of foundation works services and achieving higher returns for our shareholders.

During the Review Year, we had been awarded 18 projects with a total original contract sum of approximately HK\$410.5 million.

### 業務回顧及展望

本集團已在業內屹立二十多年，主要以分包商身份專注於提供地基工程服務，且以累積的經驗及實力提供全面地基工程及相關服務。我們的專業領域包括厚積挖掘及側向承托工程、樁帽工程、處置打樁的挖掘物料及配套服務（包括拆除側向承托、地盤平整、紮固鋼筋及地盤清理）經驗。我們的主要營運附屬公司杰記工程有限公司（「杰記工程」）於建造業議會根據分包商註冊制度於結構及土木行業組別分冊註冊。

於回顧年度，本集團的業務延遲啟動新項目。這令收益無法及時變現，而大部分手頭項目於截至二零一八年三月三十一日止年度完成。此外，於回顧年度的利潤率亦表明整體建築成本上升帶來的負面影響。與此同時，本集團面臨新項目的激烈競爭，越來越多的競爭對手為大型項目提供資金。儘管如此，我們仍會繼續努力加強地基工程服務的主要業務，並為股東爭取更高的回報。

於回顧年度，我們獲授18個項目，原合約總額約為410.5百萬港元。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

## FINANCIAL REVIEW

### Revenue

For the Review Year, the revenue of the Group has decreased by approximately HK\$347.5 million, or approximately 43.1% compared to the corresponding year ended 31 March 2018, from approximately HK\$805.7 million to approximately HK\$458.2 million. The decrease was primarily attributable to substantial decrease in contracting revenue due to (i) the delay in commencement of new projects being awarded to the Group; and (ii) substantial completion of the projects on hand in the year ended 31 March 2018.

The Board regards the Group's business of foundation works as a single operating segment and reviews the overall results of the Group as a whole to make decision about resources allocation. Accordingly, no segment analysis information is presented and no separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

### Gross Profit and Gross Profit Margin

Our direct costs decreased by approximately HK\$282.8 million or approximately 39.9% from approximately HK\$708.6 million for the year ended 31 March 2018 to approximately HK\$425.8 million for the Review Year.

The gross profit of the Group has decreased by approximately HK\$64.7 million, or approximately 66.6% compared to the corresponding year ended 31 March 2018, from approximately HK\$97.1 million to approximately HK\$32.4 million. The decrease in gross profit was greater than the decrease in revenue as the gross profit margin for the Review Year was approximately 7.1%, compared to the gross profit margin for the corresponding year ended 31 March 2018 of approximately 12.1%. The decrease in gross profit margin was mainly due to the increase in overall construction cost and the keen competition in the market for new projects. In order to maintain competitiveness in the foundation works industry in Hong Kong, we have adjusted our pricing strategy, which in turn affects the gross profit margin in the Review Year.

### Other Gains and Losses, Net

Other gains and losses, net mainly included net gain from change in fair value on investment properties and interest income and net loss on exchange difference. For the Review Year, other gains amounted to approximately HK\$84,000 (FY2018: approximately HK\$2.1 million). The decrease in other gains during the Review Year was mainly due to (i) recognition of the one-off bank interest income of approximately HK\$1.2 million derived from the proceeds received from the share offer during the year ended 31 March 2018; and (ii) exchange loss of approximately HK\$1.0 million on bank deposits denominated in Renminbi for the Review Year.

### 財務回顧 收益

於回顧年度，本集團收益由約805.7百萬港元減少約347.5百萬港元至約458.2百萬港元，較截至二零一八年三月三十一日止相應年度減少約43.1%，主要歸因於(i)本集團獲授的新項目延遲動工；及(ii)截至二零一八年三月三十一日止年度手頭項目基本完工導致合約收益大幅下降。

董事會將本集團的地基工程業務視為單一經營分部，並審閱本集團整體之業績，以就資源分配作出決策。因此，並無呈報分部分析資料，而由於本集團的收益及非流動資產主要來自單一地區（香港），故並無呈報按地域分部劃分的分部資料之單獨分析。

### 毛利及毛利率

我們的直接成本由截至二零一八年三月三十一日止年度約708.6百萬港元減少約282.8百萬港元或約39.9%至回顧年度約425.8百萬港元。

本集團毛利由約97.1百萬港元減少約64.7百萬港元至約32.4百萬港元，較截至二零一八年三月三十一日止相應年度減少約66.6%。毛利降幅超過收益降幅乃因回顧年度毛利率約為7.1%，截至二零一八年三月三十一日止相應年度毛利率約為12.1%。毛利率下降主要由於整體建築成本增加及市場對新項目競爭激烈。為保持於香港地基工程行業的競爭力，我們已調整定價策略，從而影響回顧年度的毛利率。

### 其他收益及虧損，淨額

其他收益及虧損，淨額主要包括投資物業公平值變動所得收益淨額及利息收益及匯兌差額虧損淨額。於回顧年度，其他收益約為84,000港元（二零一八年財年：約2.1百萬港元）。回顧年度其他收益減少主要是由於(i)確認截至二零一八年三月三十一日止年度，自股份發售所得款項產生一次性銀行利息收入約1.2百萬港元；及(ii)回顧年度以人民幣計值的銀行存款之匯兌虧損約1.0百萬港元。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### Administrative Expenses

For the Review Year, the administrative expenses have decreased by approximately HK\$15.1 million or approximately 43.3% compared to the corresponding year ended 31 March 2018, from approximately HK\$34.9 million to approximately HK\$19.8 million. The decrease was primarily due to the recognition of the one-off listing expenses of approximately HK\$13.5 million during the year ended 31 March 2018.

### Finance Costs

For the Review Year, the finance costs remained stable, which have decreased by approximately HK\$2,000 or approximately 0.7% compared to the corresponding year ended 31 March 2018, from approximately HK\$299,000 to approximately HK\$297,000.

### Income Tax Expense

For the Review Year, the income tax expense has decreased by approximately HK\$10.6 million or approximately 80.9% compared to the corresponding year ended 31 March 2018, from approximately HK\$13.1 million to approximately HK\$2.5 million. Such decrease was mainly due to the (i) decrease in revenue and gross profit for the Review Year as discussed above; and (ii) the tax effect of non-deductible one-off listing expenses for the year ended 31 March 2018.

### Net Profit

For the Review Year, the profit and total comprehensive income has decreased by approximately HK\$41.2 million or approximately 80.8% compared to the corresponding year ended 31 March 2018, from approximately HK\$51.0 million to approximately HK\$9.8 million. The decrease in our net profit for the Review Year was mainly due to the decrease in revenue and gross profit as discussed above. Our net profit margin for the Review Year was approximately 2.1%, as compared with approximately 6.3% for the year ended 31 March 2018. The decrease in the net profit margin for the Review Year was mainly due to the decrease in gross profit margin as discussed above.

### 行政開支

於回顧年度，行政開支由約34.9百萬港元減少約15.1百萬港元至約19.8百萬港元，較截至二零一八年三月三十一日止相應年度減少約43.3%，主要是由於截至二零一八年三月三十一日止年度確認一次性上市開支約13.5百萬港元所致。

### 財務費用

於回顧年度，財務費用維持穩定，由約299,000港元減少約2,000港元至約297,000港元，較截至二零一八年三月三十一日止相應年度減少約0.7%。

### 所得稅開支

於回顧年度，所得稅開支由約13.1百萬港元減少約10.6百萬港元至約2.5百萬港元，較截至二零一八年三月三十一日止相應年度減少約80.9%，主要是由於(i)如上文所討論，回顧年度收益及毛利下降；及(ii)截至二零一八年三月三十一日止年度非扣減一次性上市開支的稅務影響所致。

### 純利

於回顧年度，溢利及全面收入總額由約51.0百萬港元減少約41.2百萬港元至約9.8百萬港元，較截至二零一八年三月三十一日止相應年度減少約80.8%。我們回顧年度純利減少主要是由於如上文所討論收益及毛利下降所致。我們回顧年度淨利率約為2.1%，而截至二零一八年三月三十一日止年度約為6.3%。回顧年度淨利率下降主要是由於如上文所討論毛利率下降所致。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Key Financial Ratio

#### 主要財務比率

		Notes	As at 31 March 2019 於二零一九年 三月三十一日	As at 31 March 2018 於二零一八年 三月三十一日
Current ratio	流動比率	(1)	7.2 倍	6.4 倍
Gearing ratio	資產負債比率	(2)	2.0%	1.7%
Return on total assets	總資產回報率	(3)	3.0%	15.5%
Return on equity	股本回報率	(4)	3.4%	18.3%
Net profit margin	純利率	(5)	2.1%	6.3%

#### Notes:

1. Current ratio is calculated as current assets divided by current liabilities as at the respective reporting dates.
2. Gearing ratio is calculated as total borrowings (including finance lease liabilities) divided by the total equity as at the respective reporting dates.
3. Return on total assets is calculated as profit for the year divided by the total assets as of the respective reporting dates.
4. Return on equity is calculated as profit for the year divided by the total equity as of the respective reporting dates.
5. Net profit margin is calculated as profit divided by the revenue for the respective reporting years.

#### 附註：

1. 流動比率乃按各報告日期的流動資產除以流動負債計算。
2. 資產負債比率乃按各報告日期的借款總額(包括融資租賃負債)除以總權益計算。
3. 總資產回報率乃按本年度溢利除以各報告日期總資產計算。
4. 股本回報率乃按本年度溢利除以各報告日期權益總額計算。
5. 純利率乃按各報告年度溢利除以收益計算。

#### Current Ratio

Our Group's current ratio increased from approximately 6.4 times as at 31 March 2018 to approximately 7.2 times as at 31 March 2019. The increase was mainly due to the decrease in trade and other payables as at 31 March 2019.

#### Gearing Ratio

Our Group's gearing ratio increased from approximately 1.7% as at 31 March 2018 to approximately 2.0% as at 31 March 2019. The increase was primarily due to the increase in bank borrowings as at 31 March 2019.

#### 流動比率

本集團的流動比率由二零一八年三月三十一日約6.4倍增加至二零一九年三月三十一日約7.2倍，主要是由於二零一九年三月三十一日貿易及其他應付款項減少所致。

#### 資產負債比率

本集團的資產負債比率由二零一八年三月三十一日約1.7%增至二零一九年三月三十一日約2.0%，主要是由於二零一九年三月三十一日銀行借款增加所致。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### Return on Total Assets

Our Group's return on total assets decreased from approximately 15.5% for the year ended 31 March 2018 to approximately 3.0% for the Review Year. The decrease was primarily due to the decrease in revenue and gross profit as discussed above.

### Return on Equity

Our Group's return on equity decreased from approximately 18.3% for the year ended 31 March 2018 to approximately 3.4% for the Review Year. The decrease was primarily due to the decrease in revenue and gross profit as discussed above.

### Net Profit Margin

Our Group's net profit margin decreased from approximately 6.3% for the year ended 31 March 2018 to approximately 2.1% for the Review Year. The decrease was primarily due to the decrease in revenue and gross profit as discussed above.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks and uncertainties. The following are the key risks and uncertainties faced by the Group:

### Industry Risks

The future development of the foundation industry and the availability of foundation projects in Hong Kong depends largely on the continued development of the property market in Hong Kong. The nature, extent and timing of available foundation projects will be determined by an interplay of a variety of factors, including the Government's policies on the property market in Hong Kong, its land supply and public housing policy, the investment of property developers and the general conditions and prospects of Hong Kong's economy. These factors may affect the availability of foundation projects in Hong Kong. If there is any slowdown (in terms of transaction volume and price) of the property market in Hong Kong, there is no assurance that the availability of foundation projects in Hong Kong would not decrease significantly and our Group's business and financial position and prospect may be adversely and materially affected.

### 總資產回報率

本集團的總資產回報率由截至二零一八年三月三十一日止年度約15.5%降至回顧年度約3.0%，主要是由於如上文所討論收益及毛利下降。

### 股本回報率

本集團的股本回報率由截至二零一八年三月三十一日止年度約18.3%降至回顧年度約3.4%，主要是由於如上文所討論收益及毛利下降所致。

### 純利率

本集團的純利率由截至二零一八年三月三十一日止年度約6.3%降至回顧年度約2.1%，主要是由於如上文所討論收益及毛利下降。

## 主要風險及不確定因素

董事認為本集團面對各種風險及不確定因素，本集團面對的主要風險及不確定因素如下：

### 行業風險

地基行業的未來發展及可供發展的香港地基項目主要視乎香港物業市場是否持續發展。可供發展地基項目的性質、規模及時間，將視乎各類因素的相互作用，包括政府的香港物業市場政策、土地供應及公共房屋政策、物業發展商投資及香港經濟的普遍狀況及前景。該等因素可能影響香港可供發展的地基項目。倘香港物業市場放緩（就成交量及價格而言），概不保證香港可供發展的地基項目不會銳減，而本集團的業務、財務狀況及前景可能遭受重大不利影響。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Compliance Risks

Many aspects of our business operation are governed by various laws and regulations and Government policies. There is no assurance that the Government will not extend the scope of the existing laws and regulations or interpretation of new Government Policies. Further, we may not be able to respond to any such changes in a timely manner. Such changes may also increase our costs and burden in complying with them, which may materially and adversely affect our business, financial condition and results of operation. In particular, if there are any changes to and/or imposition of the requirements for qualification in the foundation industry in relation to environment protection and labour safety, and we fail to meet the new requirements in a timely manner or at all, our business operation will be materially and adversely affected.

Our executive Directors would hold regular meetings to ensure the Group's operations in compliance with all applicable statutory requirements.

#### Uncertainties in Construction Progress

##### *Unexpected geological or sub-soil conditions*

Prior to commencement of the foundation works, the customers would normally provide ground investigation reports to the Group. However, information contained in these reports may not be sufficient to reveal the actual geology beneath the construction site due to limitation in the scope of the underground investigation works that can be carried out at the site and/or other technical limitations. There may be discrepancies between the actual geological conditions and the findings set out in these investigation reports, and the investigation may not be able to reveal the existence of rocks or to identify any antiquities, monuments or structures beneath the site.

All these may eventually present potential issues and uncertainties in the carrying out of our foundations works, such as the possible increase in the complexity of the project resulting from additional work procedures, workers, equipment and times required to deal with any unexpected existence of rocks, antiquities or monuments, which may also lead to additional costs to be incurred. Nevertheless, in case of any significant unexpected difficult geological or sub-soil conditions, the Group may incur additional costs in dealing with such unforeseen conditions, which may lead to cost overruns and may thus materially and adversely affect the Group's business operation and financial position.

#### 合規風險

我們業務營運的很多方面受到多項法律及規例以及政府政策的監管。無法保證政府不會擴大現有法律及規例或新政府政策詮釋的範圍。此外，我們或無法及時應對任何有關變動。該等變動亦可能會增加我們的合規成本及負擔，或會對我們的業務、財務狀況及經營業績產生重大不利影響。具體而言，倘地基行業有關環境保護及勞工安全的資格規定出現任何變動及／或強制規定且我們未能及時或未能遵守新規定，則我們的業務營運將受到重大不利影響。

我們的執行董事將定期舉行會議，以確保本集團營運遵守所有適用法定規定。

#### 施工進度的不確定性

##### *不可預料的地質或底土情況*

開始地基工程之前，客戶一般會向本集團提供地面調查報告。然而，由於可於工地進行的地下調查工程的範圍限制及／或其他技術限制，該等報告所載資料未必足以揭示建築工地下的實際地質情況。實際地質狀況與該等調查報告載列的結果或會有所差異，而調查未必能夠發現工地下存在石塊或任何古董、文物或構築物。

以上種種最終均構成進行地基工程的潛在問題及不確定性，譬如，由於需增加工序、工人、設備及時間處理任何預期外的石塊、古董或文物，最終可能加大項目難度，而有關情況亦將會產生額外成本。然而，倘出現任何預料之外的重大地質或底土難題，本集團或會因處理該等無法預料的情況而產生額外成本，導致成本超支，如此或會對本集團業務營運及財務狀況造成重大不利影響。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### **Damage of various underground service utilities**

Services utilities may be laid underground or below carriageways and footways in Hong Kong. The Group may be obstructed by those service utilities when carrying out foundation works. There is no assurance that damage to those utilities will not occur during the foundation works. Accordingly, the Group may be liable to the costs for the repair of such damaged service utilities to the extent not covered by insurance.

### **Failure to Guarantee New Business**

Our revenue is typically derived from projects which are non-recurrent in nature and our customers are under no obligation to award projects to us. During the Review Year, we secured new businesses mainly through direct invitation for quotation or tender by customers. There is no assurance that (i) we would be invited to provide quotations or participate in the tendering process for new projects; and (ii) our submitted quotations and tenders would be selected by customers. There is no guarantee that the Group will be able to secure new businesses from customers. The number and scale of projects from which the Group derives revenue from may vary significantly from period to period, and it may be difficult to forecast the volume of future business. In the event that the Group fails to secure new contracts or there is a significant decrease in the number of tender invitations or contracts available for bidding in the future, the business and financial positions and prospect of the Group could be materially and adversely affected.

Nevertheless, the Group considers that a public listing status enables us to enjoy several competitive advantages, such as transparent financial disclosures, enhanced internal control and corporate governance practices. Our Directors believe the customers would give weight to these competitive edges when they select and engage subcontractors for foundation services.

### **破壞各種地下公用服務設施**

香港的公用服務設施可能鋪設於地下或在行車道及行人道以下。本集團在進行地基工程時，或會受到該等公用服務設施的妨礙。無法保證在地基工程過程中不會破壞該等設施。因此，若無保險保障，本集團或須承擔維修受損的公用服務設施的成本。

### **無法保證獲得新業務**

我們的收益通常來自非經常性項目，我們的客戶並無責任向我們授出項目。於回顧年度，我們主要從客戶直接報價或招標邀請獲取新業務。概不保證(i)我們會就新項目獲邀請提供報價或參與招標程序；及(ii)我們所提呈的報價及標書將獲客戶選中。概不保證本集團能從客戶獲得新業務。本集團產生收益的項目數量及規模在不同期間內或會大相逕庭，且可能難以預測未來的業務量。倘若本集團未能獲得新合約或日後可供競標的招標邀請或合約數量銳減，則本集團的業務、財務狀況及前景可能蒙受重大不利影響。

儘管如此，本集團認為公開上市地位使我們能享有若干競爭優勢，例如透明的財務披露、加強內部控制及企業管治常規。董事認為，客戶於甄選及委聘分包商提供地基服務時會重視該等競爭優勢。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### ENVIRONMENTAL POLICIES

In undertaking foundation works, our operations may result in: (i) emission of air pollutants; (ii) emission of noise from construction activities; (iii) discharge of effluent from construction activities; and (iv) disposal of construction waste. Therefore, our foundation works are subject to the requirements of the following laws and regulations in relation to the environmental protection.

The laws and regulations which have a significant impact on the Group includes, among others, Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong) (the "NRMM Regulation"), Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), Dumping at Sea Ordinance (Chapter 466 of the Laws of Hong Kong), Environmental Impact Assessment Ordinance (Chapter 499 of the Laws of Hong Kong) and Public Health and Municipal Services Ordinance (Chapter 132 of the Laws of Hong Kong).

The Group is committed to minimising the adverse impact on the environment resulting from our business activities. In order to comply with the applicable environmental protection laws, The Group has established an environmental management system in accordance with the ISO 14001:2015 international standards. Since January 2017, the environmental management system of Kit Kee Engineering has been certified to be in accordance with the requirements of the ISO 14001:2015 standards. Our environmental management system includes measures and work procedures governing environmental protection compliance that are required to be followed by our employees and our subcontractors.

As at the date of this annual report, the Group has 83 machines regulated under the NRMM Regulation and out of which 41 machines were exempted and 42 machines were approved by the Hong Kong Environmental Protection Department under the NRMM Regulation. In compliance with the NRMM Regulation on the emissions of machinery, all of the 41 exempted machines are expected to be phased out. To keep the Group abreast of the industry changes due to the implementation the NRMM Regulation, we plan to acquire new machines and equipment which are more environmental friendly and are able to obtain approval under the NRMM Regulation if applicable.

#### 環境政策

承接地基工程時，我們的營運可能造成：(i) 空氣污染物的排放；(ii) 建造活動的噪音排放；(iii) 建造活動的污水排放；及(iv) 建築廢料的棄置。因此，我們的地基工程受下列有關環境保護的法例及規例規定所限。

對本集團有重大影響的法例及規例其中包括《空氣污染管制條例》(香港法例第311章)、《空氣污染管制(非道路移動機械)(排放)規例》(香港法例第311Z章)(「非道路移動機械規例」)、《噪音管制條例》(香港法例第400章)、《水污染管制條例》(香港法例第358章)、《廢物處置條例》(香港法例第354章)、《海上傾倒物料條例》(香港法例第466章)、《環境影響評估條例》(香港法例第499章)及《公眾衛生及市政條例》(香港法例第132章)。

本集團致力於盡量減少業務活動對環境的任何不利影響。為符合適用的環保法律，本集團已根據ISO 14001:2015國際標準設立環境管理體系。自二零一七年一月以來，杰記工程的環境管理體系已獲認證符合ISO 14001:2015標準的要求。環境管理體系包括我們的僱員及分包商均須遵守的規管環境保護合規性的措施及工作程序。

於本年報日期，本集團有83台受非道路移動機械規例規管的機械，其中41台及42台分別獲香港環境保護署根據非道路移動機械規例豁免及核准。為遵守有關機械排放的非道路移動機械規例，所有41台豁免機器預期將淘汰。為了讓本集團緊跟因實施非道路移動機械規例導致的行業變化，我們計劃購買更加環保且可獲得非道路移動機械規例項下批准(如適用)的新機器及設備。



## COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the Review Year, as far as the Board and the management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has material impact on the business and operation of the Group.

## KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND SUB-CONTRACTORS

### Employees

The Group considers its employees the key to sustainable business growth and also recognises its employees as its valuable assets. Further, in light of the shortage of skilled labour in the local construction industry, it is crucial to maintain a competitive remuneration package and fringe benefits for our potential and existing employees. In this regard, the Group provides comprehensive remuneration package includes salary, discretionary bonuses and other cash subsidies to attract, motivate and retain appropriate and suitable employees to serve the Group. In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. Our Group has designed an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary raises, bonuses and promotions. The Group also provides on-the-job training and development opportunities to enhance its employees' career development and learning.

### Customers

The Group are aware of the risk of customer concentration, and sought to reduce the reliance on major customer by undertaking more sizable projects for other customers.

Besides that, the Group believes a strong and good relationship with customers would increase its recognition and visibility in the foundation industry. As such, the Group values the views and opinions of all customers through various means and channels, including regular review and analysis on customer feedback.

The Group also believes that a strong and good relationship with customers can further develop new business opportunities in the foundation industry.

## 遵守相關法律及法規

於回顧年度，就董事會及管理層所知，本集團概無嚴重違反或不遵守適用法律及法規的情況，以致對本集團業務及營運產生重大影響。

## 與僱員、客戶、供應商及分包商的主要關係

### 僱員

本集團認為僱員是達致業務可持續發展的關鍵所在，亦將僱員視為寶貴資產。此外，鑒於當地建造業的熟練工人供應短缺，維持我們潛在及現有僱員具有競爭力的薪酬待遇及附加福利尤為重要。就此而言，本集團提供包括工資、酌情花紅及其他現金補貼在內的全面薪酬待遇，以吸引、激勵及挽留適當及合適的僱員為本集團服務。一般而言，本集團根據每位僱員的資格、職位及資歷確定僱員薪資。為評估僱員績效，本集團制定一項年度審查制度，形成我們決定加薪、花紅及晉升的依據。本集團亦提供在職培訓及發展機會以加強僱員的職業發展及學習。

### 客戶

本集團注意到客戶集中的風險，透過承接更多其他客戶的大規模項目，務求減低對主要客戶的依賴。

此外，本集團相信，與客戶維持深厚良好的關係將提升其在地基行業的認可度及知名度。因此，本集團通過不同方法及渠道（包括定期審閱及分析客戶反饋）了解所有客戶的觀點及意見。

本集團亦相信，與客戶建立牢固良好的關係，可進一步發展在地基行業的新業務機遇。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Suppliers and Sub-Contractors

The Group has developed stable and strong working relationships with suppliers and sub-contractors to meet the Group's customers' needs in an effective and efficient manner. The Group works closely with the suppliers and sub-contractors to make sure the tendering, procurement and sub-contracting are conducted in an open, fair and just manner. The Group's requirements and standards are also well-communicated to them before the commencement of the project.

#### LIQUIDITY, FINANCIAL POSITION AND CAPITAL STRUCTURE

During the Review Year, there has been no change in capital structure of the Group.

As at 31 March 2019, the Company's issued capital was HK\$12.0 million and the number of its issued ordinary shares was 1,200,000,000 shares of HK\$0.01 each.

As at 31 March 2019, the Group had total cash, bank balances and pledged deposits of approximately HK\$136.8 million (31 March 2018: approximately HK\$147.3 million).

#### TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

#### Pledge of Assets

As at 31 March 2019, our plant and equipment with zero book value (31 March 2018: approximately HK\$0.1 million) were pledged under finance lease, while the Group had pledged (i) an investment property situated in Hong Kong of approximately HK\$5.0 million (31 March 2018: approximately HK\$4.6 million); and (ii) approximately HK\$10.2 million and RMB13.0 million bank deposits (31 March 2018: approximately HK\$10.2 million bank deposits) in order to secure bank facilities granted to Kit Kee Engineering.

#### 供應商及分包商

本集團與供應商及分包商建立穩定且牢固的合作關係，以有效及高效地滿足本集團客戶的需求。本集團與供應商及分包商緊密合作，確保招標、採購及分包過程公開、公平及公正。本集團於項目動工前已向彼等清楚說明本集團的規定及標準。

#### 流動資金、財務狀況及資本架構

於回顧年度，本集團資本架構並無變動。

於二零一九年三月三十一日，本公司已發行股本為12.0百萬港元及已發行普通股數目為每股面值0.01港元的1,200,000,000股股份。

於二零一九年三月三十一日，本集團有現金總額、銀行結餘及已抵押存款約136.8百萬港元（二零一八年三月三十一日：約147.3百萬港元）。

#### 庫務政策

本集團已就庫務政策採取審慎的財務管理方法。董事會密切監督本集團流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可一直滿足其資金需求。

#### 資產抵押

於二零一九年三月三十一日，我們的機械及設備的賬面淨值為零（二零一八年三月三十一日：約0.1百萬港元）已按融資租賃作出抵押，同時本集團已就杰記工程獲授銀行融資而抵押(i)位於香港的投資物業約5.0百萬港元（二零一八年三月三十一日：約4.6百萬港元）；及(ii)約10.2百萬港元及人民幣13.0百萬港元銀行存款（二零一八年三月三十一日：約10.2百萬港元銀行存款）。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### FOREIGN EXCHANGE EXPOSURE

As the Group only operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollars, the Directors are of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange rate risk for the Review Year.

Whilst during the Review Year, the Group placed a portion of its cash reserves in RMB in bank deposits for interest return, we incurred an exchange loss of approximately HK\$1.0 million owing to the unexpected changes in the economic environment as trade tension heightens between China and the US during the Review Year.

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2018 and 2019, the Group had no material capital commitments.

As at 31 March 2018 and 2019, the Group has been involved in a number of claims, litigations and potential claims against the Group in relation to work-related injuries and non-compliances. The Directors are of the opinion that the claims, litigations and non-compliances are not expected to have a material impact on the consolidated financial statements, and the outcome for potential claims is uncertain. Accordingly, no provision has been made to the consolidated financial statements.

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Review Year, the Group did not have any significant investment held, any material acquisitions or disposals of subsidiaries or associated companies.

### FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 26 January 2018 (the "Prospectus"), the Group did not have any other plans for material investments or capital assets during the Review Year.

### 外匯風險

由於本集團僅於香港經營業務，經營產生的所有收益及交易均以港元結算，故董事認為本集團匯率風險不大。因此，回顧年度本集團並無訂立任何衍生工具合約以對沖匯率風險。

雖然本集團於回顧年度投放一部分人民幣現金儲備於銀行存款以獲得利息回報，但由於回顧年度中國與美國之間的貿易緊張局勢加劇，經濟環境的意外變動使我們產生匯兌虧損約1.0百萬港元。

### 資本承擔及或然負債

於二零一八年及二零一九年三月三十一日，本集團並無重大資本承擔。

於二零一八年及二零一九年三月三十一日，本集團涉及多項針對本集團的工傷申索、訴訟及潛在申索以及不合規事件。董事認為該等申索、訴訟及不合規事件預期不會對綜合財務報表造成重大影響，且潛在申索的結果為不確定。因此，概無於綜合財務報表作出撥備。

### 重大投資、重大收購或出售附屬公司及聯營公司

於回顧年度，本集團並無持有任何重大投資，亦無重大收購或出售附屬公司或聯營公司事項。

### 未來重要投資或資本資產計劃

於回顧年度，除本公司日期為二零一八年一月二十六日的招股章程（「招股章程」）所披露者外，本集團並無任何其他重要投資或資本資產計劃。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### USE OF PROCEEDS

The net proceeds received by the Group, after deducting related expenses, were approximately HK\$91.9 million. These proceeds are intended to be applied in accordance with the proposed application set out under the section headed "Future Plans and Use of Proceeds" in the Prospectus. Such uses include: (i) enhancing the construction machinery fleet; (ii) strengthening the workforce and manpower; (iii) reinforcing sales and marketing efforts; and (iv) funding of general working capital. Details of the use of the proceeds are listed as below:

#### 所得款項用途

扣除相關開支後，本集團收取的所得款項淨額約為91.9百萬港元。該等所得款項擬按招股章程「未來計劃及所得款項用途」一節所載建議用途動用。該等用途包括：(i) 擴充建築機械隊伍；(ii) 加強人手及人力；(iii) 加強銷售及營銷力度；及(iv) 撥付一般營運資金。所得款項用途詳情載列如下：

		<b>Planned use of proceeds 計劃 所得款項 用途 HK\$'000 千港元</b>	<b>Actual Usage up to 31 March 2019 截至二零一九年 三月三十一日的 實際用途 HK\$'000 千港元</b>
Enhancing the construction machinery fleet	擴充建築機械隊伍	<b>60,311</b>	<b>52,980</b>
Strengthening the workforce and manpower	加強人手及人力	<b>19,272</b>	<b>6,654</b>
Reinforcing sales and marketing efforts	加強銷售及營銷力度	<b>4,761</b>	<b>1,857</b>
Funding of general working capital	撥付一般營運資金	<b>7,596</b>	<b>7,596</b>
<b>Total</b>	<b>總計</b>	<b>91,940</b>	<b>69,087</b>

As at 31 March 2019 and the date of this report, the unutilised proceeds were placed in interest-bearing deposits with licensed banks in Hong Kong. The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market condition to ascertain the business growth of the Group. During the Review Year, the Directors considered that no modification of the use of proceeds described in the Prospectus was required.

於二零一九年三月三十一日及本報告日期，未動用所得款項存於香港持牌銀行作為計息存款。董事定期評估本集團業務目標，或會因應市況變動修改或修訂計劃以確保本集團業務增長。於回顧年度，董事認為無須修改招股章程所述所得款項用途。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2019, we employed a total of 210 full-time employees (including two executive Directors but excluding four independent non-executive Directors), as compared to a total of 249 full-time employees as at 31 March 2018. The remuneration packages that the Group offers to employees includes salary, discretionary bonuses and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The Group also adopted a share option scheme whereby qualified participants may be granted options to acquire shares in the Company. The total staff cost incurred by the Group for the Review Year was approximately HK\$84.8 million compared to approximately HK\$97.5 million in the corresponding year ended 31 March 2018.

The remuneration of the Directors is decided by the Board upon the recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

### DIVIDENDS

The Board has resolved not to recommend the declaration of final dividend for the Review Year (FY2018: nil).

### 僱員及薪酬政策

於二零一九年三月三十一日，我們共僱傭210名全職僱員（包括2名執行董事但不包括4名獨立非執行董事），而二零一八年三月三十一日共僱用249名全職僱員。本集團向僱員提供的薪酬待遇包括工資、酌情花紅及其他現金補貼。一般而言，本集團根據每位僱員的資格、職位及資歷確定僱員薪資。為評估僱員績效，本集團制定一項年度審核制度，形成我們釐定加薪、花紅及晉升的依據。本集團亦已採納一項購股權計劃，據此合資格參與者可獲授購股權以收購本公司股份。回顧年度，本集團產生的僱員成本總額約為84.8百萬港元，而截至二零一八年三月三十一日止相應年度約為97.5百萬港元。

董事薪酬由董事會根據本公司薪酬委員會的建議並參考本集團經營業績、個人表現及同類市場統計數字而釐定。

### 股息

董事會議決不建議宣派回顧年度的末期股息（二零一八財年：無）。



# BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層履歷資料

Biographical Details of the Directors and Senior Management are set out as follows:

### DIRECTORS

#### Executive Directors

**Mr. YIP Yuk Kit (葉育杰) ("Mr. Yip")**, aged 63, is one of the controlling shareholders, the chairman of the Board, an executive Director and chief executive officer of the Group. He joined the Group in August 1993 and is one of the founders of the Group. He is also a director of each and every wholly-owned subsidiary of the Group.

Mr. Yip is responsible for the overall business development and business strategies of the Group. He has more than 40 years of experience in the foundation industry. In 1977, Mr. Yip commenced his business of earthwork and air compressor rental in Hong Kong through Kit Kee Mechanics\* (杰記機械) which was first registered as a sole proprietorship. In 1986, Mr. Yip established Kit Kee Engineering Company\*<sup>1</sup> (杰記工程公司) where he engaged in ELS and foundation works in Hong Kong. On 19 August 1993, Mr. Yip co-founded Kit Kee Engineering where Mr. Yip is responsible for overseeing the projects and business development. From August 1993 and up to the present, Mr. Yip is the managing director of Kit Kee Engineering.

Mr. Yip has entered into a service agreement with the Company for an initial term of three years commencing on 8 February 2018 and will continue thereafter until terminated in accordance with the terms of the agreement. The amount of emoluments paid for the year ended 31 March 2019 to Mr. Yip is set out in note 12 to the consolidated financial statements for the year ended 31 March 2019 of the Company's annual report. Such remuneration/emoluments will be reviewed annually by the Board and the remuneration committee and he is also entitled to a discretionary bonus with reference to his performance and the operating results of the Group.

Mr. Yip has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. As at the Latest Practicable Date, he was interested in 900,000,000 Shares held through Fame Circle (representing 75% of the aggregate number of Shares in issue). Save as disclosed above, Mr. Yip was not interested in any Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date. Save as disclosed above, Mr. Yip does not have any relationship with any other Directors, senior management or substantial shareholder or controlling shareholder of the Company.

\* For identification purpose

董事及高級管理層履歷資料載列如下：

### 董事

#### 執行董事

**葉育杰先生(「葉先生」)**，63歲，為本集團控股股東之一、董事會主席、執行董事兼行政總裁。葉先生於一九九三年八月加入本集團並為本集團創始人之一。彼亦為本集團各個及每個全資附屬公司的董事。

葉先生負責本集團整體業務發展及業務策略。葉先生擁有逾40年地基行業經驗。於一九七七年，葉先生於香港透過杰記機械(當時初步註冊為獨資經營)開展其土方工程及空氣壓縮機租賃業務。於一九八六年，葉先生在香港成立杰記工程公司，從事挖掘及側向承托及地基工程。於一九九三年八月十九日，葉先生共同創立杰記工程，而葉先生負責監管項目及業務開發。葉先生自一九九三年八月至今為杰記工程的董事總經理。

葉先生已與本公司訂立服務協議，自二零一八年二月八日起計，初步為期三年，並將於此後持續有效直至根據協議之條款終止為止。截至二零一九年三月三十一日止年度已支付予葉先生之酬金數額載於本公司截至二零一九年三月三十一日止年度年報之綜合財務報表附註12。有關薪酬／酬金將由董事會及薪酬委員會每年進行檢討，及彼亦有權享有參照其表現及本集團之經營業績釐定之酌情花紅。

葉先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。於最後實際可行日期，彼於透過Fame Circle持有之900,000,000股股份(相當於已發行股份總數之75%)中擁有權益。除上文所披露者外，於最後實際可行日期，葉先生並無擁有任何證券及期貨條例第XV部所界定的股份權益。除上文所披露者外，葉先生與本公司任何其他董事、高級管理層或主要股東或控股股東並無任何關係。

\* 以供識別

## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

**Mr. CHEUNG Chun Fai (張振輝) (“Mr. Cheung”)**, aged 49, is an executive Director of the Group. He joined the Group in October 1996.

Mr. Cheung is responsible for the overall management and business operations of the Group. Mr. Cheung has over 20 years of experience in the foundation industry. Mr. Cheung was a technician at Fugro-McClelland Geotechnical Services (Hong Kong) Limited from July 1990 to September 1991 and a resident technical officer (laboratory) of Maunsell Consultants Asia Limited from December 1991 to January 1993. From March 1993 to April 1995, Mr. Cheung worked in the Water Suppliers Department of the Government as a technical officer. He then worked in High-Point Rendel (HK) Limited as a technical officer from May 1995 to June 1996 and was a site engineer at Hsin Chong (Foundations) Limited from June 1996 to September 1996. Mr. Cheung joined the Group in October 1996 as a site engineer. He was subsequently promoted to the position of project manager in 2006 and was further promoted to the position of director in 2017. Mr. Cheung obtained a Higher Diploma in Building from the City University of Hong Kong in November 1995.

Mr. Cheung has entered into a service agreement with the Company for an initial term of three years commencing on 8 February 2018 and will continue thereafter until terminated in accordance with the terms of the agreement. The amount of emoluments paid for the year ended 31 March 2019 to Mr. Cheung is set out in note 12 to the consolidated financial statements for the year ended 31 March 2019 of the Company’s annual report. Such remuneration/emoluments will be reviewed annually by the Board and the remuneration committee and he is also entitled to a discretionary bonus with reference to his performance and the operating results of the Group.

Mr. Cheung has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. He is not connected with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

張振輝先生(「張先生」)，49歲，為本集團執行董事，於一九九六年十月加入本集團。

張先生負責本集團的整體管理及業務營運。張先生擁有逾20年地基行業經驗。張先生自一九九零年七月至一九九一年九月擔任Fugro-McClelland Geotechnical Services (Hong Kong) Limited的技術員；自一九九一年十二月至一九九三年一月擔任茂盛(亞洲)工程顧問有限公司常駐技術員(實驗室)。張先生自一九九三年三月至一九九五年四月任職於政府水務署，擔任技術專員。其後張先生於一九九五年五月至一九九六年六月任職於High-Point Rendel (HK) Limited，擔任技術專員，及自一九九六年六月至一九九六年九月擔任新昌(地基工程)有限公司地盤工程師。張先生於一九九六年十月加入本集團任地盤工程師，其後於二零零六年晉升為工程項目經理，於二零一七年再度晉升為董事。張先生於一九九五年十一月取得香港城市大學建築專業高級文憑。

張先生已與本公司訂立服務協議，自二零一八年二月八日起計，初步為期三年，並將於此後持續有效直至根據協議之條款終止為止。截至二零一九年三月三十一日止年度已支付予張先生之酬金數額載於本公司截至二零一九年三月三十一日止年度年報之綜合財務報表附註12。有關薪酬／酬金將由董事會及薪酬委員會每年進行檢討，及彼亦有權享有參照其表現及本集團之經營業績釐定之酌情花紅。

張先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。張先生與本公司任何其他董事、高級管理層、主要或控股股東並無任何關係，亦無擁有任何股份權益，須根據證券及期貨條例第XV部予以披露。

## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

### Independent Non-Executive Directors

**Mr. LO Chi Wang (羅智弘) (“Mr. Lo”)**, aged 41, was appointed as an independent non-executive Director on 18 January 2018. He has entered into a letter of appointment for a fixed term of three years with effect from 8 February 2018 and will continue thereafter until terminated in accordance with the terms of the appointment. He is entitled to an annual director’s fee of HK\$180,000. Mr. Lo is mainly responsible for overseeing the management independently and providing independent judgment on the issue of strategy, performance, resources and standard of conduct of the Company. He is a member of each of the audit committee and remuneration committee. Save as disclosed above, Mr. Lo does not hold any position in the Group.

Mr. Lo has over 16 years of experience in the accounting and finance field. Mr. Lo’s experience in auditing and tax advisory services was gained from his various positions in Deloitte Touche Tohmatsu Limited from February 2002 to June 2009. Mr. Lo was the financial controller of Hanyu China Holdings Limited from June 2009 to October 2013, and also was the financial controller of Sino Grandness Food Industry Group Limited, a company listed on the Singapore Stock Exchange (stock code: T4B) from November 2013 to February 2015. Since May 2015, Mr. Lo has been working as a financial controller of Hung Fook Tong Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1446).

Mr. Lo received a degree of Bachelor of Arts (Honour) in Accounting from Manchester Metropolitan University in Manchester, United Kingdom in June 2001. He is a fellow member of both the Association of Chartered Certified Accountants (“ACCA”) and the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Lo was admitted to full membership of CPA Australia on 25 May 2017. Mr. Lo is currently an independent non-executive Director of Novacon Technology Group Limited (Stock code: 8635) since May 2019, the shares of which are listed on the GEM of the Stock Exchange.

Save as disclosed above, Mr. Lo has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. He is not connected with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

### 獨立非執行董事

**羅智弘先生(「羅先生」)**，41歲，於二零一八年一月十八日獲委任為獨立非執行董事。羅先生已訂立委任函，自二零一八年二月八日起生效，固定年期為三年，將於此後持續有效直至根據委任條款終止為止。羅先生有權享有年度董事袍金180,000港元。羅先生主要負責獨立監督管理及就本公司策略、表現、資源及行為準則事宜提供獨立判斷。彼為審核委員會及薪酬委員會成員。除上文所披露者外，羅先生並無於本集團擔任任何職務。

羅先生擁有逾16年會計及財務領域經驗。羅先生於審計及稅務諮詢服務方面的經驗來自於二零零二年二月至二零零九年六月於德勤•關黃陳方會計師行的多個職務工作。羅先生於二零零九年六月至二零一三年十月擔任漢宇中國控股有限公司的財務總監。羅先生於二零一三年十一月至二零一五年二月擔任振鵬達中華食品工業集團有限公司(一間新加坡證券交易所上市的公司，股份代號：T4B)的財務總監。羅先生自二零一五年五月以來一直擔任聯交所主板上市公司鴻福堂集團控股有限公司(股份代號：1446)的財務總監。

羅先生於二零零一年六月取得英國曼徹斯特的曼徹斯特都會大學(Manchester Metropolitan University)的會計學文學士(榮譽)學位。彼為英國特許公認會計師公會(「英國特許公認會計師公會」)及香港會計師公會(「香港會計師公會」)的資深會員。羅先生於二零一七年五月二十五日獲接納為澳洲會計師公會正式會員。羅先生自二零一九年五月起擔任連成科技集團有限公司(股份代號：8635，其股份於聯交所GEM上市)之獨立非執行董事。

除上文所披露者外，羅先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。彼與本公司任何董事、高級管理層、主要或控股股東並無關連，亦無於股份中擁有任何根據證券及期貨條例第XV部規定須予披露之權益。



## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

**Mr. CHAN Ka Yu (陳家宇) (“Mr. Chan”)**, aged 40, was appointed as an independent non-executive Director on 18 January 2018. He has entered into a letter of appointment for a fixed term of three years with effect from 8 February 2018 and will continue thereafter until terminated in accordance with the terms of the appointment. He is entitled to an annual director’s fee of HK\$180,000. Mr. Chan is mainly responsible for overseeing the management independently and providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Company. He is the chairman of the remuneration committee, and a member of each of the audit committee and nomination committee. Save as disclosed above, Mr. Chan does not hold any position in the Group.

Mr. Chan has over 10 years of professional accounting and financial reporting experience. From July 2004 to July 2007, Mr. Chan worked as an accountant at Kam & Cheung Certified Public Accountants. From July 2007 to August 2010, he was a senior auditor at World Link CPA Limited. From September 2010 to April 2012, he worked at BDO Limited (which was formerly known as JBPB & Company), initially as a senior accountant and subsequently promoted as a senior associate. From May 2012 to April 2013, Mr. Chan was an investor relations officer at Fantasia Group (China) Company Limited, a subsidiary of Fantasia Holdings Group Co., Limited (花樣年控股集團有限公司) (stock code: 1777), the shares of which are listed on the Main Board of the Stock Exchange. Since June 2013, he has been working as the chief financial officer of CEFC Hong Kong Financial Investment Company Limited (香港華信金融投資有限公司) (formerly known as Runway Global Holdings Company Limited (時尚環球控股有限公司)) (stock code: 1520), the shares of which are listed on the Main Board of the Stock Exchange.

Mr. Chan obtained a degree of Bachelor of Commerce in Accounting from Hong Kong Shue Yan University in October 2009. He is a member of Hong Kong Institute of Certified Public Accountants since March 2009. Mr. Chan is currently an independent non-executive director of Yield Go Holdings Ltd. (stock code: 1796) since December 2018, and TS Wonders Holding Limited (stock code: 1767) since January 2019, both being companies listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Chan has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. He is not connected with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

陳家宇先生(「陳先生」)，40歲，於二零一八年一月十八日獲委任為獨立非執行董事，陳先生已訂立委任函，自二零一八年二月八日起生效，固定年期為三年，將於此後持續有效直至根據委任條款終止為止。陳先生有權享有年度董事袍金180,000港元。陳先生主要負責獨立監督管理及就本公司策略、表現、資源及行為準則事宜提供獨立判斷。彼為薪酬委員會主席及審核委員會及提名委員會成員。除上文所披露者外，陳先生並無於本集團擔任任何職務。

陳先生擁有逾10年專業會計及財務申報經驗。自二零零四年七月至二零零七年七月，陳先生擔任張沛鴻•甘耀成會計師行會計師。自二零零七年七月至二零一零年八月，陳先生為華普天健(香港)會計師事務所有限公司高級審計師。自二零一零年九月至二零一二年四月，陳先生就職於香港立信德豪會計師事務所有限公司(前稱莊柏會計師行)，起初擔任高級會計師，其後晉升為高級審計員。自二零一二年五月至二零一三年四月，陳先生為花樣年控股集團有限公司(股份代號：1777)(其股份於聯交所主板上市)的附屬公司花樣年集團(中國)有限公司的投資者關係主任。自二零一三年六月起，陳先生擔任香港華信金融投資有限公司(前稱時尚環球控股有限公司)(股份代號：1520)(其股份於聯交所主板上市)財務總監。

陳先生於二零零九年十月取得香港樹仁大學會計學商業學士學位。彼自二零零九年三月起為香港會計師公會會員。自二零一八年十二月起，陳先生為耀高控股有限公司(股份代號：1796)獨立非執行董事及自二零一九年一月起為TS Wonders Holding Limited(股份代號：1767)獨立非執行董事。該等公司均為聯交所主板上市公司。

除上文所披露者外，陳先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。彼與本公司任何董事、高級管理層、主要或控股股東並無關連，亦無於股份中擁有任何根據證券及期貨條例第XV部規定須予披露之權益。



## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

**Mr. LEE Kwok Lun (李國麟) (“Mr. Lee”)**, aged 35, was appointed as an independent non-executive Director on 18 January 2018. He has entered into a letter of appointment for a fixed term of three years with effect from 8 February 2018 and will continue thereafter until terminated in accordance with the terms of the appointment. He is entitled to an annual director’s fee of HK\$180,000. Mr. Lee is mainly responsible for overseeing the management independently and providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Company. He is the chairman of the audit committee and a member of the nomination committee. Save as disclosed above, Mr. Lee does not hold any position in the Group.

Mr. Lee has over 10 years of professional accounting and financial reporting experience. From September 2006 to February 2008, Mr. Lee worked as an audit clerk at Y.K. Tsang & Co. From March 2008 to August 2009, he worked as senior audit clerk at Chan and Chan Certified Public Accountants (a member of Kreston international). From August 2009 to January 2014, he worked at ShineWing (HK) CPA Limited, initially as an accountant and subsequently promoted to the position of assistant manager. From January 2014 to November 2014, he was a manager at BDO Limited. From November 2014 to April 2015, he served KPMG and his last position was manager. In December 2015, Mr. Lee co-founded Prism CPA Limited, an accounting firm registered under the Professional Accountants Ordinance with the Hong Kong Institute of Certified Public Accountants, with his current position as a director.

Mr. Lee obtained a degree of Bachelor of Arts (Hons) in Accounting from the University of Hertfordshire in September 2006. He is a member of the Association of Chartered Certified Accountants since January 2013 and a member of the Hong Kong Institute of Certified Public Accountants since September 2013. In April 2015, Mr. Lee joined Summi (Group) Holdings Limited (森美(集團)控股有限公司) (formerly known as Tianyi (Summi) Holdings Limited (天溢(森美)控股有限公司)) (stock code: 756), the shares of which are listed on the Main Board of the Stock Exchange, as financial controller and company secretary, and has been appointed to the current position in June 2017 as chief financial officer. Mr. Lee is currently an independent non-executive Director of Wing Chi Holdings Limited (Stock Code: 6080) since September 2017, and Ever Reach Group (Holdings) Company Limited (Stock code: 3616) since November 2018, the shares of which are listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Lee has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. He is not connected with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

李國麟先生(「李先生」)，35歲，於二零一八年一月十八日獲委任為獨立非執行董事，李先生已訂立委任函，自二零一八年二月八日起生效，固定年期為三年，將於此後持續有效直至根據委任條款終止為止。李先生有權享有年度董事袍金180,000港元。李先生主要負責獨立監督管理及就本公司策略、表現、資源及行為準則事宜提供獨立判斷。彼為審核委員會主席及提名委員會成員。除上文所披露者外，李先生並無於本集團擔任任何職務。

李先生於專業會計及財務申報方面擁有逾10年經驗。李先生於二零零六年九月至二零零八年二月在Y.K. Tsang & Co.擔任核數文員。於二零零八年三月至二零零九年八月，李先生在陳與陳會計師事務所(Kreston International的成員)擔任高級核數文員。於二零零九年八月至二零一四年一月期間，李先生就職於信永中和(香港)會計師事務所有限公司，起初擔任會計師，其後晉升為助理經理。李先生於二零一四年一月至二零一四年十一月在香港立信德豪會計師事務所有限公司擔任經理。於二零一四年十一月至二零一五年四月，李先生任職於畢馬威會計師事務所，最後職務為經理。於二零一五年十二月，李先生共同創立栢淳會計師事務所有限公司。該公司為根據專業會計師條例與香港會計師公會登記註冊的會計師事務所。現時，彼出任董事一職。

李先生於二零零六年九月獲得赫特福德大學會計學榮譽學士學位。自二零一三年一月及二零一三年九月起，彼分別為英國特許公認會計師公會及香港會計師公會會員。於二零一五年四月，李先生加入森美(集團)控股有限公司(前稱天溢(森美)控股有限公司)(股份代號：756，其股份於聯交所主板上市)，擔任財務總監及公司秘書，且於二零一七年六月獲委任為首席財務官至今。自二零一七年九月起至今及自二零一八年十一月起，李先生分別為榮智控股有限公司(股份代號：6080)及恒達集團(控股)有限公司(股份代號：3616)(該等公司股份於聯交所主板上市)的獨立非執行董事。

除上文所披露者外，李先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。彼與本公司任何董事、高級管理層、主要或控股股東並無關連，亦無於股份中擁有任何根據證券及期貨條例第XV部規定須予披露之權益。

## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

**Mr. Chan Wa Shing (陳華勝) (“Mr. Chan”)**, aged 57, was appointed as an independent non-executive Director on 26 March 2019. He has entered into a letter of appointment for a fixed term of three years with effect from 1 April 2019 and will continue thereafter until terminated in accordance with the terms of the appointment. He is entitled to an annual director’s fee of HK\$180,000. Mr. Chan is mainly responsible for overseeing the management independently and providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Company. Save as disclosed above, Mr. Chan does not hold any position in the Group.

Mr. Chan, is a barrister-at-law of Hong Kong. He joined the Hong Kong Police Force in 1986 and retired in 2016 with his last position being chief superintendent. During his employment with the Hong Kong Police Force, he was called to the bar in Hong Kong in 1996.

Mr. Chan graduated with a bachelor of science in pharmacology from the University of Portsmouth (previously known as Portsmouth Polytechnic) in 1983. He obtained a postgraduate diploma in business studies from London School of Economics in 1985 and further obtained a master degree in public administration from the University of Hong Kong in 1998.

Save as disclosed above, Mr. Chan has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas. He is not connected with any Directors, senior management, substantial or controlling shareholders of the Company, nor does he have any interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

Saved as disclosed above, there was no change to any information required to be disclosed in relation to any Director pursuant to Rule 13.51(2)(a) to (e) and (g) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) during the Review Year. The Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters that ought to be brought to the attention of the Shareholders.

陳華勝先生(「陳先生」)，57歲，於二零一九年三月二十六日獲委任為獨立非執行董事，陳先生已訂立委任函，自二零一九年四月一日起生效，固定年期為三年，將於此後持續有效直至根據委任條款終止為止。陳先生有權享有年度董事袍金180,000港元。陳先生主要負責獨立監督管理及就本公司策略、表現、資源及行為為準則事宜提供獨立判斷。除上文所披露者外，陳先生並無於本集團擔任任何職務。

陳先生，為香港大律師。彼於一九八六年加入香港警務處，於二零一六年離職時為總警司。於香港警務處任職期間，彼於一九九六年取得香港大律師資格。

陳先生於一九八三年畢業於University of Portsmouth(前稱為Portsmouth Polytechnic)，獲得藥理學學士學位。彼於一九八五年獲得倫敦經濟學院商科研究生文憑，並於一九九八年獲香港大學公共管理碩士學位。

除上文所披露者外，陳先生過去三年並無於證券在香港或海外任何證券市場上市之公眾公司擔任任何董事職務。彼與本公司任何董事、高級管理層、主要或控股股東並無關連，亦無於股份中擁有任何根據證券及期貨條例第XV部規定須予披露之權益。

除上文所披露者外，於回顧年度根據聯交所證券上市規則(「上市規則」)第13.51(2)(a)至(e)及(g)條須予披露的有關任何董事的任何資料概無變動。董事會並不知悉任何資料須根據上市規則第13.51(2)(h)至(v)條的規定予以披露，亦無任何其他事宜須提請股東垂注。

## BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷資料

### Senior Management

**Mr. Chan Ho Shing (陳浩成) (“Mr. Chan”)**, aged 50, has been the contracts manager of Kit Kee Engineering since July 2005. He is mainly responsible for overseeing tender process, contract management, administration and quality assurance matters.

Mr. Chan obtained a Certificate in Building Studies from the Morrison Hill Technical Institute (currently known as the Hong Kong Institute of Vocational Education (IVE) (Morrison Hill)) in July 1988, a Higher Certificate in Building Studies from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in November 1990.

Mr. Chan has 30 years of experience in the foundation industry. Prior to joining our Group, Mr. Chan worked for various construction companies in various capacities. He was a site foreman at Kin Ming & Co. (健明公司) from August 1987 to August 1988 and an assistant quantity surveyor at Gammon Construction Limited from October 1988 to July 1992. He was employed by Fanta (CFC) Construction Co. Limited from August 1992 and later left with his last position being commercial manager. Mr. Chan was a quantity surveyor at Yat Ming Construction Co., Limited from July 1997 to May 2005.

**Mr. Leung Hoi Ki (梁海祺) (“Mr. Leung”)**, aged 30, has been the financial controller of our Group since January 2017. He is primarily responsible for the management of financial, accounting and company secretarial matters of our Group.

Mr. Leung received a degree of Bachelor of Business Administration in Accountancy from the Hong Kong Polytechnic University in October 2011. Mr. Leung was admitted as a Certified Public Accountant in March 2015. He has over 7 years of accounting experience. From September 2011 to May 2014, he was employed by BDO Limited, with his last position being a senior associate of the Assurance Department. From June 2014 to November 2014, Mr. Leung worked as a senior accountant at the Assurance Department of Ernst & Young. From December 2014 to January 2017, he was employed by KPMG with his last position being a manager.

### 高級管理層

**陳浩成先生(「陳先生」)**，50歲，自二零零五年七月起為杰記工程合約經理，主要負責監管投標程序、合約管理、行政工作及品質保證事宜。

陳先生於一九八八年七月取得摩理臣山工業學院(目前稱作香港專業教育學院摩理臣山分校)建築學證書，於一九九零年十一月取得香港理工大學(前稱香港理工學院)建築學高級證書。

陳先生擁有30年地基行業經驗。於加入本集團前，陳先生曾就職於多家建築公司擔任不同職務。陳先生自一九八七年八月至一九八八年八月擔任健明公司地盤管工；自一九八八年十月至一九九二年七月擔任金門建築有限公司助理工料測量師；彼自一九九二年八月受僱於汛達(中福)建築有限公司及其後離職，最後任職商務經理。陳先生自一九九七年七月至二零零五年五月擔任一鳴建築有限公司工程測量師。

**梁海祺先生(「梁先生」)**，30歲，自二零一七年一月起擔任本集團財務總監，主要負責管理本集團財務、會計及公司秘書事宜。

梁先生於二零一一年十月取得香港理工大學會計學商業管理學士學位。梁先生於二零一五年三月獲認可為會計師。梁先生擁有逾7年會計經驗。梁先生自二零一一年九月至二零一四年五月受僱於香港立信德豪會計師事務所有限公司，最後任職審計部門高級審計員；自二零一四年六月至二零一四年十一月，梁先生擔任安永會計師事務所審計部門的高級會計師；自二零一四年十二月至二零一七年一月，彼受僱於畢馬威會計師事務所，最後任職經理。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Group is committed to maintaining good corporate governance to safeguard the interest of shareholders and to achieve effective accountability because the Group believes that is the best way to maximise our shareholder's value.

The Company has adopted the corporate governance code (the "CG code") contained in Appendix 14 to the Listing Rules. Pursuant to code provision A.2.1 of the CG Code, the roles of the chairman of the Board ("the Chairman") and the chief executive officer of the Company (the "Chief Executive Officer") should be separate and should not be performed by the same individual. Mr. Yip was the Chairman and Chief Executive Officer during the Review Year. As Mr. Yip has been assuming day-to-day responsibilities in operating and managing Kit Kee Engineering since August 1993, the Board is of the view that it is in the best interest of the Group to have Mr. Yip taking up both roles for effective management and business development.

Save for the above deviation, the Board considers that during the period from 8 February 2018 (the "Listing Date") to 31 March 2019, the Company has complied with all the code provisions set out in the CG Code.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code during the period from the Listing Date and up to the date of this annual report.

本集團認可在本集團管理架構及內部監控程序內引入良好企業管治元素的重要性，藉以達致有效的問責制。本集團致力於維持良好的企業管治，以保障股東利益及達致有效的問責制，乃由於本集團認為此乃實現股東價值最大化的最佳方式。

本公司已採納上市規則附錄十四所載企業管治守則（「企業管治守則」）。根據企業管治守則的守則條文第A.2.1條，本公司董事會主席（「主席」）與本公司行政總裁（「行政總裁」）之角色應分開而不應由同一人擔任。於回顧年度，葉先生兼任主席與行政總裁。鑒於葉先生自一九九三年八月以來一直承擔杰記工程的日常經營管理職責，董事會認為由葉先生兼任兩職有助有效管理及業務發展，符合本集團最佳利益。

除上述偏離外，董事會認為自二零一八年二月八日（「上市日期」）至二零一九年三月三十一日期間，本公司已遵守企業管治守則所載所有守則條文。

### 上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄十上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易的行為守則。經向董事作出特定詢問，全體董事確認彼等於自上市日期起至本年報日期止期間已遵守標準守則的規定。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### THE BOARD

#### Composition

The Company is committed to holding the view that the Board should include a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgment. As at the date of this report, the Board is chaired by Mr. Yip and comprised of five members including one other executive Director and four independent non-executive Directors.

Biographical details of the Directors are set out in the section headed "Biographical Details of the Directors and Senior Management" in this report.

#### Executive Directors

Mr. Yip Yuk Kit (*Chairman*)  
Mr. Cheung Chun Fai

#### Independent non-executive Directors

Mr. Lo Chi Wang  
Mr. Chan Ka Yu  
Mr. Lee Kwok Lun  
Mr. Chan Wa Shing

### 董事會

#### 組成

本公司堅持認為董事會中執行董事及非執行董事(包括獨立非執行董事)之構成應當平衡，從而使董事會中擁有可有效行使獨立判斷的強大獨立元素。於本報告日期，董事會由葉先生擔任主席，包括五名成員，其中包括另外一名執行董事及四名獨立非執行董事。

董事履歷資料載於本報告「董事及高級管理層履歷資料」一節。

#### 執行董事

葉育杰先生(主席)  
張振輝先生

#### 獨立非執行董事

羅智弘先生  
陳家宇先生  
李國麟先生  
陳華勝先生

### Board Diversity Policy

The Board has adopted a board diversity policy (the “Board Diversity Policy”) since the Listing Date. The summary of the Board Diversity Policy is disclosed as below:

- the Company recognises the benefits of having a diverse Board to enhance the quality and effectiveness of the Board;
- in designing the Board’s composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- all Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board;
- the selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board; and
- the nomination committee of the Board will report on the Board’s composition under diversified perspectives, monitor the implementation of the Board Diversity Policy, review the Board Diversity Policy to ensure effectiveness and recommend for any revisions to the Board for consideration and approval.

### Independent Non-Executive Directors

The independent non-executive Directors have been appointed by the Company for a fixed term of three years commencing either from 8 February 2018 or from 1 April 2019. Such appointment may be terminated in accordance with the terms of the letters of appointment, including by either party giving to the other party not less than three months’ advance written notice of termination.

The independent non-executive Directors have brought in a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation in the Board meetings and serving on various Board committees, all independent non-executive Directors will continue to make various contributions to the Company.

### 董事會成員多元化政策

自上市日期起，董事會已採納董事會成員多元化政策（「董事會成員多元化政策」）。董事會成員多元化政策之概要披露如下：

- 本公司認可設置多元化董事會對提升董事會質素及效能裨益良多；
- 本公司在設計董事會成員組成時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期；
- 董事會所有委任均以用人唯才為原則，並在考慮人選時憑客觀條件充分顧及董事會成員多元化的裨益；
- 甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供的貢獻作決定；及
- 董事會提名委員會將從多元化角度就董事會組成作報告、監督董事會成員多元化政策實施、檢討董事會成員多元化政策以確保行之有效，及向董事會提出修訂建議，供其考慮及審批。

### 獨立非執行董事

獨立非執行董事已獲本公司委任，自二零一八年二月八日起或自二零一九年四月一日起固定年期為三年。相關委任可根據委任函的條款予以終止，包括由任何一方向另一方發出不少於三個月的事先書面終止通知。

獨立非執行董事為董事會提供了多個領域的業務及財務專業知識、經驗及獨立判斷。透過積極參與董事會會議及任職於不同的董事委員會，全體獨立非執行董事將繼續為本公司作出多重貢獻。

## CORPORATE GOVERNANCE REPORT 企業管治報告

Throughout the Review Year, the Company had three independent non-executive Directors, meeting the requirements of the Listing Rules that the number of independent non-executive Directors must represent at least one-third of the Board members, and that at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

Each of the independent non-executive Directors has given an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. As at the date of this annual report, the Company is of the view that all independent non-executive Directors are independent in accordance with the relevant requirements under the Listing Rules.

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

Each of the Directors has entered into a service agreement or a letter of appointment with the Company for a specific term and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the amended and restated memorandum and articles of association (the "Restated Articles").

In accordance with article 108 of the Restated Articles, at each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

In accordance with article 112 of the Restated Articles, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

In accordance with article 108 of the Restated Articles, Mr. Yip Yuk Kit and Mr. Cheung Chun Fai will retire as Directors by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

In accordance with article 112 of the Restated Articles, Mr. Chan Wa Shing hold his office only until the AGM and, being eligible, will offer himself for re-election at the forthcoming annual general meeting of the Company.

在整個回顧年度，本公司委任三名獨立非執行董事，符合上市規則要求獨立非執行董事人數須至少佔董事會成員三分之一，至少有一名獨立非執行董事具備合宜的專業資質或會計或相關財務管理經驗的規定。

各獨立非執行董事已根據上市規則第3.13條向本公司發出年度獨立性確認書。於本年報日期，本公司根據上市規則的相關規定，認為全體獨立非執行董事乃屬獨立。

### 委任、重選及罷免董事

各董事已與本公司訂立具特定年期的服務協議或委任函，服務協議或委任函可根據當中所列終止條文以及經修訂及重列組織章程大綱及細則（「經重列細則」）所載董事輪值退任條文予以終止。

根據經重列細則第108條，於每屆股東週年大會上，當時三分之一的董事應輪值告退。然而，倘董事人數並非三的倍數，則退任董事人數以最接近但不少於三分之一的人數為準。每年須退任的董事為自上次獲重選連任或委任以來任期最長的董事，惟倘多名董事均於同一日任職或獲重選連任，則以抽籤決定須告退的董事名單（彼等之間另有協定則除外）。

根據經重列細則第112條，獲董事會委任以增加現有董事會成員名額的董事的任期僅至本公司下屆股東週年大會為止，並可於該大會上膺選連任。

根據經重列細則第108條，葉育杰先生及張振輝先生將作為輪值退任董事，並符合資格及願意於本公司應屆股東週年大會上膺選連任。

根據經重列細則第112條，陳華勝先生的任期僅至股東週年大會日期為止，符合資格及願意於本公司應屆股東週年大會上膺選連任。

## Role and Responsibilities

The Board is responsible for the overall management of the Group and all day-to-day operations and management of the Company's business has been delegated to management under the leadership of the chief executive officer of the Company.

The principal roles of the Board are:

- set long term objectives and strategies;
- approve major policies and guidelines;
- prepare and approve financial statements, annual report and interim report;
- approve major capital expenditures, acquisition and disposals;
- approve connected transactions;
- approve material borrowings and expenditures;
- review and monitor of internal control and risk management; and
- declare and recommend the payments of dividends.

No corporate governance committee has been established and the Board is responsible for the corporate governance functions of the Company, which includes:

- develop and review the Company's policies and practices on corporate governance;
- review and monitor the training and continuous professional development of directors and senior management;
- review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- develop, review and monitor the code of conduct and compliance manual applicable to employees and directors; and
- review the Company's compliance with the CG Code and disclosure in the corporate governance report.

The Directors will review the Group's corporate governance policies and compliance with the CG code each financial year and comply with the "comply or explain" principle in the corporate governance report.

## 角色及職責

董事會負責本集團的整體管理，而本公司所有業務的日常經營管理已授權予管理層在本公司行政總裁的領導下開展。

董事會的主要角色為：

- 制定長期目標及策略；
- 批准重要政策及指引；
- 編製及批准財務報表、年度報告及中期報告；
- 批准重大資本開支、收購及出售事項；
- 批准關連交易；
- 批准重大借貸及開支；
- 檢討及監督內部監控及風險管理；及
- 宣派及建議派付股息。

並未成立企業管治委員會，而董事會承擔本公司企業管治職能，其中包括：

- 制定及檢討本公司企業管治政策及常規；
- 檢討及監督董事及高級管理層的培訓及持續專業發展；
- 檢討及監督本公司為遵守法例法規規定採取的政策及常規；
- 制定、審閱及監督適用於僱員及董事的行為準則及合規手冊；及
- 檢討本公司遵守企業管治守則的情況及在企業管治報告中作出披露。

董事將審閱本集團的企業管治政策，並於各財政年度遵守企業管治守則，採用企業管治報告中的「遵守或解釋」原則。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### Directors' Insurance

The Company has arranged appropriate insurance coverage for all directors in relation to the discharge of their responsibilities.

### 董事保險

本公司已就全體董事履行彼等責任為彼等安排合宜的保險。

### Directors' Training and Professional Development

The Company, from time to time, provides in-house training for the Directors in the form of seminars, workshops and/or reading relevant material on the latest development of applicable laws, rules and regulations, management, financial and business issues to develop and refresh their knowledge and skills. The above training costs are borne by the Company.

### 董事培訓及專業發展

本公司不時向董事提供內部培訓，形式包括內容關乎適用法例、規則及法規最新發展、管理、財務及業務事項的研討會、研習會及／或組織閱讀相關資料，以發展及更新彼等的知識及技能。上述培訓的成本由本公司承擔。

The Directors are required to provide the Company with details of the training's records. Based on those training's record, the Directors received the following training during the Review Year:

董事須向本公司提供培訓記錄的詳細資料。根據該等培訓記錄，董事已於回顧年度接受以下培訓：

		Type of trainings 培訓類型
Mr. Yip Yuk Kit	葉育杰先生	A and B A及B
Mr. Cheung Chun Fai	張振輝先生	A and B A及B
Mr. Ling Zheng (resigned on 10 September 2018)	凌正先生(於二零一八年九月十日辭任)	A and B A及B
Mr. Lo Chi Wang	羅智弘先生	A and B A及B
Mr. Chan Ka Yu	陳家宇先生	A and B A及B
Mr. Lee Kwok Lun	李國麟先生	A and B A及B
Mr. Chan Wa Shing (appointed on 26 March 2019)	陳華勝先生(於二零一九年三月二十六日獲委任)	A and B A及B
A: attending seminars/conferences/forums		A: 出席研討會／會議／論壇
B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and directors' duties and responsibilities		B: 閱覽報紙、刊物及關乎經濟、整體業務、企業管治及董事職責及責任的最新資料

## Board and General Meetings

From 1 April 2019 onwards, the Board is scheduled to meet four times a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. For all other Board meetings, notice will be given in a reasonable time in advance. The Directors are allowed to include any matter in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at each of the Board meetings and to make informed decisions, an agenda and the accompanying Board papers will be sent to all Directors at least three days before the intended date of the Board meeting, or such other period as agreed.

Minutes of the Board and committee meetings are prepared and kept by the company secretary of the Company, and are open for inspection by Directors upon request. All Directors have access to the advice and services of the company secretary, and are allowed to seek external professional advice if needed.

The Board seeks to maintain an ongoing dialog with the Shareholders through the holding of general meetings. The Board and external auditor will attend the general meeting to answer any questions that may be raised by the Shareholders. A separate resolution shall be proposed at the general meetings to address each separate issue.

During the Review Year, the Board held four meetings and one general meeting. The attendance record of each member of the Board is set out below:

## 董事會會議及股東大會

自二零一九年四月一日以來，董事會按計劃每年舉行四次會議，大約每季舉行一次，並於召開前向董事發出不少於14日之通知。就所有其他董事會會議而言，將會提前於合理時間發出通知。董事獲准將任何事宜納入須於會上討論及決議的會議議程。為使董事妥為知悉各董事會會議將予提呈之事宜及作出知情決定，會議議程連同董事會文件將於董事會會議擬定舉行日期前至少3日（或協定的有關其他時期）送交全體董事。

董事會及董事委員會會議的會議記錄由本公司公司秘書編製及保管，且於董事要求時可供其查閱。全體董事可向公司秘書尋求建議及服務，並獲准於需要時尋求外部專業建議。

董事會透過舉行股東大會尋求與股東之間的持續對話。董事會及外部核數師將參加股東大會回答股東可能提出的任何問題。於股東大會將提呈獨立決議案解決各項獨立事宜。

於回顧年度，董事會舉行四次會議及一次股東大會，而各董事會成員出席記錄載列如下：

		<b>Board Meetings attended/Meeting convened</b>	<b>General Meetings attended/convened</b>
		出席董事會會議 次數／舉行 董事會會議次數	出席股東大會 次數／舉行股東 大會次數
Mr. Yip Yuk Kit (Chairman)	葉育杰先生(主席)	4/4	1/1
Mr. Cheung Chun Fai	張振輝先生	4/4	1/1
Mr. Ling Zheng (resigned on 10 September 2018)	凌正先生 (於二零一八年九月十日辭任)	1/4	0/1
Mr. Lo Chi Wang	羅智弘先生	4/4	1/1
Mr. Chan Ka Yu	陳家宇先生	4/4	1/1
Mr. Lee Kwok Lun	李國麟先生	3/4	1/1
Mr. Chan Wa Shing (appointed on 26 March 2019)	陳華勝先生(於二零一九年 三月二十六日獲委任)	-	-

## CORPORATE GOVERNANCE REPORT 企業管治報告

Subsequent to the Review Year and up to the date of this report, the Board held one meeting and the attendance record of each member of the Board is set out below:

於回顧年度後及直至本報告日期，董事會舉行一次會議，而各董事會成員出席記錄載列如下：

		<b>Meetings attended/ Meeting convened</b> 出席會議次數/ 舉行會議次數
Mr. Yip Yuk Kit (Chairman)	葉育杰先生(主席)	1/1
Mr. Cheung Chun Fai	張振輝先生	1/1
Mr. Lo Chi Wang	羅智弘先生	1/1
Mr. Chan Ka Yu	陳家宇先生	1/1
Mr. Lee Kwok Lun	李國麟先生	1/1
Mr. Chan Wa Shing (appointed on 26 March 2019)	陳華勝先生 (於二零一九年三月二十六日獲委任)	1/1

Note: Mr. Chan Wa Shing was appointed as non-executive Director of the Company, with effect from 1 April 2019.

附註：陳華勝先生獲委任為本公司非執行董事，自二零一九年四月一日起生效。

### BOARD COMMITTEES

To facilitate the work of the Board, the Board has established three board committees to oversee specific aspects of the Company's affairs, namely audit committee (the "Audit Committee"), remuneration committee (the "Remuneration Committee") and nomination committee (the "Nomination Committee"). Each board of committee has its own terms of reference relating to its authority and duties, which have been approved by the Board and are reviewed periodically. The terms of reference of each committee are available on the websites of the Company and the Stock Exchange.

### 董事委員會

為便於董事會工作，董事會已成立三個董事委員會監督本公司事務的特定範疇，即審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）。每個董事委員會就其權限及職責制定各自的職權範圍，並已由董事會批准及定期檢討。於本公司及聯交所網站可查閱每個委員會的職權範圍。

Each board of committee has been provided with sufficient resources to discharge its duties and, upon reasonable request, is able to seek independent professional advice in appropriate circumstances, at the Company's expense.

每個董事委員會均已獲提供充足資源履行其職責，及於合理要求時可在適當情況下尋求獨立專業意見，費用由本公司承擔。

### Audit Committee

The Company established an Audit Committee on 18 January 2018 with written terms of reference in compliance with the CG code. The primary roles of the Audit Committee include, but are not limited to, (a) making recommendations to our Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (b) monitoring the integrity of our financial statements and annual reports and accounts, half-yearly reports and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained in them; and (c) reviewing our financial controls, internal control and risk management systems.

The Audit Committee consists of three members who are all independent non-executive Directors, namely, Mr. Lo Chi Wang, Mr. Chan Ka Yu and Mr. Lee Kwok Lun. Mr. Lee Kwok Lun is the Chairman of the Audit Committee.

During the Review Year, the Audit Committee held three meetings and the attendance record of each member of the Audit Committee is set out below:

### 審核委員會

本公司於二零一八年一月十八日成立審核委員會並採納符合企業管治守則的書面職權範圍。審核委員會的主要職責包括但不限於(a)就委任、重新委任及罷免外聘核數師向董事會提供建議，批准外聘核數師薪酬及其委聘條款以及其離職或免職的任何問題；(b)監督財務報表及年度報告及賬目、半年度報告及(倘為刊發而編製)季度報告的完整性，審閱當中載列的重大財務申報判斷；及(c)檢討我們的財務控制、內部監控及風險管理體系。

審核委員會包括三名成員，由全體獨立非執行董事組成，即羅智弘先生、陳家宇先生及李國麟先生。李國麟先生為審核委員會主席。

於回顧年度，審核委員會舉行三次會議，而各審核委員會成員出席記錄載列如下：

**Meetings attended/  
Meeting convened**  
出席會議次數/  
舉行會議次數

Mr. Lee Kwok Lun ( <i>Chairman</i> )	李國麟先生(主席)	2/3
Mr. Lo Chi Wang	羅智弘先生	3/3
Mr. Chan Ka Yu	陳家宇先生	3/3



## CORPORATE GOVERNANCE REPORT 企業管治報告

Subsequent to the Review Year and up to the date of this report, the Audit Committee held two meetings, and the following is a summary of the work performed by the Audit Committee during the Review Year and up to the date of this report:

- reviewed the annual results of the Group for the year ended 31 March 2019;
- reviewed the Group's financial information, financial report system, risk management and internal control procedures;
- reviewed the Company's Auditors' independence and objectivity;
- made recommendations to the Board on the re-appointment of the Company's external auditors;
- reviewed the Company's external auditors' management letter, significant findings and recommendations;
- reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- reviewed and discussed the reports from the Company's external consultant with the management; and
- met with the Company's external auditors, in the absence of the management.

There had been no disagreement between the Board and the Audit Committee from the Listing Date and up to the date of this report.

於回顧年度後及直至本報告日期，審核委員會舉行兩次會議，審核委員會於回顧年度至本報告日期所進行的工作概述如下：

- 審閱本集團截至二零一九年三月三十一日止年度的年度業績；
- 審閱本集團財務資料、財務報告體系、風險管理及內部監控程序；
- 檢討本公司核數師的獨立性及客觀性；
- 就重新委任本公司外聘核數師向董事會提供建議；
- 審閱本公司外聘核數師管理函、重大發現及建議；
- 檢討資源充足與否、員工資質及經驗、培訓計劃及本公司會計及財務申報職能預算；
- 審閱及與管理層討論本公司外聘顧問發出的報告；及
- 在管理層不在場的情況下，與本公司外聘核數師會面。

自上市日期及直至本報告日期，董事會與審核委員會之間並無任何分歧。

### Remuneration Committee

The Company established a Remuneration Committee on 18 January 2018 with written terms of reference in compliance with the CG code. The primary roles of the Remuneration Committee include, but are not limited to, (a) making recommendations to our Board on our policy and structure for the remuneration of all of our Directors and senior management personnel and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) reviewing and approving our management's remuneration proposals with reference to our Board's corporate goals and objectives; and (c) making recommendations to our Board on the remuneration of non-executive Directors.

The Remuneration Committee consists of an executive Director, namely Mr. Yip Yuk Kit and two independent non-executive Directors, namely Mr. Chan Ka Yu and Mr. Lo Chi Wang. Mr. Chan Ka Yu is the Chairman of the Remuneration Committee.

The remuneration of the Directors and senior management is determined with reference to the responsibilities, workload, the time devoted and the performance of the Group. The Remuneration Committee also ensures that no individual will be involved in determining his own remuneration.

During the Review Year, the remuneration of senior management is listed as below by band:

Band of remuneration	薪酬範圍	No. of person 人數
nil-HK\$1,000,000	0至1,000,000港元	4

Further details of the Directors' and chief executives' emoluments and the five highest paid individuals is set out in note 12 to the consolidated financial statements.

### 薪酬委員會

本公司於二零一八年一月十八日成立薪酬委員會並採納符合企業管治守則的書面職權範圍。薪酬委員會的主要職責包括但不限於(a)就我們全體董事及高級管理人員的薪酬政策及結構以及就設立正式透明的薪酬政策制定程序向董事會提供建議；(b)參照董事會的企業目標及宗旨審閱及批准管理層的薪酬方案；及(c)就非執行董事的薪酬向董事會提供建議。

薪酬委員會由一名執行董事(即葉育杰先生)及兩名獨立非執行董事(即陳家宇先生及羅智弘先生)組成。陳家宇先生為薪酬委員會主席。

董事及高級管理層的薪酬乃參照彼等的職責、工作量、服務本集團年限及本集團的表現釐定。薪酬委員會亦確保概無人士將參與釐定自身薪酬。

於回顧年度，高級管理層的薪酬範圍列示如下：

有關董事及最高行政人員以及五大高薪人士的薪酬詳情載於綜合財務報表附註12。

## CORPORATE GOVERNANCE REPORT 企業管治報告

During the Review Year, the Remuneration Committee held three meetings and the attendance record of each member of the Remuneration Committee is set out below:

於回顧年度，薪酬委員會舉行三次會議，而各薪酬委員會成員出席記錄載列如下：

		<b>Meetings attended/ Meeting convened</b>
		<b>出席會議次數/ 舉行會議次數</b>
Mr. Chan Ka Yu ( <i>Chairman</i> )	陳家宇先生(主席)	3/3
Mr. Yip Yuk Kit	葉育杰先生	3/3
Mr. Lo Chi Wang	羅智弘先生	3/3

Subsequent to the Review Year and up to the date of this report, the Remuneration Committee held one meeting, and the following is a summary of the work performed by the Remuneration Committee during the Review Year and up to the date of this report:

於回顧年度後及直至本報告日期，薪酬委員會舉行一次會議，薪酬委員會於回顧年度及直至本報告日期所進行的工作概述如下：

- considered the remuneration paid to directors and senior management with reference to their responsibilities, workload, the time devoted and the performance of the Group, as well as remuneration paid by other comparable listed companies;
  - reviewed and made recommendations on the management remuneration proposals with reference to the corporate goals and objectives of the Board; and
  - made recommendations to the Board on the remuneration of independent non-executive Directors.
- 參照董事及高級管理層的職責、工作量、服務本集團年限及本集團的表現，以及其他可資比較上市公司支付者，考慮董事及高級管理層薪酬；
  - 參照董事會的企業目標及宗旨審閱及就管理層的薪酬方案提供建議；及
  - 就獨立非執行董事之薪酬向董事會提供建議。

## Nomination Committee

The Company established a Nomination Committee on 18 January 2018 with written terms of reference in compliance with the CG code. The primary roles of the Nomination Committee include, but are not limited to, (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually and making recommendations on any proposed changes to our Board to complement our corporate strategy; (b) identifying individuals suitably qualified to become our Board members and selecting or making recommendations to our Board on the selection of individuals nominated for directorships; (c) assessing the independence of our independent non-executive Directors; and (d) making recommendations relating to nomination procedures, process and criteria.

The Nomination Committee consists of an executive Director, namely Mr. Yip Yuk Kit and two independent non-executive Directors, namely Mr. Chan Ka Yu and Mr. Lee Kwok Lun. Mr. Yip Yuk Kit is the Chairman of the Nomination Committee.

During the Review Year, the Nomination Committee held four meetings and the attendance record of each member of the Nomination Committee is set out below:

## 提名委員會

本公司於二零一八年一月十八日成立提名委員會並採納符合企業管治守則的書面職權範圍。提名委員會的主要職責包括但不限於(a)至少每年檢討一次董事會的架構、規模及組成(包括技能、知識及經驗)並就董事會的任何建議變更提供建議以與我們的企業策略互補；(b)物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；(c)評估獨立非執行董事的獨立性；及(d)就提名程序、過程及標準提供意見。

提名委員會由一名執行董事(即葉育杰先生)及兩名獨立非執行董事(即陳家宇先生及李國麟先生)組成。葉育杰先生為提名委員會主席。

於回顧年度，提名委員會舉行四次會議，而各提名委員會成員出席記錄載列如下：

### Meetings attended/ Meeting convened 出席會議次數/ 舉行會議次數

Mr. Yip Yuk Kit (Chairman)	葉育杰先生(主席)	4/4
Mr. Chan Ka Yu	陳家宇先生	4/4
Mr. Lee Kwok Lun	李國麟先生	3/4

Subsequent to the Review Year and up to the date of this report, the Nomination Committee held one meeting. The Nomination Committee had reviewed the Board Diversity Policy and reported on the Board's composition under diversified perspectives, and had monitored the implementation of the Board Diversity Policy. The Nomination Committee had also recommended to re-elect Mr. Yip Yuk Kit and Mr. Cheung Chun Fai at the forthcoming AGM.

回顧年度後及直至本報告日期，提名委員會舉行一次會議，提名委員會已檢討董事會成員多元化政策，及從多元化角度就董事會組成作出報告，並監督董事會成員多元化政策的實施。提名委員會亦已建議於應屆股東週年大會上重選葉育杰先生及張振輝先生。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Group. The Directors also acknowledge their responsibility to ensure the financial statements are published in a timely manner. The Directors are not aware of any material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

The Auditors' reporting responsibilities are set out in the section headed "Independent Auditors' Report" in this report.

### AUDITORS' REMUNERATION

For the Review Year, the fee paid/payable to Grant Thornton Hong Kong Limited by the Group, is set out as follows:

		HK\$ 港元
Audit services	審核服務	730,000
Non-audit services	非審核服務	200,000

The amount of fee incurred for the non-audit services represented HK\$200,000 of the service fee paid to Grant Thornton Hong Kong Limited in relation to review of interim financial information. The Audit Committee was satisfied that non-audit services for the Review Year did not affect the independence of the auditors.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the Company's risk management and internal control systems, and for reviewing its effectiveness.

In meeting its responsibility, the departmental heads of the Group have to complete a risk management and internal control self-assessment questionnaires, identify and evaluate those significant risks and confirm to the management that appropriate internal control policies and procedures have been established and properly complied with. The management then reviewed the findings and summarised all material issues to the Board and Audit Committee annually.

### 董事及核數師就財務報表的責任

董事知悉彼等編製本集團財務報表之責任。董事亦知悉彼等確保財務報表適時刊發的責任。董事並不知悉可能導致對本集團持續經營能力產生重大懷疑的任何重大不確定性因素。

核數師的申報責任載於本報告「獨立核數師報告」一節。

### 核數師酬金

就回顧年度，本集團已付／應付致同(香港)會計師事務所有限公司的費用載列如下：

就非審核服務產生的費用指就審閱中期財務資料支付予致同(香港)會計師事務所有限公司的服務費用200,000港元。審核委員會信納回顧年度的非審核服務並不影響核數師的獨立性。

### 風險管理及內部監控

董事會確認負責本公司的風險管理及內部監控系統及檢討其成效。

在履行彼等責任時，本集團各部門領導須完成風險管理及內部監控自我評估問卷、識別及評估該等重大風險及向管理層確認已制定及妥為遵守適當的內部監控政策及程序。管理層其後會審核結果並每年將所有重大問題匯總提交董事會及審核委員會。

The Group has established guidelines and procedures for the approval and control of expenditures, to ensure the reliability of the financial reporting, effectiveness and efficiency of operation and the compliance with applicable laws and regulations. Whilst these guidelines and procedures are designed to identify, monitor, report and follow up on risks that could adversely impact the achievement of the Group's business objectives, they do not provide absolute assurance against material misstatement, errors, losses, fraud or non-compliance.

Although the Company does not have internal audit function, the Board has put in place adequate measures to perform the internal audit function at different aspects of the Group. In preparation for the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing"), the Company had engaged CT Partners Consultants Limited ("CT Partners") to perform an annual review of the procedure, system and control (including accounting and management systems) of the Group. Based on its internal control review, CT Partners recommended certain internal control improvement measures to the Group and the Group has adopted them. Subsequent to the Review Year, the Group have continued to engage CT Partners to review the effectiveness and efficiency of the Group's risk management and internal control systems in relation to the financial, operational and compliance controls, and the results were summarised and discussed with the Audit Committee and the Board. The Audit Committee and the Board are satisfied with the effectiveness and adequacy of the risk management and internal control systems of the Group.

## INSIDE INFORMATION POLICY

The Company has established policy for ensuring that inside information is disseminated to the public in an equal and timely manner in accordance with applicable laws and regulations. Procedures such as limiting access to inside information to those who need to know and requiring external parties to execute confidentiality agreement have been implemented by the Company to guard against mishandling of inside information. The Company also reminds those relevant personnel and other professional parties to preserve confidentiality of the inside information until it is publicly disclosed.

## COMPANY SECRETARY

The Company has appointed Mr. Leung Hoi Ki, who is responsible for facilitating the Board process, as well as communications among the Directors, with shareholders and management. Mr. Leung has confirmed that for the Review Year, he has taken no less than 15 hours of professional training to upgrade his skills and knowledge. The biography of Mr. Leung is set out in the section headed "Biographical Details of the Directors and Senior Management" in this report.

本集團已制定批准及控制開支的指引及程序，以確保財務報告的可靠性、營運的效益及效率以及遵守適用法律法規。儘管該等指引及程序旨在識別、監察、報告及跟進可能對本集團實現業務目標有不利影響的風險，但無法絕對保證避免重大失實陳述、錯誤、損失、詐騙或不合規。

儘管本公司並未設置內部審核職能，但董事會已採取充分措施以對本集團不同範疇履行內部審核職能。為籌備本公司於香港聯合交易所有限公司主板上市（「上市」），本公司委聘CT Partners Consultants Limited（「CT Partners」）對本集團的程序、體系及控制制度（包括會計及管理體系）進行年度檢討。基於其內部監控檢討，CT Partners向本集團提出若干內部控制改進措施的建議，而本集團已經採納有關建議。回顧年度後，本集團繼續委聘CT Partners檢討本集團財務、經營及合規控制相關風險管理及內部監控體系的效能及效益，檢討結果會與審核委員會及董事會總結及討論。審核委員會及董事會信納本集團的風險管理及內部監控體系乃屬有效及充分。

## 內幕消息政策

本公司已制定政策，以確保內幕消息根據適用法例及法規公平及適時地向公眾發佈。本公司執行多項程序，例如限制接觸內幕消息的人士及要求外界人士簽署保密協議，以避免不當處理內幕消息。本公司亦提醒相關人員及其他專業人士將內幕消息保密，直至公開披露為止。

## 公司秘書

本公司已委任梁海祺先生負責推動董事會進程，以及促進董事之間及董事與股東及管理層之間的溝通。梁先生確認於回顧年度，彼已接受不少於15小時之專業培訓以提高其技能及豐富其知識。梁先生的履歷載於本報告「董事及高級管理層履歷資料」一節。

## SHAREHOLDERS' RIGHTS

### Procedures for Convening General Meetings by Shareholders

Pursuant to Article 64 of the Restated Articles, the Board may, whenever it thinks fit, convene an extraordinary general meeting.

Extraordinary general meetings shall also be convened on the requisition of one or more shareholder holding, at the date of deposit of requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings.

Such requisition shall be made in writing to the Board or the Company Secretary by mail at Office K, 12/F, Kings Wing Plaza 2, No. 1 On Kwan Street, Shatin, New Territories, Hong Kong for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisition(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### Procedures for Putting Forward Proposals at Shareholders' Meeting

Shareholders are requested to follow Article 64 of the Restated Articles for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "Procedures for Convening General Meetings by Shareholders".

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

## 股東權利

### 股東召開股東大會之程序

根據經重列細則第64條，董事會可於其認為合適的時間召開股東特別大會。

股東特別大會亦應一名或多名股東要求召開，惟該等股東於提出要求當日須持有不少於十分之一之附帶權利於股東大會上投票之本公司繳足股本。

有關請求須以書面形式向董事會或公司秘書提出（郵寄至香港新界沙田安群街1號京瑞廣場2期12樓K室），藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須於提出要求後兩個月內召開。如董事會在提出要求日起計21日內未能安排召開有關會議，則請求人（或多名請求人）可按相同方式自行召開會議，而該（等）請求人因董事會未能妥為召開會議而招致的所有合理費用概由本公司賠償。

### 於股東大會上提呈議案之程序

股東須根據經重列細則第64條在股東特別大會上提呈決議案。相關規定及程序載於上文「股東召開股東大會之程序」一段。

根據經重列細則第113條，除非一項有意推舉該名人士擔任董事的書面通知及一項該被推舉人士簽發表明其願意選舉之書面通知已呈交至總部或註冊辦事處，否則任何人士（退任董事除外）無權在任何股東大會上應選出任董事（除非由董事會推選）。遞交所須通知的期間應不早於指定為進行選舉而召開的股東大會通告寄發之翌日，且不遲於該股東大會召開日期前七日，而向本公司發出該等通知之最短期間須為至少七日。

### Procedures by which enquiries may be put to the Board

The Group values feedback from shareholders on its efforts to promote transparency and foster investor relationship. Shareholders are welcomed to send their enquiries to the Board by post to the principal place of business set out in the section headed "Corporation Information" in this report or by email at [info@dragonrise-group.com](mailto:info@dragonrise-group.com).

### INVESTOR RELATIONS

The Board strives to maintain on-going dialogue with shareholders and the investment community, the Company has established a shareholders' communication policy to set out the Company's procedures in providing the shareholders and investment community with ready, equal and timely access to balanced and understandable information about the Company.

Latest information on the Group including, but not limited to annual and interim reports, circulars, announcements and notices of annual general meetings are updated on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and on the website of the Company ([www.kitkee.com.hk](http://www.kitkee.com.hk)).

In addition, the Company regards the annual general meeting as the primary forum for communication by the Company with its shareholders and for shareholder participation. Shareholders are encouraged to attend the annual general meeting, where all Board members and external auditors are available to answer questions on the Group's business.

The 2019 annual general meeting will be held on Friday, 23 August 2019, the notice of which shall be sent to the shareholders of the Company at least 20 clear business days prior to the meeting.

### SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

Save for the adoption of the Restated Articles for the purpose of the Listing, during the Review Year, there had been no significant changes in the constitutional documents of the Company.

### 向董事會作出查詢之程序

本集團十分重視股東的回應，藉以提高透明度及促進投資者關係。歡迎股東將有關查詢寄送至本報告「公司資料」一節所載的主要營業地點或發送郵件至 [info@dragonrise-group.com](mailto:info@dragonrise-group.com)，向董事會作出查詢。

### 投資者關係

董事會致力於與股東及投資人士保持持續對話，且本公司已制定股東通訊政策，載列本公司以完備、公平與適時方式向股東及投資人士提供關乎本公司的均衡及易於理解的資料的程序。

有關本集團的最新資料包括但不限於在聯交所網站 ([www.hkexnews.hk](http://www.hkexnews.hk)) 及本公司網站 ([www.kitkee.com.hk](http://www.kitkee.com.hk)) 更新的年度及中期報告、通函、公告及股東週年大會通告。

此外，本公司將股東週年大會視為實現本公司與股東溝通及實現股東參與的重要會議。本公司謹此建議全體股東出席股東週年大會，會上全體董事會成員及外聘核數師將就本集團之業務作答。

二零一九年股東週年大會將於二零一九年八月二十三日(星期五)召開，本公司將於會議召開日期前至少20個完整營業日向本公司股東寄發會議通告。

### 章程文件之重要變動

除就上市採納經重列細則外，於回顧年度，本公司之章程文件並無重大變動。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### INTRODUCTION

Dragon Rise Group Holdings Limited is a long-established subcontractor of foundation works services in Hong Kong. Our services are mainly required in the construction of commercial and residential buildings. We principally provide excavation and lateral support works, pile cap construction works, and the disposal of excavated materials from piling and ancillary services, including dismantling of shoring, site formation, steel fixing and site clearance, in Hong Kong.

The Group is committed to pursue excellence in architectural designs with the goal of improving urban spaces and enhancing quality of life of the public. While developing the Group's goals, we firmly adhered to principles of good corporate governance and had carefully considered our activities' influences on the environment and the Hong Kong society. Corporate social responsibilities were also integrated into the Group's business strategy and management approach.

The Group is delighted to present the Environmental, Social and Governance ("ESG") Report for the Review Year in the following to illustrate and highlight our efforts and performance in achieving sustainable development in both the environment and social aspects.

### ABOUT THIS REPORT

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of the Listing Rules ("ESG Reporting Guide"), with the aim to inform relevant parties and stakeholders of our policies, measures and performance regarding environmental, social and governance issues. To ensure a comprehensive ESG reporting, we would continuously take note of different ESG issues and assess their relevance to our ESG reporting.

We have adopted both quality and environmental management systems to enhance our services. The systems have been assessed and certified as meeting the standards of the International Organisation for Standardisation ("ISO") 9001:2015 and ISO 14001:2015. To safeguard our employees and other stakeholders against health and safety risks associated with our operations, we are also certified as meeting the Occupational Health and Safety Assessment Specification ("OHSAS") 18001:2007.

We pay due regards to compliance with laws and regulations that is relevant to our Group. At the same time, to uphold our corporate social responsibilities, we care for our community members by actively participate in public welfare or charity events.

### 緒言

龍昇集團控股有限公司為一間成立已久的香港地基工程服務分包商。我們服務需求主要源自商業及住宅樓宇的建設。我們主要在香港提供挖掘及側向承托與樁帽工程、處置打樁的挖掘物料及配套服務(包括拆除側向承托、地盤平整、紮固鋼筋及地盤清理)。

本集團致力追求卓越的建築設計，目標是改善城市空間及提高公眾的生活質量。於制定本集團目標時，我們堅定地奉行良好企業管治的原則，並已審慎考慮我們的活動對環境及香港社會的影響。本集團亦將企業社會責任納入其業務策略及管理方針。

本集團欣然於下文呈列回顧年度的環境、社會及管治(「環境、社會及管治」)報告，以闡述及強調我們為實現可持續發展而在環境及社會方面作出的努力及表現。

### 關於本報告

本環境、社會及管治報告乃根據上市規則附錄二十七所載的環境、社會及管治報告指引(「環境、社會及管治報告指引」)而編製，旨在讓有關人士及持份者瞭解我們有關環境、社會及管治事宜的政策、措施及表現。為確保全面的環境、社會及管治報告，我們會持續關注不同的環境、社會及管治事宜，並評估其與我們環境、社會及管治報告的相關性。

為改善我們的服務，我們已採用質量及環境管理體系。該等體系已經過評估及認證，符合國際化標準組織(「ISO」)9001:2015及ISO 14001:2015的標準。為保障我們的僱員及其他持份者免受與我們營運相關的健康與安全風險，我們亦經過認證，符合職業健康與安全評估規範(「OHSAS」)18001:2007。

我們十分重視遵守與本集團相關的法律法規。同時，為維護我們的企業社會責任，我們通過積極參與公益或慈善活動關心社區成員。

## I. ENVIRONMENTAL

### I.1 Environmental Policies

The Group complies with its industry relevant environmental laws, regulations, codes of practice, and other requirements. The Group implements different measures to avoid, reduce or control pollution where technically and economically feasible in order to reduce greenhouse gas emissions and air emissions to safeguard the health of both our workers and our stakeholders.

- **Air pollution control:** ensure strict compliance with the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong) in areas including "construction dust" and "open burning".

Procedures are set up to mitigate and control dust or air pollutants emission. The procedures cover areas relevant to storing, handling and transporting construction materials, using tools and vehicles, and using eco-friendly fuel.

- **Waste control:** ensure strict compliance with the Waste Disposal (Chemical Waste) (General) Regulation (Chapter 354C of the Laws of Hong Kong) in the handling of "general waste", "construction waste" and "chemical waste".

Procedures are set up for handling and disposing wastes, setting up and maintaining waste storage conditions, and regulating protective gear for personnel handling different types of wastes.

- **Noise pollution control:** ensure strict compliance with the Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) in terms of "construction time regulation" and "construction noise mitigation and control".

Procedures are set up to regulate the allowable time and the specific types of equipment for conducting percussive piling works. Measures to mitigate the impact of noise pollution such as choosing tools that would emit less noise, scheduling noisy works to be further away from residential areas, schools and hospitals, and installing noise shields around equipment that is expected to emit a lot of noise.

## I. 環境

### I.1 環境政策

本集團遵守其行業相關環境法律、法規、行為準則及其他規定。在技術及經濟上可行的情況下，本集團實施不同措施避免、減少或控制污染，以減少溫室氣體排放及廢氣排放，保障我們的工人及持份者的健康。

- **空氣污染管制：**確保在「建造工程塵埃」及「露天焚燒」等方面嚴格遵守《空氣污染管制條例》（香港法例第311章）。

本集團制定程序減輕及控制塵埃或空氣污染物的排放。有關程序涵蓋與儲存、處理及運輸建築材料、使用工具與車輛及使用環保燃料有關的方面。

- **廢物管制：**確保在處理「一般廢物」、「建築廢物」及「化學廢物」時嚴格遵守《廢物處置（化學廢物）（一般）規例》（香港法例第354C章）。

本集團制定程序處理及處置廢物、確立及維持廢物儲存條件並為處理不同類型廢物的人員調配防護裝備。

- **噪音污染管制：**確保在「建築時間規定」及「建築噪音緩解及控制」方面嚴格遵守《噪音管制條例》（香港法例第400章）。

本集團制定程序規管進行撞擊式打樁工程的許可時間及特定設備類型。本集團採取措施減輕噪音污染的影響，如選擇噪音較小的工具、將嘈雜的工程安排在遠離住宅區、學校及醫院的地方以及在預期會產生大量噪音的設備周圍安裝隔音屏障。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

- **Water pollution control:** ensure strict compliance with the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) concerning sewage that would result from concrete works, vehicle cleaning, other construction procedures, and site canteen and toilet facilities.

Procedures are set up to regulate the discharge of waste water into designated waste water discharge points. Measures to prevent leakage of waste water into non-designated discharge point are instructed to foremen to control the impact of waste water to the neighbouring communities.

We ensure that the execution of all construction works complies with the relevant laws and regulations, namely, the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), the Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong), the Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) and the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

During the Review Year, the Group was not aware of any material non-compliance with laws and regulations relating to greenhouse gas emissions and air emissions and generation of hazardous and non-hazardous waste that would have a significant impact on the Group.

### 1.2 Emissions

Plants, machineries and vehicles consuming fossil fuels is the major source of greenhouse gas emissions from our operations.

The following presents the Group's GHG emissions for the Reporting Year:

#### GHG emissions from use of vehicles:

Aspects 1.1 層面 1.1	Unit 單位	2019 二零一九年	2018 二零一八年
Nitrogen oxides 氮氧化物	gram 克	386,842	433,200
Respiratory suspended particles 可吸入懸浮顆粒	gram 克	32,043	39,700

- **水污染管制:** 確保就因混凝土工程、車輛清潔、其他建築程序以及工地食堂及衛生間設施產生的污水嚴格遵守《水污染管制條例》(香港法例第358章)。

本集團制定程序規定將廢水排放至指定的廢水排放點。管工根據指示採取措施防止廢水滲漏至非指定排放點，以控制廢水對鄰近社區的影響。

我們確保所有建築工程的執行均遵守相關法律法規，即《空氣污染管制條例》(香港法例第311章)、《噪音管制條例》(香港法例第400章)、《水污染管制條例》(香港法例第358章)及《廢物處置條例》(香港法例第354章)。

於回顧年度，本集團概不知悉任何重大違反有關溫室氣體排放及廢氣排放以及產生有害與無害廢物的法律法規而對本集團產生重大影響的情況。

### 1.2 排放物

消耗礦物燃料的廠房、機器及車輛是我們營運中溫室氣體排放的主要來源。

下文列示本集團於報告年度的溫室氣體排放物：

#### 使用車輛的溫室氣體排放物：

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

To manage the exhausts from our machineries and to comply with the Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong), all our machineries to be used at construction sites comply with the prescribed emission standards. Further, all our plants, machineries and motor vehicles use diesels with sulphur content not exceeding 0.005%.

為管理機器所排放的廢氣及遵守《空氣污染管制(非道路移動機械)(排放)規例》(香港法例第311Z章)，我們在建築工地使用的所有機器均符合規定的排放標準。此外，我們的所有廠房、機器及汽車均使用含硫量不超過0.005%的柴油。

### 1.3 Use of Resources

The Group is committed to minimizing the impact of its business activities to the environment by following the below principles:

- comply with all the legal requirements and contractual obligations relevant to the environmental aspects in the construction contracts in which the Group engaged.
- reduce and avoid creating wastes.
- obtain and renew the mandatory environmental licenses, registrations and permits.
- turning off the air-conditioning system at night or when leaving the office.
- keeping the office temperature at 25°C in summer.
- using LED lights or energy-saving lighting at our office.

The following presents the Group's direct energy consumption for the Review Year:

#### *Direct energy consumption in total and intensity*

Aspects 2.1 層面 2.1	Unit 單位	2019 二零一九年	2018 二零一八年
Electricity usage 用電量	kWh 千瓦時	15,431	17,239
Electricity usage intensity 用電密度	kWh / office 千瓦時／辦公室	15,431	17,239

Owing to the nature of our operations, other than the consumption of drinking water, our operations do not require the use of water or raw materials. There is also an absence of packing materials involved in our operations. As such, the Company has not placed emphasis on the development of policies in these areas.

### 1.3 資源使用

本集團致力通過遵循以下原則盡量減少其業務活動對環境的影響：

- 遵守本集團所訂立建築合約內與環境方面有關的所有法律規定及合約責任。
- 減少及避免造成浪費。
- 取得強制性環境牌照、註冊及許可證並續期。
- 在夜間或離開辦公室時關閉空調系統。
- 夏季將辦公室溫度保持在25°C。
- 在辦公室使用LED燈或節能照明設備。

本集團於回顧年度的直接能源消耗呈列如下：

#### *直接能源消耗總量及密度*

由於我們的業務性質，除消耗飲用水外，我們的業務並不需要使用水或原材料。我們的業務亦不涉及包裝材料。因此，本公司並無著重制定該等範疇的政策。



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### I.4 Waste Management

Due to the nature of our construction works, our major non-hazardous waste is construction and demolition ("C&D") materials composed principally of soil. To control air pollution during transportation of C&D materials to landfills, we ensure the dump trucks used by our subcontractors are installed with a mechanical cover system which is in good service condition to cover the dump bed containing the C&D materials. Further, all dump trucks exiting construction sites are required to have the dust or debris on top of the mechanical to be cleaned so as not to obstruct its operation or pollute areas close to the vicinity of construction sites.

Although we are well aware of potential pollutions C&D materials can bring to the environment, the Group is unable to control the quantity of C&D materials to be disposed in a project. The required disposal quantity is stipulated in the construction program in the construction contract, and the program is designed by the main contractor or the employer to the contract.

Regarding hazardous waste, the Group does not produce any from its operations and thus consider ESG reporting in this aspect is irrelevant to the Group. During the Review Year, the Group had 18 projects that disposed of soil as compared to 16 for the year ended 31 March 2018. The following presents the relevant comparison:

#### Non-hazardous waste in total and intensity

Aspects 1.4 層面 1.4	Unit 單位	2019 二零一九年	2018 二零一八年
Construction disposal: Soil 建築處置物：土壤	tonnes 噸	1,156,732.6	1,071,164.6
Construction disposal intensity 建築處置物密度	tonnes/per construction projects 噸／每個建築項目	64,262.92	66,947.79

The soil that is required to be disposed as a part of our operations are disposed of in designated locations as prescribed under applicable laws. The quantity of soil to be disposed of is determined by our customers and is otherwise proportionate to the number of projects undertaken by the Company. As such, the Company does not have a reduction policy that may apply to the disposal of soil.

The main type of waste disposed of in the course of the Company's operations is that of soil. The Company is not required to dispose of hazardous waste.

### I.4 廢物管理

由於我們建築工程的性質，我們的主要無害廢物為主要由土壤組成的拆建（「拆建」）物料。為控制拆建物料運往堆填區期間產生的產空氣污染，我們確保我們的分包商所使用的泥頭車均安裝使用狀況良好的機械蓋系統，以覆蓋裝有拆建物料的泥頭車車廂，此外，所有駛離建築工地的泥頭車均須清理機械頂部的塵土或雜物，以免妨礙其運作或污染鄰近建築工地的區域。

儘管我們知悉拆建物料會對環境帶來潛在污染，本集團無法控制項目中將要處置的拆建物料數量。建築合約中的施工方案規定所需處置數量，並由主要承包商或發包人對合約進行方案設計。

就有害廢物而言，本集團的業務並無產生任何有害廢物，故認為有關此方面的環境、社會及管治與本集團無關。於回顧年度，本集團擁有 18 個須處置土壤的項目，而截至二零一八年三月三十一日止年度則為 16 個。相關比較呈列如下：

#### 無害廢物總量及密度

Aspects 1.4 層面 1.4	Unit 單位	2019 二零一九年	2018 二零一八年
Construction disposal: Soil 建築處置物：土壤	tonnes 噸	1,156,732.6	1,071,164.6
Construction disposal intensity 建築處置物密度	tonnes/per construction projects 噸／每個建築項目	64,262.92	66,947.79

作為我們業務的一部分，須予處置的土壤會按照適用法例規定於指定地點處置。將予處置的土壤數量由我們的客戶決定，如若不然則與本公司承接的項目數量成比例。因此，本公司並無可能適用於處置土壤的減排政策。

本公司的業務過程中所處置的主要廢物類型為土壤。本公司毋須處置有害廢物。

## II. SOCIAL

### II.1 Employment and Labour Practices

Employees are our most invaluable assets. It is our priority to ensure that the occupational health and safety of all employees, subcontractor workers and the surrounding communities to our construction sites is adequately maintained. Our comprehensive Safety Management System provides a framework for monitoring and evaluating the implementation of our safety policies and measures. We further strive to continuously improve our workplace safety policies in accordance with guidance received from the Labour Department from time to time.

It is also our aim to enhance the well-being and development of our employees. As an equal opportunity employer, the Group has put in place policies to ensure that it treats all employees on an equal footing in matters related to, among others, recruitment, promotion, appraisals, discipline, remuneration and benefits, compensation and dismissal, and working hours and rest periods. An employee's age, gender, family status, sexual orientation, physical disability, ethnicity and religion would not affect his career with us. During the Review Year, we received no complaints regarding discrimination issues from any of our stakeholders. Needless to say, we ensured that no child nor forced labour was employed by the Group.

Apart from providing competitive remuneration and benefits, we continue to support and nurture our employees through staff development and training programmes.

The Group has devised a staff handbook for its employees to understand important information relating to the Group's human resources policies, rules, and work ethics surrounding employment. It is an essential tool in helping to define the expectations of both the management and the employees, and also to protect them from unfair and/or inconsistent treatment and discrimination.

During the Review Year, there was no incidence of labour dispute or litigation regarding compliance to the Employment Ordinance (Chapter 57). Save as disclosed above, the Company complied with all relevant laws with respect to employment and labour, and child and forced labour.

## II. 社會

### II.1 僱傭及勞工常規

僱員是我們最寶貴的資產。我們的首要任務是確保充分維護全體僱員、分包商工人及我們建築工地周邊社區的健康與安全。我們全面的安全管理體系為監督及評估安全政策及措施的落實提供了框架。我們將根據不時自勞工處接獲的指引，進一步努力持續完善我們的工作場所安全政策。

我們亦力求提高僱員的福祉及促進其發展。作為提供平等機會的僱主，本集團已制定政策，確保於（其中包括）招聘、晉升、評估、紀律、薪酬及福利、補償與解僱以及工時與休假相關事宜方面平等對待所有僱員。僱員的年齡、性別、家庭狀況、性取向、身體殘疾、種族及宗教不會影響其於本集團的職業。於回顧年度，我們並無收到任何持份者對於歧視問題的投訴。毋庸置疑，我們已確保本集團並無僱用童工，亦無強迫勞動。

除提供具競爭力的薪酬及福利外，我們亦通過員工發展及培訓計劃不斷支持及培養僱員。

本集團已為其僱員制定員工手冊，以瞭解有關本集團人力資源政策、規則及就業相關職業道德的重要資料。員工手冊在幫助確立管理層及僱員的預期以及在保障彼等免受不公正及／或不一致的待遇及歧視方面發揮重要作用。

於回顧年度，並無發生有關《僱傭條例》(第57章)合規方面的勞資糾紛或訴訟。除上文所披露者外，本公司遵守所有有關僱傭及勞工、童工及強迫勞動的相關法例。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### II.2 Health and Safety

The management of the Group is responsible for the overall health and safety of employees. The Group has been accredited with, and our policies follow, OHSAS 18001:2007 for our occupational health and safety management system.

We place emphasis on occupational health and work safety and provide safety training to our staff covering topics such as our safety measures and procedures for reporting accidents. Due to the nature of works in construction sites, risks of accidents or injuries to workers are inherent. As such, we devised a safety management system to govern our site workers and subcontractors.

Work injuries will be reported according to our internal guidelines which was set up with reference to the work injury reporting requirement by the Labour Department. Based on our safety management system, we ensured safety and health of our employees in connection with the use, handling, storage and transport of articles and substances; providing all necessary information, instructions, training and supervision for ensuring safety and health; providing and maintaining safe access to and egress from the workplaces; and providing and maintaining a safe and healthy working environment.

During the Review Year, six incidents of work injuries arose, which led to 294 lost labour days (FY2018: fourteen incidents of work injuries occurred, which led to 294 lost labour days). The Group is pleased to report that no fatality cases occurred during the Review Year.

Our safety officer and board of directors are responsible for overseeing our Group's health and safety management system to ensure our compliance with the relevant statutory requirements. A safety committee meeting is held on a monthly basis with our foremen for reviewing the health and safety issues related to our operations. Under the direction of our safety officer, our foremen are responsible for monitoring on-site implementation of our safety management system.

### II.2 健康與安全

本集團管理層負責僱員的整體健康與安全。本集團的職業健康與安全管理體系已通過OHSAS 18001:2007認證，且我們的政策遵循此標準。

我們重視職業健康及工作安全，並向員工提供安全培訓，內容涵蓋我們的安全措施及事故報告程序等主題。鑒於建築工地的工作性質，意外事故或工傷為固有風險。因此，我們已制定安全管理體系，以管理我們的工地工人及分包商。

工傷將根據我們的內部指引予以報告，有關指引乃參考勞工處的工傷報告要求制定。根據我們的安全管理體系，我們確保僱員在使用、處理、儲存及運輸物品及物質方面的安全及健康；提供所有必要的資料、指引、培訓及監督，以確保安全及健康；提供及維持進出工作場所的安全途徑；提供及維持安全與健康的工作環境。

於回顧年度，已發生6宗工傷事故，造成損失294個工作日（二零一八財年：已發生14宗工傷事故，造成損失294個工作日）。本集團欣然呈報，於回顧年度並無發生任何死亡事故。

我們的安全主任及董事會負責監督本集團的健康與安全管理體系，以確保我們遵守相關法定要求。每月與管工舉行安全委員會會議，以檢討與我們的營運有關的健康與安全問題。根據安全主任的指示，我們的管工負責監察安全管理體系的現場實施情況。

### II.3 Training and Development

The knowledge and skill levels of our employees are vital to the Group's success, and hence we provide sufficient training and development programmes to allow them to excel at their work.

Our training programmes range from professional and technical training to personal development skills and our employees are required to attend an induction training to ensure they thoroughly understood the Group's safety and health policies. In addition, the Group provides adequate job and safety training to employees to equip them with the required safety knowledge and work skills to tackle situations and challenges to be encountered at diverse work sites. During the Review Year, the average training hours of each employee were approximately 6.42 hours (FY2018: 11.72 hours).

### II.3 培訓及發展

僱員的知識及技能水平對本集團的成功至關重要，因此我們提供充足的培訓及發展計劃，使其能夠勝任工作。

我們的培訓計劃涵蓋專業及技術培訓以至個人發展技能，且僱員須參加入職培訓，以確保彼等徹底瞭解本集團的安全及健康政策。此外，本集團為僱員提供充分的工作及安全培訓，以使彼等具備所需的安全知識及工作技能，可應對在不同工作場所遇到的情況及挑戰。於回顧年度，每名僱員的平均培訓時間約為6.42小時（二零一八財年：11.72小時）。

## III. OPERATING PRACTICES

### III.1 Supply Chain Management

As mentioned, our quality management system which governs our daily operation for quality control and improvement meets the requirements of ISO 9001:2015. Our internal policies and thus the procurement process are governed by this standard. We maintain an approved suppliers list set up by the board of directors. Only suppliers meeting our stringent quality standards can be added to the list for our purchases.

Under our policies, our Purchasing Department will only purchase supplies from these approved suppliers to ensure quality of our purchases. Further, with reference to the quality requirement of our construction projects, our project staff or the directors would also pay visits to suppliers to communicate our requirements, while at the same time inspect the suppliers' warehouse to conduct a sample check on the quality of the goods. Upon reception of goods at project sites, the foremen are responsible for the inspection of the delivered goods to ensure they can meet our quality requirements before settling payment.

## III. 營運慣例

### III.1 供應鏈管理

如上文所述，用於監管我們日常營運的質量控制及改進的質量管理體系符合ISO 9001:2015的要求。我們的內部政策及採購流程乃按該標準監管。我們設有由董事會制定的認可供應商名單。只有符合我們嚴格質量標準的供應商方能加入採購名單。

根據我們的政策，我們的採購部僅會向該等認可供應商中採購物資，以確保採購質量。此外，參考我們建築項目的質量要求，我們的項目人員或董事亦會拜訪供應商，以傳達我們的要求，同時視察供應商的倉庫，對貨物質量進行抽樣檢查。於項目工地接收貨物時，管工負責檢查已交付的貨物，確保在結算付款前該等貨物能夠符合我們的質量要求。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

For subcontractors' quality management, similar to that of purchasing, we maintain a list of approved subcontractors. Regular inspection on the quality of works and progress as delivered by our subcontractors would be performed by our project managers. We have made it clear to our subcontractors that compliance with the labour laws and regulations is mandatory when handling safety and employment matters at construction sites.

During the Review Year, the Group did not identify any non-compliances in relation to safety and labour laws and regulations.

### III.2 Anti-Corruption

Over the years, we have witnessed no incidences of suspected or actual bribery, extortion, fraud and money laundering activities occurring within the Group. We stand firmly by our anti-corruption policies and procurement practices as stated in our internal manuals which comply with applicable laws. Acceptance of kickbacks, commissions or any form of benefit is strictly prohibited during any procurement exercise, contract negotiation or other business dealings.

Our manuals also outline guidance over conflicts of interest, intellectual property rights, privacy and information confidentiality, bribery and corruption, and equal opportunities.

Gift policy in our internal manuals clearly states the required process and procedure for handling and accepting gifts and advantages.

During the Review Year, we noted no incidences of fraud or corruption occurring within the Group, and fully complied with laws and regulations related to anti-bribery and corruption.

對於分包商的質量管理，與採購類似，我們設有一份認可分包商名單。我們的項目經理定期檢查分包商交付的工程質量及進展。我們向分包商明確說明，在處理建築工地的安全及僱傭事項時必須遵守勞動法律法規。

於回顧年度，本集團並未發現任何與安全及勞動法律法規有關的重大不合規情況。

### III.2 反貪污

過去數年，我們已見證本集團內並無發生任何涉嫌賄賂或實際賄賂、勒索、欺詐或洗錢活動。我們堅決支持內部手冊（遵守適用法律）中所述的反貪污政策及採購慣例。於任何採購工作、合約洽談或其他業務交往過程中，嚴禁收受回扣、佣金或任何形式的福利。

我們的手冊亦載列有關利益衝突、知識產權、私隱及資料保密、賄賂及貪污以及平等機會的指引。

內部手冊中的餽贈政策列明處理及收受禮物及利益的規定程序及手續。

於回顧年度，本集團內並無發生任何欺詐或貪污行為，且我們已全面遵守有關反賄賂及貪污的法律法規。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### III.3 Community Investment

The Group always actively seek opportunities to contribute to charity services.

During the Reporting Year, we were delighted to have made donations to the following philanthropic organisations:

#### *Ongoing Senicare Dynamic*

The organisation is a registered charity under the Hong Kong Government. It provides care and blessing to elderlies through regular home visits and organizing different festive events. The Group sponsored and joined the Mid-Autumn Festival Luncheon hosted by the organisation during the Review Year. Participants were offered a lunch, performances and lucky draw games to celebrate the festival together.

#### *Lok Sin Tong Leung Kau Kui Home for the Elderly*

The organisation dedicates love and professional knowledge to provide a comprehensive hospitality service to elderlies. During the Review Year, we donated daily necessities and healthy food to elderlies via the organisation to express our care to elderlies in Hong Kong.

Furthermore, representatives of the Group also donated some personal goods and food to a children care organisation and exchanged ideas with respect to charity works with the organisation's staff.

Owing to the nature of our business, we are not required to label any products or to advertise our services. Further, we generally do not handle personal data and, as such, are exposed to minimal risks of breaching privacy laws.

### III.3 社區投資

本集團一直積極尋求機會為慈善服務作出貢獻。

於報告年度，我們欣然向以下慈善組織作出捐款：

#### *安耆動力*

安耆動力為香港政府轄下的註冊慈善機構。其透過定期家訪及組織不同節日活動為長者提供關懷及祝福。本集團於回顧年度贊助並參加該組織主辦的中秋節午宴。為參加者提供午餐、表演及幸運抽獎遊戲，以共同慶祝該節日。

#### *樂善堂梁銶琚敬老之家*

樂善堂梁銶琚敬老之家奉獻愛及專業知識，為長者提供全面的招待服務。於回顧年度，我們通過該組織向長者捐贈日常必需品及健康食品，以表達我們對香港長者的關懷。

此外，本集團的代表亦向兒童保護組織捐贈若干個人物品及食品，並與該組織的工作人員交換慈善工作的想法。

由於我們的業務性質，我們毋須為任何產品貼標或為我們的服務做廣告。此外，我們通常不會處理個人資料，因此，我們違反隱私法例的風險極低。

## IV. FUTURE APPROACH TO SUSTAINABLE DEVELOPMENT

In the future, we will:

- Continue to raise our staff and subcontractors' awareness in relation to environmental protection;
- maintain the highest standards for occupational health and safety to protect our staff members and the communities located in the vicinity of our operations; and
- further extend our care to the community by participating in more charity services.

## IV. 未來可持續發展的方式

我們將於未來：

- 繼續提高僱員及分包商的環保意識；
- 維持職業健康與安全的最高標準，以保護我們的員工及位於我們業務營運範圍附近的社區人員；及
- 通過參與更多慈善服務，進一步展現我們對社區的關懷。

# DIRECTORS' REPORT

## 董事會報告

The Board is pleased to submit this annual report together with the audited financial statements of the Group for the Review Year.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company, the principal activities of its principal subsidiaries are set out in note 15 to the consolidated financial statements.

### REORGANISATION AND SHARE OFFER

The Company was incorporated in the Cayman Islands on 22 February 2017 as an exempted company with limited liability. The Shares were listed on the Main Board of the Stock Exchange on 8 February 2018.

Pursuant to the Reorganisation, the Company became the holding company of the Group on 21 August 2017.

### RESULTS/BUSINESS REVIEW

The results of the Group for the Review Year are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income" on page 70 in this report. The business review of the Group for the Review Year is set out in the section headed "Management Discussion and Analysis" on pages 6 to 19.

### SHARE CAPITAL

Details of movement in the share capital of the Company during the Review Year are set out in note 24 to the consolidated financial statements.

### RESERVES

Details of movements in the reserves of the Group during the Review Year are set out in the section headed "Consolidated Statement of Changes in Equity" on page 73.

### DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 March 2019, calculated under the Companies Law of Cayman Islands amounted to approximately HK\$79.9 million (31 March 2018: HK\$83.4 million).

### FINAL DIVIDEND

The Board has resolved not to recommend the declaration of a final dividend for the Review Year.

董事會欣然呈列本年報以及本集團回顧年度經審核財務報表。

### 主要活動

本公司為一家投資控股公司，其主要附屬公司的主要活動載於綜合財務報表附註15。

### 重組及股份發售

本公司於二零一七年二月二十二日在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零一八年二月八日在聯交所主板上市。

根據重組，本公司於二零一七年八月二十一日成為本集團控股公司。

### 業績／業務回顧

本集團於回顧年度的業績載於本報告第70頁「綜合損益及其他全面收益表」一節。本集團於回顧年度的業務回顧載於第6至19頁「管理層討論及分析」一節。

### 股本

本公司於回顧年度的股本變動詳情載於綜合財務報表附註24。

### 儲備

本集團於回顧年度的儲備變動詳情載於第73頁「綜合權益變動表」一節。

### 可分配儲備

本公司可分配儲備乃根據開曼群島公司法計算，於二零一九年三月三十一日約為79.9百萬港元（二零一八年三月三十一日：83.4百萬港元）。

### 末期股息

董事會已議決不建議就回顧年度宣派末期股息。

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

During the Review Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities.

## PROPERTY, PLANT AND EQUIPMENT

Details of movement in property, plant and equipment of the Group during the Review Year are set out in note 13 to the consolidated financial statements.

## PRE-EMPTIVE RIGHTS

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

## CORPORATE GOVERNANCE

Information on the corporate governance practices adopted by the Company are set out in the section headed "Corporate Governance Report" on pages 27 to 43 in this report.

## ANNUAL GENERAL MEETING ("AGM")

The 2019 AGM will be held on 23 August 2019. The notice of the AGM will be published and dispatched to shareholders of the Company in the manner as required by the Listing Rules in due course.

## CLOSURE OF REGISTER OF MEMBERS

The Hong Kong branch register of members of the Company will be closed from 20 August 2019 to 23 August 2019 (both dates inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the forthcoming AGM. No transfer of shares may be registered on those dates. In order to qualify for the shareholders' entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates should be lodged with the Company's Branch Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, 2103B, 21/F, 148 Electric Road, North Point Hong Kong not later than 4:30 p.m. on 19 August 2019.

## 購買、出售或贖回本公司證券

於回顧年度，本公司及其任何附屬公司概無購買、出售或贖回本公司任何證券。

## 物業、機械及設備

本集團於回顧年度的物業、機械及設備變動詳情載於綜合財務報表附註13。

## 優先購買權

經重列細則或開曼群島法例概無條文訂明優先購買權，致使本公司須按比例向現有股東發售新股份。

## 企業管治

本公司採納企業管治常規之資料載於本報告第27至43頁「企業管治報告」一節。

## 股東週年大會（「股東週年大會」）

二零一九年股東週年大會將於二零一九年八月二十三日舉行。股東週年大會通告將按上市規則規定方式適時公佈及寄發予本公司股東。

## 暫停辦理過戶登記

本公司香港股份過戶登記分處將於二零一九年八月二十日至二零一九年八月二十三日（包括首尾兩日）暫停辦理股份過戶登記，以確定股東合資格出席應屆股東週年大會並於會上投票。於該等日期將暫停辦理股份過戶登記手續。為確保股東符合資格出席股東週年大會並於會上投票，所有過戶文件連同有關股票須於二零一九年八月十九日下午四時三十分前，送達本公司香港股份過戶登記分處寶德隆證券登記有限公司（地址為香港北角電氣道148號21樓2103B室）。



## DIRECTORS' REPORT 董事會報告

### DIRECTORS

The Directors of the Company during the Review Year and up to the date of this report are:

#### Executive Directors:

Mr. Yip Yuk Kit (*Chairman*)  
Mr. Cheung Chun Fai

#### Independent Non-Executive Directors:

Mr. Lo Chi Wang  
Mr. Chan Ka Yu  
Mr. Lee Kwok Lun  
Mr. Chan Wa Shing

In accordance with article 108 of the Restated Articles, at each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

In accordance with article 112 of the Restated Articles, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

In accordance with article 108 of the Restated Articles, Mr. Yip Yuk Kit and Mr. Cheung Chun Fai will retire as Directors by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

In accordance with article 112 of the Restated Articles, Mr. Chan Wa Shing hold his office only until the AGM and, being eligible, will offer himself for re-election at the forthcoming annual general meeting of the Company.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to the Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

### 董事

本公司於回顧年度及截至本報告日期的董事如下：

#### 執行董事：

葉育杰先生 (*主席*)  
張振輝先生

#### 獨立非執行董事：

羅智弘先生  
陳家宇先生  
李國麟先生  
陳華勝先生

根據經重列細則第108條，於每屆股東週年大會上，當時三分之一的董事應輪值告退。然而，倘董事人數並非三的倍數，則退任董事人數以最接近但不少於三分之一的人數為準。每年須退任的董事為自上次獲重選連任或委任以來任期最長的董事，惟倘多名董事均於同一日任職或獲重選連任，則以抽籤決定須告退的董事名單（彼等之間另有協定則除外）。

根據經重列細則第112條，獲董事會委任以增加現有董事會成員名額的董事的任期僅至本公司下屆股東週年大會為止，並可於該大會上膺選連任。

根據經重列細則第108條，葉育杰先生及張振輝先生將作為輪值退任董事，並符合資格及願意於本公司應屆股東週年大會上膺選連任。

根據經重列細則第112條，陳華勝先生的任期僅至股東週年大會日期為止，符合資格及願意於本公司應屆股東週年大會上膺選連任。

本公司已接獲各獨立非執行董事根據上市規則第3.13條寄發的年度獨立性確認書。本公司認為全體獨立非執行董事乃屬獨立。

## DIRECTORS' SERVICE CONTRACTS

Details of Director's service contracts are set out in the section headed "Biographical Details of the Directors and Senior Management" on page 20 to 26.

None of the Directors being proposed for re-election at the forthcoming AGM 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).

## COMPETING INTERESTS

The Directors confirm that neither the controlling shareholders of the Company nor their respective close associates is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the Group's business during the Review Year, and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## SUMMARY OF FINANCIAL INFORMATION

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements in this report and the Prospectus, is set out on page 152.

## PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance coverage for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising from corporate activities.

## 董事服務合約

董事服務合約的詳情載於第20至26頁「董事及高級管理層履歷資料」一節。

概無擬於應屆股東週年大會上膺選連任之董事與本集團任何成員公司訂有服務合約(不可由本集團於一年內終止而毋須支付賠償(法定賠償除外))。

## 競爭權益

董事確認，於回顧年度，本公司控股股東及彼等各自緊密聯繫人概無於直接或間接與本集團業務構成競爭或可能構成競爭的業務(本集團業務除外)中擁有任何權益，且須根據上市規則第8.10條予以披露。

## 財務資料概要

本集團最近五個財政年度的業績以及資產及負債的概要，乃摘錄自本報告經審核綜合財務報表及招股章程，載於第152頁。

## 獲准許彌償條文

針對董事及高級管理層可能面對因企業活動產生的法律訴訟，本公司已為董事及職員安排適當的責任保險。

## DIRECTORS' REPORT 董事會報告

### DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

No Director had any material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Review Year.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, no contract of significance to which the Company, its holding companies, or any of its subsidiaries was a party, and in which the controlling shareholders' of the Company had a material interest, either directly or indirectly, subsisted or at any time during the Review Year.

### 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 Review Year.

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management of the Group are set out in the section headed "Biographical Details of the Directors and Senior Management" on pages 20 to 26.

### EMOLUMENT POLICY FOR DIRECTORS

A remuneration committee is set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group. The Remuneration Committee recommends Directors' remuneration to the Board by reference to the benchmarking of the market. The Company also looks into individual Director's competence, duties, responsibilities, performance and the results of the Group in determining the exact level of remuneration for each Director.

### DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' and chief executives' emoluments and the five highest paid individuals are set in note 12 to the consolidated financial statements.

### 董事於重大交易、安排或合約中的權益

於回顧年度內，概無董事於本公司或其任何附屬公司為訂約方之一且對本集團業務而言屬重大的任何交易、安排或合約中擁有任何直接或間接權益。

### 控股股東於重大合約的權益

除另有披露者外，於回顧年度內任何時間概無存有本公司、其控股公司或任何其附屬公司為訂約方而本公司控股股東直接或間接擁有重大權益的重大合約。

### 管理合約

於回顧年度，概無訂立或存在有關管理及施行本公司全部或任何重大部分業務的合約。

### 董事及高級管理層履歷資料

本集團董事及高級管理層履歷資料載於第20至26頁「董事及高級管理層履歷資料」一節。

### 董事薪酬政策

已設立的薪酬委員會旨在檢討本集團薪酬政策及本集團所有董事及高級管理層薪酬架構。薪酬委員會通過參考市場基準向董事會建議董事薪酬。本公司在釐定各董事的實際薪酬水平時亦調查個別董事的工作能力、職務、責任、表現及本集團業績。

### 董事及最高行政人員以及五大高薪人士薪酬

董事及最高行政人員以及五大高薪人士薪酬詳情載於綜合財務報表附註12。

## INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATIONS

As at 31 March 2019, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which, pursuant to section 352 of the SFO, have been entered in the register referred to therein, or have been, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Listing Rules, notified to the Company and the Stock Exchange, were as follows:

### Long Position in Our Shares

Name of Directors	Capacity/Nature	Number of ordinary Shares held/interested in 持有／擁有權益 的普通股數目	Percentage of shareholding 股權百分比
董事姓名	身份／性質		
Mr. Yip Yuk Kit 葉育杰先生	Interest in a controlled corporation (Note) 受控法團的權益(附註)	900,000,000 900,000,000	75% 75%

Note: The Company has been owned as to 75% by Fame Circle Limited since the Listing. Fame Circle Limited is legally and beneficially owned as to 100% by Mr. Yip. Under the SFO, Mr. Yip is deemed to be interested in the same number of Shares held by Fame Circle Limited.

## 董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證中的權益

於二零一九年三月三十一日，本公司董事或最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或被視作擁有的權益或淡倉），或根據證券及期貨條例第352條，須記錄於該條所指登記冊的權益或淡倉，或根據上市規則上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

### 於股份的好倉

Name of Directors	Capacity/Nature	Number of ordinary Shares held/interested in 持有／擁有權益 的普通股數目	Percentage of shareholding 股權百分比
董事姓名	身份／性質		
Mr. Yip Yuk Kit 葉育杰先生	Interest in a controlled corporation (Note) 受控法團的權益(附註)	900,000,000 900,000,000	75% 75%

附註：自上市起，本公司將已 Fame Circle Limited 擁有 75%。Fame Circle Limited 由葉先生合法及實益擁有全部權益。根據證券及期貨條例，葉先生被視為於 Fame Circle Limited 所持相同數目股份中擁有權益。

## Long Position in the Shares of Associated Corporation

Name of Directors	Name of associated corporation	Capacity/Nature	Number of ordinary shares held/interested in 持有／擁有權益 的普通股數目	Percentage of interest 權益百分比
董事姓名	相聯法團名稱	身份／性質		
Mr. Yip Yuk Kit 葉育杰先生	Fame Circle Limited Fame Circle Limited	Beneficial interest 實益權益	50,000 50,000	100% 100%

### 於相聯法團股份中的好倉



## DIRECTORS' REPORT 董事會報告

Save as disclosed above, as at 31 March 2019, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

### INTERESTS OF SUBSTANTIAL AND OTHER SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at 31 March 2019, so far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

除上文所披露者外，於二零一九年三月三十一日，概無董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有任何權益或淡倉，須根據證券及期貨條例第352條記錄於登記冊，或根據標準守則知會本公司及聯交所。

### 主要股東及其他股東於股份及相關股份的權益

就董事所知，於二零一九年三月三十一日，下列人士（並非本公司董事或最高行政人員）於股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須知會本公司及聯交所的權益或淡倉，或直接或間接擁有附帶權利可在任何情況下於本公司或本集團任何其他成員公司股東大會上投票的任何類別股本的面值10%或以上權益：

Name	Capacity/Nature	Number of ordinary Shares held/interested in	Percentage of interest
名稱／姓名	地位／性質	持有／擁有權益的普通股數目	權益百分比
Fame Circle Limited	Beneficial interest (Note 1)	900,000,000	75%
Fame Circle Limited	實益權益(附註1)	900,000,000	75%
Ms. Yip Lai Ping	Interest of spouse (Note 2)	900,000,000	75%
葉麗萍女士	配偶權益(附註2)	900,000,000	75%

Notes:

1. Fame Circle is owned as to 100% by Mr. Yip. Mr. Yip is the sole director of Fame Circle. Under the SFO, Mr. Yip is deemed to be interested in the same number of Shares held by Fame Circle.
2. Mrs. Yip is the spouse of Mr. Yip. Under the SFO, Mrs. Yip is deemed to be interested in the same number of Shares in which Mr. Yip is interested.

附註：

1. Fame Circle由葉先生全資擁有。葉先生為Fame Circle的唯一董事。根據證券及期貨條例，葉先生被視為於Fame Circle所持的相同數目股份中擁有權益。
2. 葉女士為葉先生的配偶。根據證券及期貨條例，葉女士被視為於葉先生擁有權益的相同數目股份中擁有權益。

## SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Share Option Scheme") on 18 January 2018. The principal terms of the Share Option Scheme are summarised in Appendix V to the Prospectus. The purpose of the Share Option Scheme is to attract and retain the best available personnel of the Group, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 18 January 2018, and there is no outstanding share option as at 31 March 2019.

## ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the Review Year and up to the date of this report was the Company or any of its subsidiaries or a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any body corporate.

## MAJOR SUPPLIERS AND CUSTOMERS

The percentage of sales and purchases for the Review Year attributable to the Group' major customers and suppliers are as follow:

### Sales

– the largest customer	93.9% (For the year ended 31 March 2018: 71.7%)
– five largest customers	99.1% (For the year ended 31 March 2018: 97.6%)

### Purchases

– the largest supplier	39.8% (For the year ended 31 March 2018: 44.3%)
– five largest suppliers	74.5% (For the year ended 31 March 2018: 68.6%)

None of the Directors, their close 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 the major customers or suppliers noted above.

## 購股權計劃

本公司已於二零一八年一月十八日採納購股權計劃(「購股權計劃」)。購股權計劃的主要條款概述於招股章程附錄五。購股權計劃旨在吸引及挽留本集團的最傑出人才，向本集團的僱員(全職及兼職)、董事、諮詢顧問、顧問、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商提供額外獎勵，促成本集團的業務成功。自二零一八年一月十八日採納之日起，概無購股權根據購股權計劃授出、行使、註銷或失效，於二零一九年三月三十一日，概無未行使購股權。

## 收購股份或債權證安排

於整個回顧年度及直至本報告日期，本公司或其任何附屬公司或任何一方概無訂立任何安排，致使本公司董事可透過收購本公司或任何法人團體的股份或債權證而取得利益。

## 主要供應商及客戶

於回顧年度，本集團主要客戶及供應商應佔的銷售及採購百分比載列如下：

### 銷售

–最大客戶	93.9% (截至二零一八年三月三十一日止年度：71.7%)
–五大客戶	99.1% (截至二零一八年三月三十一日止年度：97.6%)

### 採購

–最大供應商	39.8% (截至二零一八年三月三十一日止年度：44.3%)
–五大供應商	74.5% (截至二零一八年三月三十一日止年度：68.6%)

概無董事、彼等緊密聯繫人或任何股東(據董事所悉，擁有本公司股本5%以上)於上述主要客戶或供應商中擁有權益。

## DIRECTORS' REPORT 董事會報告

### RELATED PARTIES TRANSACTIONS

Details of the significant related party transactions undertaken in the normal course of business are set out in the note 28 to the consolidated financial statements, and none of which constitutes a discloseable connected transaction as defined under the Listing Rules.

### SUBSIDIARIES

Details of the subsidiaries of the Company are set out in note 15 to the consolidated financial statements.

### USE OF PROCEEDS

The details of the use of proceeds for the Review Year is set out in the section headed "Management Discussion and Analysis" on pages 6 to 19 in this report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for its Shares as required under the Listing Rules during the Review Year and up to the date of this report.

### RETIREMENT SCHEME

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

### AUDITORS

The consolidated financial statement for the Review Year have been audited by Grant Thornton Hong Kong Limited, who will retire and, being eligible, offer itself for re-appointment at the forthcoming annual general meeting of the Company. There has been no change in the auditor of the Company since its Listing.

### EVENTS AFTER THE REVIEW YEAR

There have been no other material events occurring after 31 March 2019 and up to the date of this report.

By Order of the Board  
**Dragon Rise Group Holdings Limited**  
**Yip Yuk Kit**  
*Chairman and executive Director*

Hong Kong, 26 June 2019

### 關聯方交易

在日常業務過程中進行的重大關聯方交易詳情載於綜合財務報表附註28，而當中並無任何交易構成上市規則界定的須予披露關連交易。

### 附屬公司

本公司附屬公司詳情載於綜合財務報表附註15。

### 所得款項用途

所得款項於回顧年度的使用詳情載於本報告第6至19頁「管理層討論及分析」一節。

### 充足公眾持股量

根據本公司公開可得之資料及據董事所悉，董事確認於回顧年度及直至本報告日期，本公司就其股份一直維持上市規則規定的充足公眾持股量。

### 退休計劃

本集團參與香港法例第485章《強制性公積金計劃條例》規定的強制性公積金。除前文所述者外，本集團於回顧年度並無參與任何其他退休金計劃。

### 核數師

回顧年度之綜合財務報表已由致同(香港)會計師事務所有限公司審核，而該公司將退任及合資格並願意於本公司應屆股東週年大會上接受續聘。本公司核數師自上市以來並無變更。

### 回顧年度後事項

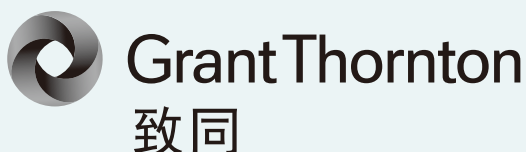
二零一九年三月三十一日後及至本報告日期，並無發生任何其他重大事項。

承董事會命  
**龍昇集團控股有限公司**  
*主席兼執行董事*  
**葉育杰**

香港，二零一九年六月二十六日

# INDEPENDENT AUDITORS' REPORT

## 獨立核數師報告



To the members of Dragon Rise Group Holdings Limited  
(incorporated in the Cayman Islands with limited liability)

致龍昇集團控股有限公司股東  
(於開曼群島註冊成立之有限公司)

### OPINION

We have audited the consolidated financial statements of Dragon Rise Group Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 70 to 151, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

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

### 意見

吾等已審核第70至151頁所載龍昇集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，綜合財務報表包括於二零一九年三月三十一日的綜合財務狀況表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一九年三月三十一日的綜合財務狀況及其截至該日止年度之綜合財務狀況及綜合現金流量，並已按香港公司條例之披露規定妥為編製。

### 意見基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等於該等準則項下的責任在本報告「核數師對審核綜合財務報表之責任」一節中詳述。根據香港會計師公會之職業會計師道德守則(「守則」)，吾等獨立於貴集團且已遵守守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證可充足及適當地為吾等的審核意見提供基礎。

### 關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核本期間綜合財務報表的最重要事項。吾等在整體審核綜合財務報表及就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。



## INDEPENDENT AUDITORS' REPORT 獨立核數師報告

### KEY AUDIT MATTERS (continued)

#### Accounting for construction contracts

Refer to the summary of significant accounting policies in notes 2.14, note 4(a) and note 5 to the consolidated financial statements.

#### Key Audit Matter

The Group recognised revenue and costs from construction contracts amounted to approximately HK\$458,174,000 and HK\$425,750,000 respectively for the year ended 31 March 2019.

The Group's revenue and costs of construction contracts are recognised based on output method by reference to the direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract. The value of the services transferred to customer to date is measured according to the progress certificate (by reference to the construction works certified by the customers or their agents). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

These transactions require the management's estimation and judgement of the contract revenue, direct cost and variation works which may have an impact on the construction contract and corresponding profit margin incurred.

### 關鍵審核事項(續)

#### 建築合約的會計處理

#### How our audit addressed the Key Audit Matter

Our audit procedures in relation to the construction contracts included the following:

- Understood the basis of estimation of the budgets through discussion with the management who is responsible for the budgeting of the construction contracts, and evaluated the reasonableness of the estimated profit margins by taking into account of the profit margins of historical similar projects;
- Inspected the key terms and conditions of construction contracts and verified the total contract revenue;
- Assessed and checked, on a sample basis, the accuracy of the budgeted construction revenue by agreeing to contract sum or variation orders as set out in the construction contracts or the agreements entered with customers;
- Selected, on a sample basis, the construction contracts to examine project manager's budget of the cost components to actual cost incurred, such as cost of materials, subcontracting charges and labour costs, etc. We compared the budgeted construction costs to supporting documents including but not limited to invoices, quotations and rate of labour costs, etc.; and
- Evaluated the management's assessment on revenue recognised of the construction contracts, on a sample basis, based on the latest progress certificates issued by the customers or their agents, including the certified contract work and variation orders, if any, and discussed with management and the respective project managers about the progress of the projects and cost incurred for work performed but not certified.

**KEY AUDIT MATTERS (continued)**

**Accounting for construction contracts (continued)**

請參閱綜合財務報表附註2.14、附註4(a)及附註5所述主要會計政策概要。

**關鍵審核事項(續)**

**建築合約的會計處理(續)**

**關鍵審核事項**

**吾等的審核如何處理關鍵審核事項**

截至二零一九年三月三十一日止年度，貴集團分別確認建築合約收益及成本約458,174,000港元及425,750,000港元。

貴集團建築合約收益及成本參考迄今已轉讓予客戶之服務之價值之直接計量，相對合約下承諾提供的餘下服務之價值根據輸出法確認。迄今已轉讓予客戶的服務的價值乃根據進度證明(參照客戶或其代理認證的建築工程)計量。當建築合約的結果無法可靠估計時，合約收益僅於有可能收回已產生合約成本時確認。

該等交易要求管理層對合約收益、直接成本及工程變更作出估計及判斷而可能對建築合約及已產生相應溢利率造成影響。

吾等就建築合約進行之審核程序包括以下各項：

- 透過與負責進行建築合約預算的管理人員討論了解預算的估計基準，及計及過往類似項目的利潤率，評估估計利潤率的合理性；
- 檢查建築合約的主要條款及條件及核實總合約收益；
- 通過同意建築合約或與客戶訂立的協議中所載的合約金額或變更單，抽樣評估及檢查預算合約收益的準確性；
- 抽樣選擇建築合約以檢查項目經理對所產生實際成本的成本組成部分的預算，如材料成本、分包費及勞工成本等。吾等會對比預算建築成本與證明文件，包括但不限於發票、報價及勞務成本價格等；及
- 根據客戶或其代理出具的最新進度證明，包括核實的合約工程及變更單(如有)，抽樣評估管理層對建築合約確認收益的估計及與管理層及各項目經理討論項目進度及已進行工程所產生但尚未核證的成本。

## INDEPENDENT AUDITORS' REPORT 獨立核數師報告

### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the 2019 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

### RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

### 其他資料

董事須對其他資料負責。其他資料包括 貴公司二零一九年年報內所有資料，惟不包括綜合財務報表及相關核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審核過程中所了解的情況有重大抵觸，或者似有重大失實陳述。基於吾等已完成的工作，倘吾等認為其他資料有重大失實陳述，吾等須報告該事實。於此方面，吾等並無任何報告。

### 董事對綜合財務報表之責任

董事負責按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編製真實而公平的綜合財務報表，以及進行董事認為必要之內部控制，確保綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大失實陳述。

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

審核委員會協助董事監督 貴集團的財務報告流程。

## 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, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## 核數師對審核綜合財務報表之責任

吾等的目標為對綜合財務報表整體是否不存在由於欺詐或錯誤而導致重大失實陳述取得合理保證，並出具載有吾等意見的核數師報告。吾等按協定的委聘條款，僅向閣下（作為一個整體）報告，不得作其他用途。吾等並不就本報告內容對其他人士負責或承擔責任。

合理保證為高水平的保證，惟不能保證根據香港審計準則進行的審核總能識別存在的重大失實陳述。失實陳述可由欺詐或錯誤引致，倘合理預期其單獨或匯總後，可能影響綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則被視為屬重大失實陳述。

根據香港審計準則進行審核時，吾等運用專業判斷，於整個審核過程中保持專業懷疑態度，吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大失實陳述的風險，因應該等風險設計及執行審核程序，以及獲取充足及適當的審核憑證，作為吾等提供意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致出現重大失實陳述的風險高於未能發現因錯誤而導致出現重大失實陳述的風險。
- 了解與審核相關的內部監控，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。



## INDEPENDENT AUDITORS' REPORT 獨立核數師報告

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

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

### 核數師對審核綜合財務報表之責任 (續)

- 總結董事採用持續經營會計基礎的適當性，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性因素，從而可能導致對貴集團的持續經營能力產生重大懷疑。倘吾等認為存在重大不確定性因素，則有必要在核數師報告中提請注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)以及綜合財務報表是否公平反映相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。吾等負責貴集團審核的指導、監督及執行。吾等對審核意見承擔全部責任。

吾等與審核委員會溝通(其中包括)審核的計劃範圍及時間以及重大審核發現，包括吾等於審核時識別的內部監控的任何重大不足。

吾等亦向審核委員會提交聲明，表明吾等已遵守有關獨立性的相關道德要求，並就所有可能合理認為會影響吾等獨立性的關係及其他事項以及相關的防範措施(如適用)與審核委員會溝通。

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

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

**Grant Thornton Hong Kong Limited**

*Certified Public Accountants*

Level 12  
28 Hennessy Road  
Wanchai  
Hong Kong

26 June 2019

**Chan Tze Kit**

Practising Certificate No.: P05707

**核數師對審核綜合財務報表之責任  
(續)**

從與審核委員會進行溝通的事項中，吾等決定該等對本期綜合財務報表審核最為重要的事項，即構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，若合理預期於吾等報告中註明該事項造成的負面後果將超過其產生的公眾利益，則吾等決定不在報告中註明該事項。

**致同(香港)會計師事務所有限公司**

*執業會計師*

香港  
灣仔  
軒尼詩道28號  
12樓

二零一九年六月二十六日

**陳子傑**

執業證書編號：P05707

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (note) (附註)
<b>Revenue</b>	<b>收益</b>	5	<b>458,174</b>	805,716
Direct costs	直接成本		<b>(425,750)</b>	(708,568)
<b>Gross profit</b>	<b>毛利</b>		<b>32,424</b>	97,148
Other gains and losses, net	其他收益及虧損·淨額	6	<b>84</b>	2,110
Administrative expenses	行政開支		<b>(19,848)</b>	(34,861)
Finance costs	財務費用	7	<b>(297)</b>	(299)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	8	<b>12,363</b>	64,098
Income tax expense	所得稅開支	9	<b>(2,530)</b>	(13,070)
<b>Profit and total comprehensive income for the year attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔年內溢利及全面收入總額</b>		<b>9,833</b>	51,028
			<b>HK cents</b> 港仙	HK cents 港仙
<b>Earnings per share for profit attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔溢利之每股盈利</b>			
Basic and diluted	基本及攤薄	11	<b>0.82</b>	5.41

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated (refer to note 3 for details).

附註：本集團於二零一八年四月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡法，並無重列比較資料（詳情參閱附註3）。

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註構成該等綜合財務報表之不可分割部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 March 2019 於二零一九年三月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (note) (附註)
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機械及設備	13	<b>57,073</b>	22,701
Investment properties	投資物業	14	<b>4,970</b>	4,550
			<b>62,043</b>	27,251
<b>Current assets</b>	<b>流動資產</b>			
Trade and other receivables	貿易及其他應收款項	16	<b>14,072</b>	61,552
Contract assets	合約資產	18	<b>113,158</b>	–
Amounts due from customers on construction contracts	應收客戶建築合約款項	17	–	94,137
Tax recoverable	可收回稅項		<b>4,197</b>	–
Cash, bank balances and pledged deposits	現金、銀行結餘及已抵押存款	19	<b>136,815</b>	147,267
			<b>268,242</b>	302,956
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	20	<b>(30,501)</b>	(42,399)
Borrowings, secured	有抵押借款	21	<b>(3,523)</b>	–
Obligation under finance leases	融資租賃承擔	22	<b>(2,307)</b>	(2,404)
Contract liabilities	合約負債	18	<b>(1,021)</b>	–
Amounts due to customers on construction contracts	應付客戶建築合約款項	17	–	(1,185)
Tax payable	應付稅項		–	(1,537)
			<b>(37,352)</b>	(47,525)
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>230,890</b>	255,431
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>292,933</b>	282,682
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Obligation under finance leases	融資租賃承擔	22	–	(2,307)
Deferred tax liabilities	遞延稅項負債	23	<b>(4,798)</b>	(2,073)
			<b>(4,798)</b>	(4,380)
<b>Net assets</b>	<b>淨資產</b>		<b>288,135</b>	278,302





# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Share capital 股本 HK\$'000 千港元	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
Balance at 1 April 2017	於二零一七年四月一日結餘	690	–	–	117,690	118,380
Profit and total comprehensive income for the year	年內溢利及全面收入總額	–	–	–	51,028	51,028
Reorganisation and issue of shares (note 24)	重組及發行股份(附註24)	(686)	–	686	–	–
Issue of shares pursuant to the capitalisation issue (note 24)	根據資本化發行發行股份(附註24)	8,996	(8,996)	–	–	–
Issue of shares pursuant to the share offer (note 24)	根據股份發售發行股份(附註24)	3,000	105,894	–	–	108,894
Transactions with owners	與擁有人進行的交易	11,310	96,898	686	–	108,894
Balance at 31 March 2018 and 1 April 2018 (note)	於二零一八年三月三十一日及二零一八年四月一日結餘(附註)	12,000	96,898	686	168,718	278,302
Profit and total comprehensive income for the year	年內溢利及全面收入總額	–	–	–	9,833	9,833
<b>Balance at 31 March 2019</b>	<b>於二零一九年三月三十一日結餘</b>	<b>12,000</b>	<b>96,898</b>	<b>686</b>	<b>178,551</b>	<b>288,135</b>

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated (refer to note 3 for details).

附註：本集團於二零一八年四月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡法，並無重列比較資料（詳情參閱附註3）。

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註構成該等綜合財務報表之不可分割部分。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流量</b>		
Profit before tax	除稅前溢利	<b>12,363</b>	64,098
Adjustments for:	就以下各項作出調整：		
Depreciation	折舊	<b>14,222</b>	10,952
Net gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產 的收益淨額	-	(217)
Change in fair value of investment properties	投資物業公平值變動	<b>(420)</b>	(530)
Dividend income	股息收入	-	(13)
Interest income	利息收入	<b>(551)</b>	(1,199)
Finance costs	財務費用	<b>297</b>	299
Foreign exchange translation	外幣換算	<b>1,031</b>	-
Operating profit before working capital changes	營運資金變動前經營溢利	<b>26,942</b>	73,390
Decrease in trade and other receivables	貿易及其他應收款項減少	<b>15,561</b>	17,793
Decrease/(Increase) in contract assets/ amounts due from customers on construction contracts	合約資產／應收客戶建築合約款項 減少／(增加)	<b>13,071</b>	(63,030)
(Decrease)/Increase in trade and other payables	貿易及其他應付款項(減少)／增加	<b>(11,898)</b>	8,831
(Decrease)/Increase in contract liabilities/ amounts due to customers on construction contracts	合約負債／應付客戶建築合約款項 (減少)／增加	<b>(164)</b>	92
Decrease in balance with a director	與一名董事之結餘減少	-	(1,227)
Cash generated from operations	經營所得現金	<b>43,512</b>	35,849
Income tax paid	已付所得稅	<b>(5,539)</b>	(11,561)
<i>Net cash generated from operating activities</i>	<i>經營活動所得現金淨額</i>	<b>37,973</b>	24,288

## CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Cash flows from investing activities</b>	<b>投資活動所得現金流量</b>		
Purchase of property, plant and equipment	購買物業、機械及設備	<b>(48,594)</b>	(20,129)
Purchase of financial assets at amortised cost	購買按攤銷成本列賬的金融資產	<b>(16,320)</b>	–
Repayment from financial assets at amortised cost	按攤銷成本列賬的金融資產還款	<b>15,116</b>	–
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產的所得款項	–	2,806
Dividend received	已收股息	–	13
Interest received	已收利息	<b>551</b>	1,199
Increase in pledged bank deposits	已抵押銀行存款增加	<b>(15,208)</b>	(10,200)
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	<b>(64,455)</b>	(26,311)
<b>Cash flows from financing activities</b>	<b>融資活動所得現金流量</b>		
Proceeds from issue of new shares	發行新股份所得款項	–	120,000
Share issue expenses	股份發行開支	–	(11,106)
Addition of borrowings	借款增加	<b>4,000</b>	–
Repayment of borrowings	償還借款	<b>(477)</b>	(895)
Repayment of obligation under finance leases	償還融資租賃承擔	<b>(2,404)</b>	(2,285)
Repayment of balance with a director	償還與一名董事之結餘	–	(3,000)
Interest paid	已付利息	<b>(297)</b>	(299)
<i>Net cash generated from financing activities</i>	<i>融資活動所得現金淨額</i>	<b>822</b>	102,415
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)/增加淨額</b>	<b>(25,660)</b>	100,392
Cash and cash equivalents at the beginning of year	於年初的現金及現金等價物	<b>137,067</b>	36,675
<b>Cash and cash equivalents at end of year (note 19)</b>	<b>於年末的現金及現金等價物(附註19)</b>	<b>111,407</b>	137,067

The notes on pages 76 to 151 are an integral part of these consolidated financial statements.

第76至151頁之附註構成該等綜合財務報表之不可分割部分。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 1. GENERAL INFORMATION AND BASIS OF PRESENTATION

#### 1.1 General information

Dragon Rise Group Holdings Limited (“the Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 22 February 2017. The address of the Company’s registered office is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and principal place of business is Office K, 12/F, Kings Wing Plaza 2, No. 1 On Kwan Street, Shatin, Hong Kong.

The Company is an investment holding company, and its subsidiaries (collectively referred to as the “Group”) are principally engaged in undertaking foundation works in Hong Kong as a subcontractor.

The Company’s immediate and ultimate holding company is Fame Circle Limited, a company incorporated in the British Virgin Islands (the “BVI”) and wholly owned by Mr. Yip Yuk Kit (“Mr. Yip” or “Controlling Shareholder”).

The Company’s shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 February 2018.

These consolidated financial statements for the year ended 31 March 2019 were approved for issue by the board of directors on 26 June 2019.

### 1. 一般資料及呈列基準

#### 1.1 一般資料

龍昇集團控股有限公司(「本公司」)於二零一七年二月二十二日在開曼群島按照開曼群島公司法(經修訂)註冊成立為獲豁免有限公司。本公司註冊辦事處地址為P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands，主要營業地點為香港沙田安群街1號京瑞廣場2期12樓K室。

本公司為投資控股公司，其附屬公司(統稱「本集團」)主要業務為於香港作為分包商承接地基工程。

本公司直接及最終控股公司為Fame Circle Limited，一家於英屬處女群島(「英屬處女群島」)註冊成立的公司，由葉育杰先生(「葉先生」或「控股股東」)全資擁有。

本公司股份於二零一八年二月八日於香港聯合交易所有限公司(「聯交所」)主板上市。

截至二零一九年三月三十一日止年度的該等綜合財務報表於二零一九年六月二十六日獲董事會批准刊發。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 1. GENERAL INFORMATION AND BASIS OF PRESENTATION (continued)

#### 1.2 Reorganisation

Pursuant to a group reorganisation (the “Reorganisation”) of the Company in connection with the listing of its shares on the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 21 August 2017. Details of the Reorganisation are set out in the paragraph headed “Reorganisation” in the section headed “History and Development” in the Company’s prospectus dated 26 January 2018. The Group was under the common control of the Controlling Shareholders prior to and after the Reorganisation. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity.

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 March 2018, which include the results, changes in equity and cash flows of the companies now comprising the Group have been prepared using the principles of merger accounting under Hong Kong Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as if the Company had always been the holding company of the Group and the current group structure had been in existence throughout the year ended 31 March 2018, or since their respective dates of incorporation, where it is a shorter period.

### 1. 一般資料及呈列基準(續)

#### 1.2 重組

根據本公司就股份於聯交所上市進行的集團重組(「重組」)，本公司於二零一七年八月二十一日成為本集團現時旗下各公司的控股公司。重組詳情載於本公司日期為二零一八年一月二十六日的招股章程「歷史及發展」一節「重組」一段。本集團於重組前後均受控股股東共同控制。重組產生的本集團(包括本公司及其附屬公司)視為持續經營實體。

截至二零一八年三月三十一日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表(包括本集團現時旗下各公司的業績、權益變動及現金流量)乃根據香港會計師公會(「香港會計師公會」)頒佈的香港會計指引第5號「共同控制下合併的合併會計處理」下的合併會計原則編製，猶如本公司一直為本集團的控股公司及現時的集團架構於截至二零一八年三月三十一日止年度或自各公司各自註冊成立日期以來(以較短期間為準)一直存在。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”).

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented in the consolidated financial statements. The adoption of new or amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties, which are stated at fair values. The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousands (“HK\$’000”), except when otherwise indicated.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgment of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

### 2. 重大會計政策概要

#### 2.1 編製基準

該等綜合財務報表乃按香港財務報告準則（「香港財務報告準則」），該統稱包括由香港會計師公會頒佈的所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公認會計原則編製。

綜合財務報表亦符合香港公司條例的適用披露規定及聯交所證券上市規則（「上市規則」）的適用披露規定。

編製該等綜合財務報表採用的主要會計政策概述於下文。該等政策於綜合財務報表呈列的所有年度貫徹應用。採納新訂或經修訂香港財務報告準則及對本集團綜合財務報表的影響（如有）於附註3披露。

綜合財務報表已根據歷史成本法編製，惟投資物業按公平值列賬。綜合財務報表以港元（「港元」）列示，港元亦為本公司及其附屬公司功能貨幣。除另有指示外，所有價值均約整至最接近千元（「千港元」）。

謹請留意，編製綜合財務報表時採用會計估計及假設。雖然該等估計乃基於管理層對當前事件及行動的最佳認知及判斷，但實際結果可能最終有別於該等估計。涉及較高程度判斷或複雜性之範疇或對綜合財務報表屬重大之假設及估計之範疇，於附註4披露。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

Subsidiaries are entities controlled by the Group. 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 over the entity. When assessing whether the Group has power over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

### 2. 重大會計政策概要(續)

#### 2.2 綜合基準

綜合財務報表包括本集團的財務報表。附屬公司的財務報表按與本公司相同的報告期間採用一致會計政策編製。

附屬公司為本集團控制的實體。當本集團因參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該實體的權力影響此等回報時，本集團即控制該實體。評估本集團是否擁有對該實體的權力時，僅考慮本集團及其他方所持有關該實體的實質權利。

本集團自取得附屬公司控制權之日起將附屬公司的收入及開支列入綜合財務報表，直至本集團不再擁有附屬公司控制權之日為止。

於編製綜合財務報表時，集團內公司間交易、結餘及集團公司之間交易的未變現收益及虧損會對銷。附屬公司的財務報表中呈報的金額已作出必要調整，以確保與本集團採納的會計政策一致。

於本公司財務狀況表中，除非附屬公司乃持作銷售或納入出售組別，否則附屬公司按成本減任何減值虧損列賬。成本經調整以反映因或然代價修訂而引起的代價變動。成本亦包括直接應佔投資成本。

附屬公司業績由本公司於報告日期按已收及應收股息基準入賬。所有股息不論以被投資方的收購前或收購後溢利撥付均於本公司損益中確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date).

#### 2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Depreciation commences when the assets are ready for their intended use.

Depreciation is provided to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method, at the following rates per annum:

Plant and machinery	20% to 30%
Motor vehicles	30%
Furniture, fixtures and equipment	20%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

### 2. 重大會計政策概要(續)

#### 2.3 外幣換算

於綜合實體之獨立財務報表內，外幣交易按交易當日之現行匯率換算為個別實體之功能貨幣。於報告日期，外幣計值的貨幣資產及負債均按該日的外匯匯率換算。因結算該等交易及因報告日期換算貨幣資產及負債所產生之匯兌收益及虧損，均於損益確認。

按公平值入賬及以外幣計值之非貨幣項目按釐定公平值當日之適用匯率換算。以外幣計值按歷史成本計量之非貨幣項目概不重新換算(即僅使用交易日期的匯率換算)。

#### 2.4 物業、機械及設備

物業、機械及設備乃按成本減累計折舊及減值虧損入賬。成本包括購買資產的直接應佔開支。當資產可用於擬定用途時，即開始產生折舊。

折舊按估計可使用年期以直線法撇銷資產成本減其剩餘價值計提，所採用年率如下：

廠房及機械	20%至30%
汽車	30%
傢俬、固定裝置及設備	20%

融資租賃項下持有的資產乃按與自有資產相同的預期使用年期或(倘更短)有關租約年期折舊。

資產的剩餘價值、折舊方法及可使用年期於各報告日期檢討及調整(如適用)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

#### 2.5 Investment properties

Investment properties are land and buildings which are owned or held under a leasehold interest to earn rental income and for capital appreciation.

When the Group holds a property interest to earn rental income under an operating lease and for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost and subsequently at fair value, unless its fair value cannot be reliably determined at that time.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Fair value is determined by external professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised at the reporting date reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either changes in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

### 2. 重大會計政策概要 (續)

#### 2.4 物業、機械及設備 (續)

廢棄或出售時產生的收益或虧損按銷售所得款項與資產賬面值間的差額釐定，並於損益確認。

其後成本僅在項目相關的未來經濟利益將會流入本集團及能夠可靠計量項目成本時，方會在適當情況下計入資產賬面值或確認為獨立資產。更換部分的賬面值終止確認。維修及保養等所有其他成本，均於產生的財務期間自損益扣除。

#### 2.5 投資物業

投資物業是指為賺取租金收入及為資本增值而以租賃權益擁有或持有的土地及建築物。

當本集團以經營租賃持有物業權益以賺取租金收入及為資本增值，則權益會按每項物業的基準劃歸為投資物業進行會計處理。劃歸為投資物業的任何物業權益按猶如以融資租賃持有的方式入賬。

初步確認時，投資物業按成本計量，除非在當時其公平值不能可靠釐定，則之後再按公平值計量。

成本包括因收購投資物業直接產生的開支。

公平值由在投資物業所在位置及性質方面經驗豐富的外界專業估值師釐定。於報告日期確認的賬面值反映報告日期的現行市況。

投資物業的公平值變動或出售所產生的收益或虧損計入產生期間的損益。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Financial instruments

##### (a) Financial assets

###### **Recognition and derecognition**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred.

###### **Policy applicable from 1 April 2018**

###### **Classification and initial measurement of financial assets**

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with HKFRS 15, all financial assets are initially measured at fair value, in case of a financial asset not at fair value through profit or loss ("FVTPL"), plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the consolidated statement of profit or loss and other comprehensive income.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- FVTPL; or
- fair value through other comprehensive income ("FVTOCI").

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

### 2. 重大會計政策概要(續)

#### 2.6 金融工具

##### (a) 金融資產

###### **確認及終止確認**

金融資產在本集團成為金融工具合約條文的訂約方時確認。

當金融資產的現金流量的合約權利到期，或金融資產及其絕大部分風險及回報轉移時，金融資產終止確認。

###### **自二零一八年四月一日起適用的政策**

###### **金融資產的分類及初始計量**

除不包含重大融資成分且按交易價格按照香港財務報告準則第15號計量的貿易應收款項外，所有金融資產初步按公平值計量，倘金融資產並非按公平值計入損益（「按公平值計入損益」），加上直接歸屬於收購該金融資產的交易成本。按公平值計入損益的金融資產的交易成本於綜合損益及其他全面收益表支銷。

金融資產（不包括指定及有效作對沖工具之金融資產）分為以下類別：

- 攤銷成本；
- 按公平值計入損益；或
- 按公平值計入其他全面收益（「按公平值計入其他全面收益」）。

分類由以下兩者決定：

- 實體管理金融資產的業務模式；及
- 金融資產的合約現金流量特徵。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Financial instruments (continued)

##### (a) Financial assets (continued)

##### **Policy applicable from 1 April 2018 (continued)**

##### **Classification and initial measurement of financial assets (continued)**

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, other gains and losses, net except for expected credit losses (“ECL”) of trade receivables and other financial assets at amortised cost which is presented administrative expenses.

##### **Subsequent measurement of financial assets**

##### **Debt investments**

##### **Financial assets at amortised cost**

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in other gains and losses, net in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group’s cash, bank balances and pledged deposits and trade and other receivables fall into this category of financial instruments.

### 2. 重大會計政策概要 (續)

#### 2.6 金融工具 (續)

##### (a) 金融資產 (續)

##### **自二零一八年四月一日起適用的政策 (續)**

##### **金融資產的分類及初始計量 (續)**

所有與損益中確認的金融資產相關的收入及開支均在財務成本、其他收益及虧損淨額中呈列，惟貿易應收款項及按攤銷成本計量之其他金融資產之預期信貸虧損（「預期信貸虧損」）在行政開支中呈列。

##### **金融資產的後續計量**

##### **債務投資**

##### **按攤銷成本列賬的金融資產**

倘資產符合以下條件（並且未指定為按公平值計入損益），則金融資產按攤銷成本計量：

- 彼等為在一種業務模式中持有，其目的是持有金融資產並收取其合約現金流量；及
- 金融資產的合約條款產生的現金流量僅為支付本金及未償還本金的利息。

於初始確認後，使用實際利率法以攤銷成本法計量。來自該等金融資產的利息收入計入損益之其他收益及虧損淨額項下。倘貼現的影響並不重要，則省略貼現。本集團的現金、銀行結餘及已抵押存款以及貿易及其他應收款項均屬於此類金融工具。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Financial instruments (continued)

##### (a) Financial assets (continued)

###### **Policy applicable before 1 April 2018**

Financial assets are classified into loans and receivables. Management determines the classification of its financial assets in initial recognition depending on the purpose for which the financial assets were required and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risk and rewards of ownership have been transferred.

At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

###### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

### 2. 重大會計政策概要(續)

#### 2.6 金融工具(續)

##### (a) 金融資產(續)

###### **於二零一八年四月一日之前適用的政策**

金融資產分類為貸款及應收款項。管理層視乎購入金融資產的目的於初步確認時釐定其金融資產分類，並在允許及適當情況下，於各報告日期重新評估此劃分。

所有金融資產只會在本集團成為有關工具合約條文的訂約方時確認。以常規方式購買的金融資產於交易日期確認。金融資產於初步確認時按公平值加直接應佔交易成本計量。

當從投資收取現金流量的權利屆滿或被轉讓且擁有權的絕大部分風險與回報已轉讓時，取消確認金融資產。

於各報告日期會對金融資產進行檢討，以評估是否有客觀減值憑證。如有任何上述憑證，則根據金融資產分類釐定及確認減值虧損。

###### **貸款及應收款項**

貸款及應收款項為附帶固定或可釐定付款且並無在活躍市場報價的非衍生金融資產。貸款及應收款項其後採用實際利率法按攤銷成本減任何減值虧損列賬。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分的各項費用。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Financial instruments (continued)

##### (b) Financial liabilities

Financial liabilities are recognised when the Group become a party to the contractual provisions of the financial instrument.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

##### **Classification and measurement of financial liabilities**

The Group's financial liabilities include obligation under finance leases and trade and other payables.

Financial liabilities (excluding obligation under finance leases) are recognised when the Group becomes a party to the contractual provision of the instrument and initially measured at fair value and where applicable, adjusted for transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest method. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of new liability, and the difference in the respective carrying amount is recognised in profit or loss.

##### **Obligation under finance leases**

Obligation under finance leases are measured at initial value less the capital element of lease repayments (see note 2.11).

### 2. 重大會計政策概要 (續)

#### 2.6 金融工具 (續)

##### (b) 金融負債

金融負債於本集團成為金融工具合約條款訂約方時確認。

金融負債在終止、解除、註銷或屆滿時終止確認。

##### **金融負債的分類及計量**

本集團金融負債包括融資租賃承擔以及貿易及其他應付款項。

金融負債(不包括融資租賃承擔)於本集團成為工具合約條款訂約方時確認及初步按公平值計量,並於適用時就交易成本作出調整。其後,金融負債使用實際利率法按攤銷成本計量。所有利息相關費用根據本集團的借貸成本會計政策確認。

當現有金融負債以同一貸款人按極為不同的條款提供的另一項金融負債所取代,或對現有負債的條款作出重大修訂,此類交換或修訂被視為終止確認原有負債及確認新負債,有關賬面值的差額於損益中確認。

##### **融資租賃承擔**

融資租賃承擔按初始價值減租賃還款的資本組成計量(請參閱附註2.11)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Financial instruments (continued)

##### (b) Financial liabilities (continued)

##### *Classification and measurement of financial liabilities (continued)*

##### **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 profit or loss over the period of the borrowings using the effective interest method.

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

##### **Trade and other payables**

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

#### 2.7 Impairment of financial assets and contract assets

##### *Policy applicable from 1 April 2018*

HKFRS 9's impairment requirements use more forward-looking information to recognise ECL – the "ECL model". Instruments within the scope included trade receivables, contract assets recognised and measured under HKFRS 15 and other financial assets measured at amortised cost.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

### 2. 重大會計政策概要(續)

#### 2.6 金融工具(續)

##### (b) 金融負債(續)

##### *金融負債的分類及計量(續)*

##### **借貸**

借貸最初以公平值扣除已產生的交易成本確認。借貸隨後以攤銷成本列賬；所得款項（扣除交易成本）與贖回價值之間的任何差額於借貸期間使用實際利率法於損益中確認。

除非本集團擁有無條件權利可將負債遞延至報告日期後至少十二個月清償，否則借貸將分類為流動負債。

##### **貿易及其他應付款項**

貿易及其他應付款項最初以其公平值確認，隨後使用實際利率法按攤銷成本計量。

#### 2.7 金融資產及合約資產減值

##### *自二零一八年四月一日起適用的政策*

香港財務報告準則第9號的減值規定採用更具前瞻性的資料確認預期信貸虧損－「預期信貸虧損模式」。屬此範疇內之工具包括根據香港財務報告準則第15號確認及計量的貿易應收款項及合約資產以及按攤銷成本計量之其他金融資產。

於評估信貸風險及計量預期信貸虧損時，本集團考量更為廣泛的資料，包括過往事件、現時狀況以及可影響有關工具未來現金流量預期可收回性之有根據的預測。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Impairment of financial assets and contract assets (continued)

##### Policy applicable from 1 April 2018 (continued)

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”) and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”).

“Stage 3” would cover financial assets that have objective evidence of impairment at the reporting date.

“12-month ECL” are recognised for the Stage 1 category while “lifetime ECL” are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

##### Trade receivables and contract assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL, trade receivables and contract assets have been grouped based on credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and retention receivables and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the ECL rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

### 2. 重大會計政策概要 (續)

#### 2.7 金融資產及合約資產減值 (續)

##### 自二零一八年四月一日起適用的政策 (續)

採用該前瞻法時，須對下列各項作出區別：

- 由初步確認以來其信貸質素未發生重大惡化或具較低信貸風險之金融工具(「第一階段」)；及
- 由初步確認以來其信貸質素發生重大惡化且其信貸風險不低之金融工具(「第二階段」)。

「第三階段」覆蓋於報告日期出現減值的客觀證據之金融資產。

「十二個月預期信貸虧損」於第一階段下確認，而「全期預期信貸虧損」於第二階段下確認。

預期信貸虧損之計量乃按概率加權估計於金融工具預計全期之信貸虧損釐定。

##### 貿易應收款項及合約資產

就貿易應收款項及合約資產而言，本集團採用簡化方法計算預期信貸虧損，並於各報告日期根據全期預期信貸虧損確認虧損撥備。考慮到金融資產有效期內任何時候違約的可能性，該等為合約現金流量的預期缺口。於計算預期信貸虧損時，本集團已建立一個基於其歷史信貸虧損經驗及外部指標的撥備矩陣，並根據債務人及經濟環境特定的前瞻性因素進行調整。

為計量預期信貸虧損，貿易應收款項及合約資產已根據信貸風險特徵及逾期天數分組。合約資產涉及未入賬在建工程及應收保留金，且與相同類型合約之貿易應收款項具有大致相同的風險特徵。因此，本集團認為，貿易應收款項之預期信貸虧損率與合約資產之虧損率合理相若。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Impairment of financial assets and contract assets (continued)

*Policy applicable from 1 April 2018 (continued)*

##### **Other financial assets measured at amortised cost**

The Group measures the loss allowance for other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

### 2. 重大會計政策概要(續)

#### 2.7 金融資產及合約資產減值(續)

*自二零一八年四月一日起適用的政策(續)*

##### **按攤銷成本計量之其他金融資產**

本集團計算其他應收款項的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信貸風險大幅增加，本集團確認全期預期信貸虧損。確認是否全期預期信貸虧損的評估是基於自初始確認以來發生違約的可能性或風險的顯著增加。

於評估自初始確認後信貸風險是否顯著增加時，本集團將報告日期金融資產發生違約的風險與初始確認日期金融資產違約風險進行比較。在進行評估時，本集團會考慮合理且可靠的定量及定性信息，包括無需過多的成本或努力即可獲得之歷史經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具外界(如果有)或內部信用評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如信貸利差大幅增加，債務人的信用違約掉期價格；
- 預期會導致債務人履行債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變動；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境的實際或預期的重大不利變動，導致債務人履行債務能力大幅下降。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Impairment of financial assets and contract assets (continued)

*Policy applicable from 1 April 2018 (continued)*

##### **Other financial assets measured at amortised cost (continued)**

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Detailed analysis of ECL assessment of trade receivables, contract assets and other financial assets at amortised cost are set out in note 31.4.

### 2. 重大會計政策概要 (續)

#### 2.7 金融資產及合約資產減值 (續)

*自二零一八年四月一日起適用的政策 (續)*

##### **按攤銷成本計量之其他金融資產 (續)**

儘管存在上述情況，倘債務工具於各報告期間未釐定為低信貸風險，本集團假設債務工具之信貸風險自初始確認起並無大幅增加。倘其違約風險偏低，借款人於短期內絕對有能力滿足其合約現金流量責任，及較長期的經濟及業務狀況存在不利變動，惟將未必削弱借款人履行其合約現金流量責任的能力，則債務工具的信貸風險會釐定為偏低。

就內部信貸風險管理，本集團認為倘內部產生或自外部來源取得的資料顯示，債務人不太可能向其債權人（包括本集團）悉數還款（不考慮本集團持有的任何抵押品），則視其為違約事件。

貿易應收款項、合約資產及按攤銷成本列賬之其他金融資產之預期信貸虧損評估分析詳情載於附註31.4。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Impairment of financial assets and contract assets (continued)

##### Policy applicable before 1 April 2018

At each reporting date, financial assets other than at FVTPL are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor;
- the disappearance of an active market for that financial asset because of financial difficulties; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

### 2. 重大會計政策概要(續)

#### 2.7 金融資產及合約資產減值(續)

##### 於二零一八年四月一日之前適用的政策

於各報告日期，金融資產(按公平值計入損益之金融資產除外)會予以檢討，以釐定有否出現減值的客觀憑證。

個別金融資產減值的客觀憑證包括本集團注意到以下一項或多項虧損事項的可觀察數據：

- 債務人出現重大財政困難；
- 違反合約，如不支付或拖欠利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；
- 因出現財政困難導致該金融資產失去活躍市場；及
- 權益工具投資之公平值大幅或長期下跌至低於其成本值。

有關某一組金融資產的虧損事項包括顯示該組金融資產的估計未來現金流量出現可計量跌幅的可觀察數據。該等可觀察數據包括但不限於組別內債務人的付款狀況以及與組別內資產拖欠情況有關的國家或當地經濟狀況出現不利變動。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.7 Impairment of financial assets and contract assets (continued)

*Policy applicable before 1 April 2018 (continued)*

If any such evidence exists, the impairment loss is measured and recognised as follows:

##### **Financial assets carried at amortised cost**

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

Impairment losses on financial assets other than financial assets at FVTPL and trade receivables that are stated at amortised cost, are written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

### 2. 重大會計政策概要 (續)

#### 2.7 金融資產及合約資產減值 (續)

*於二零一八年四月一日之前適用的政策 (續)*

倘任何該等證據存在，將根據以下方式計量及確認減值虧損：

##### **按攤銷成本列賬的金融資產**

減值虧損金額按該金融資產賬面值與其原實際利率（即首次確認時計算的實際利率）折算的估計未來現金流量（不包括尚未產生的未來信貸虧損）現值的差額計量。虧損金額於減值發生期間在損益確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生的事件聯繫，則需撥回過往確認的減值虧損，惟於撥回減值當日，不得導致金融資產賬面值超過未被確認減值的原本應計的攤銷成本。撥回金額於撥回發生期間在損益確認。

按攤銷成本列賬的金融資產（按公平值計入損益之金融資產除外）以及貿易應收款項的減值虧損直接與相應資產撇銷。倘貿易應收款項的可收回性被認為存疑但並非微乎其微，則屬應收款項呆賬的減值虧損使用撥備賬入賬。倘本集團相信貿易應收款項的可收回性極低，則視為不可收回的款項乃直接自貿易應收款項撇銷，並撥回就該應收款項記入撥備賬的任何金額。先前計入撥備賬的金額如在其後收回，則從撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的金額，均在損益確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Impairment of non-financial assets (other than contract assets)

Property, plant and equipment and the Company's interests in subsidiaries are subject to impairment testing. They are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

The impairment loss is charged pro rata to the assets in the cash-generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal or value in use, if determinable.

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2. 重大會計政策概要(續)

#### 2.8 非金融資產(不包括合約資產)減值

物業、機械及設備以及本公司於附屬公司的權益須接受減值測試。當有跡象表明資產賬面值可能無法收回，則會進行減值測試。

減值虧損按資產賬面值超出其可收回金額的差額，即時確認為開支。可收回金額為反映市況的公平值減出售成本與使用價值兩者的較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險的評估。

為評估減值，倘資產並無產生大致上獨立於其他資產的現金流入，可收回金額則按可獨立產生現金流入的最小資產組別(即現金產生單位)釐定。因此，部分資產個別進行減值測試，另有部分按現金產生單位測試。

減值虧損按比例計入現金產生單位的資產，惟資產賬面值不會減少至低於其個別公平值減出售成本或使用價值(如可釐定)。

倘用於釐定資產可收回金額的估計出現有利變動，則撥回減值虧損，惟以資產賬面值不得高於並無確認減值虧損時原應釐定的賬面值(扣除折舊或攤銷)為限。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.9 Contract assets and contract liabilities

#### *Policy applicable from 1 April 2018*

A contract asset is recognised when the Group recognises revenue (see note 2.14) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 2.7 and are reclassified to receivables when the right to the consideration has become unconditional (see note 2.6).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2.14). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

### 2.10 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.11 Leases

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

## 2. 重大會計政策概要 (續)

### 2.9 合約資產及合約負債

#### *自二零一八年四月一日起適用的政策*

在本集團有權無條件獲取合約所載付款條款代價前確認收益(見附註2.14)時確認合約資產。合約資產按附註2.7所載政策就預期信貸虧損而獲評估，並在代價權利成為無條件後獲重新分類至應收款項(見附註2.6)。

本集團確認相關收益前，合約負債在客戶支付代價時確認(見附註2.14)。倘本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應收款項亦會獲確認。

就與客戶的單一合約而言，淨合約資產或淨合約負債得以呈列。就多份合約而言，不相關合約的合約資產及合約負債不按淨額基準呈列。

### 2.10 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行活期存款及原訂期限為三個月或以下、可隨時轉換為已知金額現金且價值變動風險小的短期高流動性投資。

### 2.11 租賃

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款，則該安排屬於或包含一項租賃。該釐定乃基於對該安排實質內容的評估而作出，不論該安排是否採用租賃的法定形式。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Leases (continued)

##### *Classification of assets leased to the Group*

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

##### *Assets acquired under finance leases*

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligation under finance leases.

Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

##### *Operating lease charges as the lessee*

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to the consolidated statement of profit or loss and other comprehensive income on a straight line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental is charged to profit or loss in the accounting period in which they are incurred.

### 2. 重大會計政策概要 (續)

#### 2.11 租賃 (續)

##### *租予本集團的資產的分類*

本集團根據將所有權的絕大部分風險及回報轉移至本集團的租賃持有的資產均分類為根據融資租賃持有的資產。並無將所有權的絕大部分風險及回報轉移至本集團的租賃分類為經營租賃。

##### *融資租賃項下收購的資產*

倘本集團收購融資租賃項下資產的使用權，金額指已租賃資產的公平值，或倘更低，則為該等資產最低租賃付款的現值列入物業、機械及設備，及相應負債（扣除財務費用）列為融資租賃承擔。

就融資租賃協議項下持有的資產的其後入賬與可資比較收購資產應用的方法對應。相應融資租賃負債扣除租賃付款減財務費用。

財務費用包含於租賃付款，按租賃期間於損益扣除，以就各會計期間剩餘負債結餘產生近似持續的定期收費率。

##### *作為承租人的經營租賃費用*

倘本集團有權使用根據經營租賃持有的資產，則根據租賃作出的付款於租賃期內按直線法自綜合損益及其他全面收益表扣除，惟倘有另一種基準可更能表示自租賃資產獲得的收益的時間模式則除外。收取的租賃獎勵於損益確認為所作總租賃付款淨額的組成部分。或然租金於產生的會計期間自損益扣除。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Leases (continued)

##### *Assets leased out under operating leases as the lessor*

Assets leased out under operating leases are measured and presented according to the nature of the assets. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the rental income.

Rental income receivable from operating leases is recognised in profit or loss on a straight-line basis over the periods covered by the lease term, except where an alternative basis is more representative of the time pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

#### 2.12 Provisions and contingent liabilities

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

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

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

### 2. 重大會計政策概要 (續)

#### 2.11 租賃 (續)

##### *作為出租人根據經營租賃出租的資產*

根據經營租賃出租的資產按資產的性質計量及呈列。於磋商及安排經營租賃時產生的初期直接成本計入所出租資產的賬面值，並於租期內按與租金收入相同的基準確認為開支。

來自經營租賃的應收租金收入於租期所涵蓋期間按直線法於損益確認，惟倘有另一種基準可更妥當地展示使用租賃資產獲得收益的時間模式則除外。授出的租賃獎勵於損益確認，作為合共應收租賃付款淨額的組成部分。或然租金於產生的會計期間確認為收入。

#### 2.12 撥備及或然負債

當本集團因過往事件而須承擔現有法定或推定責任，且可能須有經濟利益流出以結清責任及能夠可靠地估計有關責任金額時，則會確認撥備。倘貨幣的時間價值屬重大，則撥備按預計結清責任所需開支的現值列賬。

所有撥備均於各報告日期作出檢討並作出調整以反映現時的最佳估計。

倘經濟利益流出的可能性不大，或無法可靠估計金額時，該責任會披露為或然負債，除非經濟利益流出的可能性極低，則作別論。可能的責任（其存在僅可通過日後是否發生本集團無法完全控制的一宗或多宗未確定事件而確定）亦披露為或然負債，除非經濟利益流出的可能性極低，則作別論。



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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.13 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares (net of any related income tax benefit) are deducted from share premium to the extent they are incremental costs directly attributable to the equity transaction.

#### 2.14 Revenue recognition

Revenue arises mainly from the contracts for the construction services.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

### 2. 重大會計政策概要(續)

#### 2.13 股本

普通股分類為權益。股本按已發行股份的面值釐定。發行股份有關的任何交易成本(扣除任何相關所得稅利益)自股份溢價扣減，惟以權益交易直接應佔的增加成本為限。

#### 2.14 收益確認

收益主要來自建築服務合約。

為釐定是否確認收益，本集團遵從五個步驟流程：

1. 識別與客戶的合約
2. 識別履約責任
3. 釐定交易價格
4. 將交易價格分攤至履約責任
5. 當／於履約責任獲達成時確認收入

於所有情況下，合約的總交易價格根據其相對獨立的銷售價格在各項履約責任之間分配。合約的交易價格不包括代表第三方收取的任何金額。

收益當(或於)本集團透過轉讓承諾的貨品或服務予客戶時達致履約責任於一個時間點或一段時間內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.14 Revenue recognition (continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

Further details of the Group's revenue and other income recognition policies are as follows:

##### **Construction contracts**

Revenue from construction contracts are recognised over time as the Group's performance creates and enhances an asset that the customer controls which referred as the designated areas where the construction work services performed. The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services. The value of the services transferred to customer to date is measured according to the progress certificate (by reference to the construction works certified by the customers or their agents).

Contract costs are recognised when incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

##### **Interest income**

Interest income is recognised on a time proportion basis using the effective interest method. For financial assets measured at amortised cost, that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset.

### 2. 重大會計政策概要 (續)

#### 2.14 收益確認 (續)

倘合約載有向客戶提供超過 12 個月的重大融資利益之融資組成部份，則收益按應收金額的現值計量，並使用反映於與有關客戶的個別融資交易之貼現率貼現，且利息收入根據實際利率法分開應計。倘合約載有向本集團提供重大融資利益之融資組成部份，則根據該合約確認的收益包括根據實際利率法合約責任附有的利息開支。

本集團收益及其他收入確認政策的進一步詳情如下：

##### **建築合約**

來自建築合約收益於一段時間內確認，原因為本集團的履約行為創造及改良了客戶所控制的資產（即指履行建築工程服務指定區域）。完全達成履約責任期間的進度乃根據輸出法計量，即透過直接計量迄今已轉讓予客戶之服務之價值，相對合約下承諾提供的餘下服務之價值確認收益，有關方法最能反映本集團於轉讓服務控制權方面的履約情況。迄今已轉讓予客戶的服務的價值乃根據進度證明（參照客戶或其代理認證的建築工程）計量。

合約成本於產生時確認。倘建築合約的結果無法可靠估計，合約收益僅按有可能收回的已產生合約成本確認。

##### **利息收入**

利息收入按時間比例採用實際利率法確認。就並無信貸減值之按攤銷成本計量之金融資產而言，實際利率應用於資產之賬面總值。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.14 Revenue recognition (continued)

##### *Rental income*

Accounting policies for rental income are set out in note 2.11.

##### *Dividend income*

Dividend income is recognised when the right to receive payment is established.

#### 2.15 Employee benefits

##### *Retirement benefits*

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

##### *Short-term employee benefits*

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 reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

#### 2.16 Borrowing costs

Borrowing costs incurred, net of any investment income earned on the temporary investment of the specific borrowings, for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

### 2. 重大會計政策概要(續)

#### 2.14 收益確認(續)

##### *租金收入*

租金收入的會計政策載於附註2.11。

##### *股息收入*

股息收入於可收取付款的權利確立時確認。

#### 2.15 僱員福利

##### *退休福利*

退休福利乃通過界定供款計劃向僱員提供。

本集團根據《強制性公積金計劃條例》為其所有合資格參與強積金計劃的僱員參加界定供款退休福利計劃。供款按僱員基本薪金的某個百分比作出。

供款於年內隨僱員提供服務於損益確認為開支。本集團根據該等計劃的責任僅限於應付固定百分比供款。

##### *短期僱員福利*

僱員應得的年假於其可享有時確認。截至報告日期，僱員因提供服務而可享有年假的估計負債已作撥備。

病假及產假等非累積補假於休假時方予確認。

#### 2.16 借款成本

收購、建設或製造任何合資格資產所產生的借款成本(扣除於特定借款暫時投資所得的任何投資收入)，於完成建設及將資產達致擬定用途所需時間期限內資本化。合資格資產為需要長時間達到擬定用途或銷售狀況的資產。其他借款成本於產生時列作開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.17 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 2. 重大會計政策概要(續)

#### 2.17 所得稅的會計處理

所得稅包括即期稅項及遞延稅項。

即期所得稅資產及／或負債包括本報告期間或過往報告期間(且於報告日期尚未支付)向財政當局繳納稅款的責任或來自有關財政當局催繳稅款的索償。所得稅以年內應課稅溢利按有關財政期間適用的稅率及稅法計算。即期稅項資產或負債的所有變動於損益中確認為稅項開支的一部分。

遞延稅項乃按於報告日期綜合財務報表內資產與負債賬面值與其相應稅基的暫時差額使用負債法計算。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未運用稅務抵免確認，惟以可能有應課稅溢利(包括現有應課稅暫時差額)可抵銷可扣稅暫時差額、未運用稅項虧損及未運用稅務抵免的情況為限。

於附屬公司的投資產生的應課稅暫時差額確認為遞延稅項負債，除非本集團可控制暫時差額的撥回，及暫時差額於可見將來不會撥回。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.17 Accounting for income taxes (continued)

For investment property measured using the fair value model in accordance with the accounting policy above, the measurement of the related deferred tax liability or asset reflects the tax consequences of recovering the carrying amount of the investment property entirely through sale, unless the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (1) when the existing temporary differences will reverse and (2) the amount of future taxable profit in those years. The estimate of future taxable profit includes:

- income or loss excluding reversals of temporary differences; and
- reversals of existing temporary differences.

### 2. 重大會計政策概要(續)

#### 2.17 所得稅的會計處理(續)

就根據上述會計政策按公平值模式計量的投資物業而言，相關遞延稅項負債或資產的計量反映完全透過出售收回投資物業賬面值的稅務結果，除非投資物業可予折舊，及按業務目標為隨時間而非透過出售消耗該投資物業所包含之絕大部分經濟利益之商業模式持有則作別論。

遞延稅項乃按預期於清償負債或變現資產期間適用的稅率計算(不作折現)，惟有關稅率於報告日期須為已頒佈或實際上頒佈的稅率。

遞延稅項資產或負債變動於損益中確認，或倘與於其他全面收益或直接於權益扣除或計入的項目有關，則於其他全面收益或直接於權益中確認。

當不同稅率適用於不同水平的應課稅收入時，遞延稅項資產及負債按預期適用於預計暫時差額撥回期間的應課稅收入的平均稅率計量。

釐定平均稅率需要估計(1)當現有暫時差額將撥回時及(2)該等年度的未來應課稅溢利金額。未來應課稅溢利的估計包括：

- 扣除暫時差額撥回的收入或虧損；及
- 現有暫時差額撥回。



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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.17 Accounting for income taxes (continued)

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (i) the same taxable entity; or
  - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 2.18 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision maker for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

### 2. 重大會計政策概要 (續)

#### 2.17 所得稅的會計處理 (續)

即期稅項資產與即期稅項負債於及僅於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及清償負債。

本集團會於且僅會於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
  - (i) 同一應課稅實體；或
  - (ii) 計劃於各未來期間（而預期在有關期間內將結清或收回大額的遞延稅項負債或資產）以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體。

#### 2.18 分部報告

本集團根據定期向主要經營決策者呈報以便彼等就本集團業務組成部分的資源分配作出決定及檢討該等組成部分的表現的內部財務資料確定經營分部及編製分部資料。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.19 Related parties

For the purposes of the consolidated financial statements, a party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and if that person:
  - (i) has control or joint control over of the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) the party is an entity and if any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group (if the Group is itself such a plan) and the sponsoring employers are also related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

### 2. 重大會計政策概要(續)

#### 2.19 關聯方

就綜合財務報表而言，符合以下條件的人士被視為與本集團有關聯：

- (a) 該人士為符合以下條件的人士或其緊密家族成員：
  - (i) 對本集團有控制權或共同控制權；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 該人士為實體且符合以下任何條件：
  - (i) 該實體及本集團為同一集團的成員公司；
  - (ii) 該實體為其他實體（或為該實體所屬集團成員公司的聯營公司或合營企業）的聯營公司或合營企業；
  - (iii) 該實體及本集團為同一第三方的合營企業；
  - (iv) 一個實體為某第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
  - (v) 該實體屬本集團或與本集團有關聯的實體（倘本集團本身為此類計劃）為僱員利益設立的離職後福利計劃且贊助僱主亦與本集團有關聯；
  - (vi) 該實體由一名於(a)指明的人士控制或共同控制；
  - (vii) 於(a)(i)指明的對該實體有重大影響或為該實體（或該實體的母公司）的主要管理層成員的人士；及

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.19 Related parties (continued)

(b) the party is an entity and if any of the following conditions applies: (continued)

(viii) the entity, or any member of a group of which it is a party, provides key management personnel services to the Group or to the parent of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

### 3. ADOPTION OF NEW AND AMENDED HKFRSs

#### New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2018

In the current year, the Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2018:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
Amendments to HKFRS 1	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property
HK (IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration

Other than as noted below, the adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

### 2. 重大會計政策概要 (續)

#### 2.19 關聯方 (續)

(b) 該人士為實體且符合以下任何條件：(續)

(viii) 實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供關鍵管理人員服務。

個別人士的緊密家族成員指與該實體交易時預期可影響該個別人士或受該個別人士影響的家族成員。

### 3. 採納新訂及經修訂香港財務報告準則

#### 於二零一八年四月一日或之後開始之年度期間生效之新訂及經修訂香港財務報告準則

於本年度，本集團已首次應用以下由香港會計師公會頒佈與本集團營運相關且自二零一八年四月一日起開始之本集團綜合財務報表年度期間生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收益及相關修訂
香港財務報告準則第1號(修訂本)	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分
香港會計準則第40號(修訂本)	投資物業轉讓
香港(國際財務報告詮釋委員會)–詮釋第22號	外匯交易及預付代價

除下列註釋外，採納新訂及經修訂香港財務報告準則對本集團於本期間及過往期間的業績及財務狀況編製及呈報方式並無重大影響。

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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

#### New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2018 (continued)

##### HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 and the related clarification to HKFRS 15 (hereinafter referred to as “HKFRS 15”) presents new requirements for the recognition of revenue, replacing HKAS 18 “Revenue”, HKAS 11 “Construction Contracts”, and several revenue-related Interpretations. HKFRS 15 establishes a single comprehensive model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

HKFRS 15 has been applied retrospectively without restatement, with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings at 1 April 2018. In accordance with the transition guidance, HKFRS 15 has only been applied to contracts that are incomplete as at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKASs 11 and 18.

### 3. 採納新訂及經修訂香港財務報告準則 (續)

於二零一八年四月一日或之後開始之年度期間生效之新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第15號來自客戶合約之收益

香港財務報告準則第15號及香港財務報告準則第15號的相關澄清(下稱「香港財務報告準則第15號」)呈列確認收益的新規定, 取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及若干收益相關詮釋。香港財務報告準則第15號建立適用於客戶合約的單一全面模式及確認收益的兩種方法(於某個時間點或某一段時間)。該模式包含以合約為基準的五步交易分析, 以釐定是否確認收益、確認收益的金額及時間。

香港財務報告準則第15號已予追溯應用, 惟並無予以重列, 其首次應用產生的累計影響確認為對於二零一八年四月一日的保留盈利期初結餘作出的調整。根據過渡指引, 香港財務報告準則第15號僅應用於二零一八年四月一日尚未完成的合約。因此, 並無重列比較資料並繼續根據香港會計準則第11號及18號報告。

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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

**New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2018 (continued)**

#### **HKFRS 15 Revenue from Contracts with Customers (continued)**

There was no material impact of transition to HKFRS 15 on retained earnings at 1 April 2018. In summary, the following reclassification was made to the amounts recognised in the consolidated statement of financial position at the date of initial application (1 April 2018):

### 3. 採納新訂及經修訂香港財務報告準則 (續)

於二零一八年四月一日或之後開始之年度期間生效之新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第15號來自客戶合約之收益 (續)

過渡至香港財務報告準則第15號對二零一八年四月一日的保留盈利並無重大影響。綜合而言，於首次應用日期(即二零一八年四月一日)對綜合財務狀況表內確認的金額已作出下列重新分類：

	Carrying amount on 31 March 2018 under HKAS 18 and HKAS 11 根據香港會計準則第18號及香港會計準則第11號 於二零一八年三月三十一日的賬面值 HK\$'000 千港元	Reclassification 重新分類 HK\$'000 千港元	Carrying amount on 1 April 2018 under HKFRS 15 根據香港財務報告準則第15號 於二零一八年四月一日的賬面值 HK\$'000 千港元
<b>Current assets</b>	<b>流動資產</b>		
Trade and other receivables (note ii)	貿易及其他應收款項 (附註ii)	61,552	29,460
Amounts due from customers on construction contracts (note i)	應收客戶建築合約款項 (附註i)	94,137	-
Contract assets	合約資產	-	126,229
<b>Current liabilities</b>	<b>流動負債</b>		
Amounts due to customers on construction contracts (note i)	應付客戶建築合約款項 (附註i)	1,185	-
Contract liabilities	合約負債	-	1,185

Notes:

- i. At the date of initial application, unbilled revenue of HK\$94,137,000 arising from the construction contracts are conditional on the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers, and such balance was reclassified from amounts due from customers on construction contract to contract assets. Besides, the reclassification of HK\$1,185,000 from amounts due to customers on construction contracts to contract liabilities under HKFRS 15 represented the Group's obligations to transfer to the customers of the services to which the assets relate and the Group has received consideration from the customers.
- ii. At the date of initial application, retentions receivable of HK\$32,092,000 arising from the construction contracts are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts, and balance was reclassified from trade and other receivables to contract assets.

The adoption of HKFRS 15 has no material impact on the Group's consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows.

附註：

- i. 於首次應用日期，建築合約產生的未開票收益94,137,000港元須待客戶對本集團所完成建築工程表示滿意後方可作實，而該工程正待客戶認證。有關結餘已自應收客戶建築合約款項重新分類至合約資產。此外，根據香港財務報告準則第15號將應付客戶建築合約款項1,185,000港元重新分類至合約負債，指本集團有責任將與服務有關的資產轉移予客戶且本集團已向客戶收取代價。
- ii. 於首次應用日期，建築合約產生的應收保留金32,092,000港元須待客戶於合約規定的若干期間內對服務質量表示滿意後方可作實，而有關結餘已自貿易及其他應收款項重新分類至合約資產。

採納香港財務報告準則第15號並無對本集團的綜合損益及其他全面收益表以及綜合現金流量表產生重大影響。



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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

#### New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2018 (continued)

##### HKFRS 9 Financial instruments

HKFRS 9 replaces HKAS 39 “Financial Instruments: Recognition and Measurement”. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an ECL model for the impairment of financial assets.

When adopting HKFRS 9, the Group has applied the standard retrospectively to items that existed at 1 April 2018 in accordance with the transition requirement and also applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of HKFRS 9 in relation to classification, measurement, and impairment are recognised in retained earnings.

The adoption of HKFRS 9 has impacted the following areas:

#### (a) Classification and measurement

On 1 April 2018, 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 categories of the HKFRS 9.

Trade and other receivables, cash, bank balances and pledged deposits previously classified as “loans and receivables” under HKAS 39 are now classified at financial assets measured at amortised cost under HKFRS 9 upon initial application of HKFRS 9. There have been no changes to the classification or measurement of financial assets and financial liabilities as a result of the application of HKFRS 9.

### 3. 採納新訂及經修訂香港財務報告準則 (續)

於二零一八年四月一日或之後開始之年度期間生效之新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第9號金融工具

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」，對先前有關金融資產分類及計量的指引作出重大變動，並就金融資產減值引入預期信貸虧損模式。

於採納香港財務報告準則第9號時，本集團根據過渡規定將該規則追溯應用於二零一八年四月一日已存在的項目，亦已應用過渡性條文並選譯不對過往期間予以重列。採納香港財務報告準則第9號在分類、計量及減值方面產生的差異於保留盈利內確認。

採納香港財務報告準則第9號對下列方面產生影響：

#### (a) 分類及計量

於二零一八年四月一日，本集團管理層已評估適用於本集團所持金融資產的業務模式，並已將其金融工具分類為香港財務報告準則第9號的適當類別。

於首次應用香港財務報告準則第9號後，先前根據香港會計準則第39號分類為「貸款及應收款項」的貿易及其他應收款項、現金、銀行結餘及已抵押存款現已根據香港財務報告準則第9號分類為按攤銷成本計量之金融資產。概無因應用香港財務報告準則第9號而致使金融資產及金融負債的分類或計量發生變動。

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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

#### New and amended HKFRSs that are effective for annual periods beginning or after 1 April 2018 (continued)

##### HKFRS 9 Financial instruments (continued)

The adoption of HKFRS 9 has impacted the following areas: (continued)

#### (b) Impairment

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the ECL model. Under the ECL model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month ECL or a lifetime ECL, depending on the asset and the facts and circumstances.

For trade receivables and contract assets, the Group applies a simplified approach of recognising lifetime ECL as these items do not have a significant financing component. The Group uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix.

For all other financial assets at amortised cost, the Group adopted a “three-stage” model for impairment based on changes in credit quality since initial recognition as detailed in note 2.7.

When estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

As at 1 April 2018, no credit loss allowance has been recognised against retained earnings.

### 3. 採納新訂及經修訂香港財務報告準則 (續)

於二零一八年四月一日或之後開始之年度期間生效之新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第9號金融工具 (續)

採納香港財務報告準則第9號對下列方面產生影響：(續)

#### (b) 減值

香港財務報告準則第9號以預期信貸虧損模式取代香港會計準則第39號的「已產生虧損」模式。根據預期信貸虧損模式，於確認減值虧損前不再需要發生虧損事件。相反，實體須根據資產以及事實及情況確認及計量12個月預期信貸虧損或全期預期信貸虧損。

就貿易應收款項及合約資產而言，本集團應用簡化方法確認全期預期信貸虧損，乃因該等項目並無重大融資成分。本集團憑藉其過往經驗、外部指標及前瞻性資料使用撥備矩陣計算預期信貸虧損。

就所有按攤銷成本計量的其他金融資產而言，本集團基於自初步確認以來的信貸質素變動採用「三階段」減值模式，詳述於附註2.7。

於估計預期信貸虧損時，本集團會考慮相關及於毋須付出不必要成本或努力的情況下即可獲得的合理可靠資料，包括基於本集團過往經驗及已知信貸評估並包括前瞻性資料而得出的定量及定性資料與分析。

於二零一八年四月一日，並未就保留盈利確認信貸虧損撥備。

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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued) Issued but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 16	Leases <sup>1</sup>
HKFRS 17	Insurance Contracts <sup>3</sup>
Amendments to HKFRS 3	Definition of a Business <sup>5</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>2</sup>
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle <sup>1</sup>
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>

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

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

### 3. 採納新訂及經修訂香港財務報告準則 (續) 已頒佈但尚未生效的香港財務報告準則

於該等綜合財務報表授權刊發日期，本集團並無提早採納若干已刊發但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港財務報告準則第3號 (修訂本)	業務之定義 <sup>5</sup>
香港財務報告準則第9號 (修訂本)	提早還款特性及負補償 <sup>1</sup>
香港財務報告準則第10號 及香港會計準則第28號 (修訂本)	投資者與其聯營或合營公司之間資產出售或注資 <sup>4</sup>
香港會計準則第28號 (修訂本)	於聯營及合營公司之長期權益 <sup>1</sup>
香港會計準則第1號及 香港會計準則第8號 (修訂本)	重大之定義 <sup>2</sup>
香港會計準則第19號 (修訂本)	計劃修改、縮減或結算 <sup>1</sup>
香港財務報告準則 (修訂本)	香港財務報告準則二零一五年至二零一七年週期年度改進 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性 <sup>1</sup>

- <sup>1</sup> 於二零一九年一月一日或之後開始的年度期間生效。
- <sup>2</sup> 於二零二零年一月一日或之後開始的年度期間生效。
- <sup>3</sup> 於二零二一年一月一日或之後開始的年度期間生效。
- <sup>4</sup> 生效日期尚未釐定。
- <sup>5</sup> 就收購日期於二零二零年一月一日或之後開始之首個年度期間的業務合併及資產收購生效。

董事預計，所有公佈的準則將於公佈生效日期或之後的首個期間在本集團會計政策內採用。預期將對本集團的會計政策產生影響的新訂及經修訂香港財務報告準則的資料載於下文。預期其他新訂及經修訂香港財務報告準則不會對本集團的綜合財務報表產生重大影響。

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### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

#### HKFRS 16 “Leases”

HKFRS 16 “Leases” replaced HKAS 17 and three related Interpretations.

As disclosed in note 2.11, currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise and measure a “lease liability” at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee would recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group’s accounting as a lessee of leases of premises which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss and other comprehensive income over the period of the lease.

### 3. 採納新訂及經修訂香港財務報告準則 (續)

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號「租賃」已取代香港會計準則第17號及三項相關詮釋。

如附註2.11所披露，目前本集團根據租賃分類將租賃分為融資租賃及經營租賃並根據租賃的分類按不同方式對租賃安排進行列賬。本集團作為出租人訂立若干租賃而其他則為承租人。

採納香港財務報告準則第16號，預計不會對出租人在租約下的權力及義務的方式產生重大影響。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，在實際的權宜方法下，承租人將以與當前融資租賃會計相似的方式對所有租賃進行會計處理，即在租賃開始日期，承租人將按未來最低租賃付款的現值確認及計量「租賃負債」，並將確認相應的「使用權」資產。初始確認該資產及負債後，承租人將確認租賃負債未償還餘額中產生的利息費用以及使用權資產的折舊，而非按現有政策於租期內按系統基準確認根據經營租賃所產生的租賃開支。作為實際的權宜方法，承租人可選擇不將此會計模式應用於短期租賃（即租賃期為12個月或更短）及低價值資產租賃，在此情況下，租賃費用將繼續在租賃期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為目前歸類為經營租賃的物業租賃承租人的會計處理。預期新會計模式的應用將導致資產及負債增加，並影響租賃期內綜合損益及其他全面收益表中的費用確認時間。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 3. ADOPTION OF NEW AND AMENDED HKFRSs (continued)

#### Issued but not yet effective HKFRSs (continued)

##### HKFRS 16 "Leases" (continued)

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 on 1 April 2019 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019. Comparative information will not be restated. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets and not to perform a full review of existing leases and apply HKFRS 16 only to new contracts. Furthermore, the Group plans to use the practical expedient to account for leases for which the lease term ends within 12 months from the date of initial application as short-term lease. As disclosed in note 27, as at 31 March 2019, the Group's future minimum lease payments under non-cancellable operating leases amount to approximately HK\$1,248,000 for premises, approximately HK\$738,000 is payable within one year.

Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's financial statement from 1 April 2019 onwards.

### 3. 採納新訂及經修訂香港財務報告準則 (續)

#### 已頒佈但尚未生效的香港財務報告準則 (續)

##### 香港財務報告準則第16號「租賃」(續)

本集團計劃就於二零一九年四月一日採納香港財務報告準則第16號而選用經修訂追溯法，並會於二零一九年四月一日將首次應用的累計影響確認為權益年初結餘調整，並不會重列比較資料。此外，本集團計劃選取實際權宜方法，以免將新會計模式用於短期租賃及低價值資產租賃，且不會全面審核現有租賃及僅應用香港財務報告準則第16號至新合約。此外，本集團計劃選取實際權宜方法將租賃期限為自初始應用日期起12個月內終止之租賃入賬作為短期租賃。如附註27所披露，於二零一九年三月三十一日，本集團根據不可撤銷經營租賃有關物業的未來最低租賃付款約為1,248,000港元，其中約738,000港元應於一年內支付。

除確認租賃負債及使用權資產外，本集團預期，首次採納香港財務報告準則第16號後將予作出的過渡調整將不屬重大。然而，上文所述會計政策預期變動可能對本集團自二零一九年四月一日起之財務報表產生重大影響。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 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.

#### (a) Critical accounting judgements

##### *Construction contracts*

As explained in note 2.14, revenue recognition on a project is dependent on management's estimation of the total outcome of the construction contracts, with reference to the progress certificates issued by the customers and their agents. The Group reviews and revises the estimates of contract revenue, contract costs and variation orders, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by management on the basis of quotations from time to time provided by the major contractors, suppliers or vendors involved and the experience of management. In order to keep the budget accurate and up-to-date, management conducts periodic reviews of the budgeted construction costs by comparing the budgeted amounts to the actual costs incurred.

Significant judgement is required in estimating the contract revenue, contract costs and variation work which may have an impact on progress of the construction contracts and the corresponding profit taken.

Details of the contract assets/liabilities are disclosed in note 18 (2018: amounts due from/(to) customers on construction contracts are disclosed in note 17).

### 4. 主要會計估計及判斷

估計及判斷乃基於過往經驗及其他因素持續評估，包括於有關情況下被視為合理之未來事項之預期。

#### (a) 重大會計調整

##### *建築合約*

如附註2.14所述，項目收益確認取決於管理層參考客戶及其代理發出的工程進度證而對建築合約總結果作出的估計。隨著合約不斷進行，本集團審查及修訂每份建築合約的合約收益、合約成本及變更訂單的估計。預算建築成本由管理層根據主要承建商、供應商或所涉及的賣方不時提供的報價單及管理層的經驗而釐定。為確保預算準確及更新，管理層透過比較預計金額與所產生實際成本的差別對預算建築成本進行定期審查。

估計合約收益、合約成本及變更工程需運用重大判斷，此或會影響建築合約進度及相應所獲溢利。

合約資產／負債的詳情於附註18中披露（二零一八年：應收／（應付）客戶建築合約款項於附註17中披露）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (b) Estimate uncertainty

##### *Estimation of impairment of trade and other receivables and contract assets within the scope of ECL upon application of HKFRS 9*

Since the initial adoption of HKFRS 9, the Group makes allowances on items subjects to ECL (including trade and other receivables and contract assets) based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period as set out in note 2.7. As at 31 March 2019, the aggregate carrying amounts of trade and other receivables and contract assets amounted to HK\$14,072,000 and HK\$113,158,000 respectively. Details of the trade and other receivables and contract assets are disclosed in note 16 and note 18 respectively.

Before the adoption of HKFRS 9, the Group assesses at the end of each reporting period whether there is any objective evidence that trade and other receivables are impaired. In determining whether there is objective evidence of impairment, the Group takes into consideration the credit history of the customers and the current market condition. Management reassesses the adequacy of provision on a regular basis by reviewing the individual account based on past credit history and any prior knowledge of debtor insolvency or other credit risk which might not be easily accessible public information and market volatility might bear a significant impact which might not be easily ascertained. As at 31 March 2018, the carrying amount of the Group's trade and other receivables is HK\$61,552,000. Details of the trade and other receivables are disclosed in note 16.

When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade receivables and other items within the scope of ECL upon application of HKFRS 9/other financial instruments before application of HKFRS 9 and credit losses in the periods in which such estimate has been changed.

### 4. 主要會計估計及判斷(續)

#### (b) 估計不確定因素

##### *於應用香港財務報告準則第9號後在預期信貸虧損範圍內的貿易及其他應收款項以及合約資產估計減值*

自首次採納香港財務報告準則第9號起，本集團對受限於預期信貸虧損的項目(包括貿易及其他應收款項以及合約資產)基於有關違約風險及預期虧損率之假設作出撥備。於各報告期末，本集團根據其過往歷史、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(如附註2.7所載)。於二零一九年三月三十一日，貿易及其他應收款項以及合約資產的總賬面值分別為14,072,000港元及113,158,000港元。貿易及其他應收款項以及合約資產的詳情分別披露於附註16及附註18。

採納香港財務報告準則第9號之前，本集團於各報告期末評估貿易及其他應收款項是否存在任何減值客觀證據。於釐定是否存在客觀減值證據時，本集團考慮客戶的信貸記錄及現行市況為依據。管理層根據過往信貸記錄及先前對債務人無力償債或其他信貸風險的了解(可能並非可輕易獲取的公開資料)以及市場波動性(可能具有無法輕易確定的重大影響)，通過定期審查個人賬戶重估撥備的充足性。於二零一八年三月三十一日，本集團的貿易及其他應收款項的賬面值為61,552,000港元。貿易及其他應收款項詳情於附註16披露。

倘實際未來現金流量與預期有所出入，有關差額將影響於應用香港財務報告準則第9號後屬預期信貸虧損範疇之貿易應收款項及其他項目的賬面值／於應用香港財務報告準則第9號前之其他金融工具及估計發生變動期間之信貸虧損。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION

The Group's principal activities are disclosed in Note 1 of the consolidated financial statements.

Revenue recognised for the years ended 31 March 2019 and 2018 are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracting revenue 合約收益	458,174	805,716

The Group's operating activities are attributable to a single operating segment focusing on foundation construction services. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies which conform to HKFRSs, that is regularly reviewed by the executive directors, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance. The CODM monitors the revenue from the engagement in foundation construction services with no discrete information available to the CODM. All performance obligations of revenue from contracts with customers of the Group are satisfied over time.

The CODM reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no segment information is presented.

#### Geographical information

No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

### 5. 收益及分部資料

本集團的主要業務於綜合財務報告附註1披露。

截至二零一九年及二零一八年三月三十一日止年度確認的收益如下：

本集團的經營活動來自集中於地基工程服務的單一經營分部。該經營分部乃根據按符合香港財務報告準則的會計政策編製並經執行董事（即主要經營決策者「主要經營決策者」），以分配資源及評估分部表現。主要經營決策者監督來自地基工程服務的收益，主要營運決策者並無獨立資料。與本集團客戶合約產生的收益之所有履約責任於一段時間內達致。

主要經營決策者審閱本集團的整體業績，以作出有關資源分配的決策。因此，並無呈報分部資料。

#### 地理資料

由於本集團的收益及非流動資產主要來自單一地區（香港），故並無呈報按地域分部劃分的分部資料之單獨分析。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 5. REVENUE AND SEGMENT INFORMATION

(continued)

#### Information about major customers

Revenue from customers which individually contributed over 10% of the Group's revenue is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶 A	430,408	577,803
Customer B	客戶 B	N/A 不適用*	89,731

\* The corresponding revenue did not individually contribute over 10% of the Group's revenue during the year.

### 5. 收益及分部資料(續)

#### 有關主要客戶的資料

個別佔本集團收益超過10%的客戶收益如下：

\* 年內相關收益並非個別佔本集團收益超過10%。

### 6. OTHER GAINS AND LOSSES, NET

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Dividend income	股息收入	-	13
Net gain from change in fair value on investment properties (note 14)	投資物業公平值變動收益淨額(附註14)	420	530
Net gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產的收益淨額	-	217
Rental income	租金收入	144	140
Interest income	利息收入	551	1,199
Exchange difference, net	匯兌差額，淨額	(1,031)	-
Others	其他	-	11
		84	2,110

### 6. 其他收益及虧損，淨額

### 7. FINANCE COSTS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank loans interest	銀行貸款利息	124	7
Finance charge on obligation under finance leases	融資租賃承擔的財務費用	173	292
		297	299

### 7. 財務費用

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 8. PROFIT BEFORE INCOME TAX

### 8. 除所得稅前溢利

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before tax is stated after charging: 除稅前溢利已扣除以下各項：			
(a) Staff costs (including directors' remuneration (note 12(a))	(a) 員工成本(包括董事薪酬)(附註12(a))		
– Salaries, wages, bonus and other benefits	– 薪金、工資、花紅及其他福利	<b>81,218</b>	93,839
– Retirement scheme contributions	– 退休計劃供款	<b>3,609</b>	3,648
Staff costs (including directors' remuneration) (note)	員工成本(包括董事薪酬)(附註)	<b>84,827</b>	97,487
(b) Other items	(b) 其他項目		
Depreciation, included in:	以下各項折舊：		
Direct cost	直接成本		
– Owned assets	– 自有資產	<b>13,964</b>	8,873
– Leased assets	– 租賃資產	<b>150</b>	1,961
Administrative expenses	行政開支		
– Owned assets	– 自有資產	<b>108</b>	118
		<b>14,222</b>	10,952
Subcontracting charges (included in direct costs)	分包開支(計入直接成本)	<b>128,603</b>	202,243
Operating lease charges	經營租賃費用		
– Premises	– 物業	<b>738</b>	742
– Machinery	– 機械	<b>7,946</b>	16,366
Listing expenses	上市開支	–	13,480
Auditors' remuneration	核數師薪酬	<b>1,110</b>	850
Donation	捐贈	–	1,010



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 8. PROFIT BEFORE INCOME TAX (continued)

Note:

Staff costs (including directors' remuneration)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Direct costs	直接成本	73,715	85,215
Administrative expenses	行政開支	11,112	12,272
		<b>84,827</b>	97,487

### 9. INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit for the year ended 31 March 2018.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements at the Group had no assessable profit for the year ended 31 March 2019.

### 8. 除所得稅前溢利(續)

附註：

員工成本(包括董事薪酬)

### 9. 所得稅開支

香港利得稅按截至二零一八年三月三十一日止年度估計應課稅溢利16.5%的稅率撥備。

由於本集團截至二零一九年三月三十一日止年度並無應課稅溢利，故於綜合財務報表內並無作出香港得稅撥備。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Provision for Hong Kong Profits Tax	香港利得稅撥備		
– Current tax	– 即期稅項	–	12,034
– (Over)/Under provision in respect of prior years	– 過往年度(超額撥備)/撥備不足	(195)	41
		<b>(195)</b>	12,075
– Deferred tax (note 23)	– 遞延稅項(附註23)	2,725	995
		<b>2,530</b>	13,070

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

#### 9. INCOME TAX EXPENSE (continued)

The taxation for the year can be reconciled to the profit before income tax per consolidated statement of profit or loss and other comprehensive income as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	<b>12,363</b>	64,098
Tax at Hong Kong profits tax rates of 16.5% (2018: 16.5%)	按香港利得稅稅率 16.5% (二零一八年：16.5%) 計算的稅項	<b>2,040</b>	10,576
Tax effect of non-deductible expenses	不可扣除開支的稅務影響	<b>827</b>	2,720
Tax effect of non-taxable income (Over)/Under provision in respect of prior years	毋須課稅收入的稅務影響 過往年度(超額撥備)/撥備不足	<b>(160)</b>	(289)
Others	其他	<b>(195)</b>	41
		<b>18</b>	22
Income tax expense for the year	年內所得稅開支	<b>2,530</b>	13,070

#### 9. 所得稅開支(續)

根據綜合損益及其他全面收益表，年內稅項與除所得稅前溢利對賬如下：

#### 10. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 March 2019 (2018: nil). No final dividend proposed after the reporting date.

#### 10. 股息

本公司董事不建議就截至二零一九年三月三十一日止年度派付任何股息(二零一八年：無)。於報告日期後，並無建議派付末期股息。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 11. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to equity holders of the Company is based on the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔年度溢利	<b>9,833</b>	51,028
		<b>'000</b> 千股	'000 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares	普通股加權平均數	<b>1,200,000</b>	942,740

The weighted average number of ordinary shares used to calculate the basic earnings per share for the year ended 31 March 2018 includes (i) 1 and 349,999 ordinary shares in issue at beginning of the year and during the year; (ii) 899,650,000 new ordinary shares issued pursuant to the capitalisation issue (note 24(iii)), as if all these shares had been in issue throughout the year ended 31 March 2018, and (iii) 42,740,000 shares, representing the weighted average of 300,000,000 new ordinary shares issued pursuant to the share offer (note 24(iv)).

There were no dilutive potential ordinary shares during the years ended 31 March 2019 and 2018 and therefore, diluted earnings per share equals to basic earnings per share.

### 11. 每股盈利

本公司權益持有人應佔每股基本盈利按以下基準計算：

用於計算截至二零一八年三月三十一日止年度每股基本盈利的普通股加權平均數包括(i)年初及年內已發行1股及349,999股普通股；(ii)根據資本化發行發行的899,650,000股新普通股(附註24(iii))，猶如所有該等股份於截至二零一八年三月三十一日止年度已發行；及(iii)42,740,000股股份，相當於根據股份發售發行的300,000,000股新普通股加權平均數(附註24(iv))。

截至二零一九年及二零一八年三月三十一日止年度並無潛在攤薄普通股，因此每股攤薄盈利等於每股基本盈利。

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**12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS**

**(a) Directors' and chief executive's emoluments**

Emoluments of the directors and chief executive disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

**12. 董事及最高行政人員薪酬及五名最高薪酬人士**

**(a) 董事及最高行政人員薪酬**

根據上市規則、香港公司條例第383(1)條及公司(披露董事利益資料)規則第2部披露的董事及最高行政人員的薪酬如下：

		Fees	Salaries, allowances, and benefits 薪金、津貼及利益	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Year ended 31 March 2019</b>	<b>截至二零一九年三月三十一日止年度</b>					
Executive directors:	執行董事：					
Mr. Yip	葉先生	-	735	63	18	816
Mr. Cheung Chun Fai	張振輝先生	-	735	63	18	816
Non-executive director:	非執行董事					
Mr. Ling Zheng (note (ii))	凌正先生(附註(ii))	-	53	-	-	53
Independent non-executive directors:	獨立非執行董事					
Mr. Lo Chi Wang (note (i))	羅智弘先生(附註(i))	-	180	-	-	180
Mr. Chan Ka Yu (note (i))	陳家宇先生(附註(i))	-	180	-	-	180
Mr. Lee Kwok Lun (note (i))	李國麟先生(附註(i))	-	180	-	-	180
		-	2,063	126	36	2,225
<b>Year ended 31 March 2018</b>	<b>截至二零一八年三月三十一日止年度</b>					
Executive directors:	執行董事：					
Mr. Yip	葉先生	-	500	-	18	518
Mr. Cheung Chun Fai	張振輝先生	-	342	600	16	958
Independent non-executive directors:	獨立非執行董事：					
Mr. Lo Chi Wang (note (i))	羅智弘先生(附註(i))	-	30	-	-	30
Mr. Chan Ka Yu (note (i))	陳家宇先生(附註(i))	-	30	-	-	30
Mr. Lee Kwok Lun (note (i))	李國麟先生(附註(i))	-	30	-	-	30
		-	932	600	34	1,566

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### 12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (continued)

#### (a) Directors' and chief executive's emoluments (continued)

Notes:

- (i) Appointed on 18 January 2018.
- (ii) Appointed on 25 May 2018 and resigned on 10 September 2018.

For the years ended 31 March 2018 and 2019, no emoluments were paid by the Group to the above directors as inducement to join or upon joining the Group.

Discretionary bonus are determined as regard to the Group's operating results, individual performance and comparable market statistics.

There were no arrangements under which a director waived or agreed or waive any remuneration during the year (2018: nil).

### 12. 董事及最高行政人員薪酬及五名最高薪酬人士 (續)

#### (a) 董事及最高行政人員薪酬 (續)

附註：

- (i) 於二零一八年一月十八日獲委任。
- (ii) 於二零一八年五月二十五日獲委任及於二零一八年九月十日辭任。

截至二零一八年及二零一九年三月三十一日止年度，本集團並無向上述董事支付任何酬金，作為加盟本集團或於加盟本集團時的獎勵。

酌情花紅乃根據本集團的經營業績、個人表現及可比較市場統計數據釐定。

年內並無董事放棄或同意放棄任何薪酬的安排 (二零一八年：無)。



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**12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (continued)**

**(b) Five highest paid individual**

The five highest paid individuals of the Group include two directors (2018: one director) for the year ended 31 March 2019, whose emoluments are disclosed in note 12(a). The aggregate of the emoluments in respect of the remaining three (2018: four) individuals are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, fee and allowances	薪金、袍金及津貼	<b>1,982</b>	1,684
Discretionary bonuses	酌情花紅	<b>159</b>	2,400
Retirement scheme contributions	退休計劃供款	<b>49</b>	68
		<b>2,190</b>	4,152

The emoluments fell within the following bands:

薪酬範圍如下：

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Emolument bands:	薪酬範圍：		
HK\$ nil – HK\$1,000,000	零至 1,000,000 港元	<b>3</b>	3
HK\$1,000,001 – HK\$2,000,000	1,000,001 港元至 2,000,000 港元	–	1

For the year ended 31 March 2019, no emoluments were paid by the Group to the above highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office as a director or management of any members of the Group (2018: nil).

截至二零一九年三月三十一日止年度，本集團並無向上述最高薪酬人士支付任何酬金，作為加盟本集團或於加盟本集團時的獎勵或作為離任本集團任何成員公司董事或管理層的補償（二零一八年：無）。

**12. 董事及最高行政人員薪酬及五名最高薪酬人士 (續)**

**(b) 五名最高薪酬人士**

截至二零一九年三月三十一日止年度，本集團五名最高薪酬人士包括兩名董事（二零一八年：一名董事），其薪酬披露於附註 12(a)。其餘三名（二零一八年：四名）人士的薪酬總額如下：

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### 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、機械及設備

		Furniture, fixtures and equipment 傢俬、 固定裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及機械 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>				
At 1 April 2017	於二零一七年四月一日	1,161	54,232	6,055	61,448
Additions	添置	-	18,690	1,439	20,129
At 31 March 2018	於二零一八年三月三十一日	1,161	72,922	7,494	81,577
At 1 April 2018	於二零一八年四月一日	1,161	72,922	7,494	81,577
Additions	添置	-	47,550	1,044	48,594
Disposals	出售	-	(11,268)	(150)	(11,418)
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>	<b>1,161</b>	<b>109,204</b>	<b>8,388</b>	<b>118,753</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2017	於二零一七年四月一日	(690)	(42,615)	(4,619)	(47,924)
Charge for the year	年內支出	(118)	(9,702)	(1,132)	(10,952)
At 31 March 2018	於二零一八年三月三十一日	(808)	(52,317)	(5,751)	(58,876)
At 1 April 2018	於二零一八年四月一日	(808)	(52,317)	(5,751)	(58,876)
Charge for the year	年內支出	(108)	(13,122)	(992)	(14,222)
Depreciation written back upon disposals	於出售時折舊撥回	-	11,268	150	11,418
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>	<b>(916)</b>	<b>(54,171)</b>	<b>(6,593)</b>	<b>(61,680)</b>
<b>Net book value</b>	<b>賬面淨值</b>				
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>	<b>245</b>	<b>55,033</b>	<b>1,795</b>	<b>57,073</b>
At 31 March 2018	於二零一八年三月三十一日	353	20,605	1,743	22,701

As at 31 March 2019, the Group's plant and machinery and motor vehicles which were fully depreciated (31 March 2018: net book value of HK\$150,000) are held under finance lease.

於二零一九年三月三十一日，本集團廠房、機械及汽車悉數折舊（二零一八年三月三十一日：賬面淨值150,000港元），乃根據融資租賃持有。

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### 綜合財務報表附註

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#### 14. INVESTMENT PROPERTIES

Changes to the carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Carrying amount at beginning of the year	年初的賬面值	4,550	4,020
Changes in fair value of investment properties recognised in profit or loss	於損益確認的投資物業公平值變動	420	530
Carrying amount at end of the year	年末的賬面值	4,970	4,550

#### 14. 投資物業

綜合財務狀況表所呈列賬面值之變動可概述如下：

#### Fair value measurement of investment property

The following table shows the Group's investment property measured at fair value in the consolidated statement of financial position on a recurring basis, categorised into three levels of a fair value hierarchy. The levels are based on the observability of significant inputs to the measurements, as follows:

Level 1:	quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2:	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3:	unobservable inputs for the asset or liability.

#### 投資物業的公平值計量

下表列示綜合財務狀況表內本集團的投資物業按經常性基準以公平值計量，分為三層公平值等級。有關等級基於計量的重大輸入數據之可觀察性，詳情如下：

第一層：	相同資產及負債於活躍市場的報價（未經調整）。
第二層：	資產或負債於第一層所包括的報價以外直接或間接可觀察的輸入數據。
第三層：	資產或負債的不可觀察輸入數據。

		2019 二零一九年 Level 3 第三層 HK\$'000 千港元	2018 二零一八年 Level 3 第三層 HK\$'000 千港元
Recurring fair value measurement	經常性公平值計量		
Investment property:	投資物業：		
Residential property in Hong Kong	香港的住宅物業	4,970	4,550

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### 14. INVESTMENT PROPERTIES (continued)

#### Fair value measurement of investment property (continued)

There were no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2019 (2018: nil).

The investment property was revalued at 31 March 2019 by independent qualified valuer, Greater China Appraisal Limited, who have the recent experience in the location and category of property being valued. The Group's management performs valuations of the investment properties for financial reporting purposes in consultation with valuers for complex valuation. Valuation techniques are selected based on the characteristics of the property, with the overall objective of maximising the use of market-based information.

Set out below are information about the fair values of investment property categorised under Level 3 fair value hierarchy:

### 14. 投資物業 (續)

#### 投資物業的公平值計量 (續)

截至二零一九年三月三十一日止年度，第一層、第二層與第三層之間並無任何轉移 (二零一八年：無)。

於二零一九年三月三十一日，投資物業經獨立合資格估值師漢華評值有限公司 (對所估物業的地段及類別具有近期經驗) 重估。本集團的管理層就財務報告對投資物業執行估值工作，並就複雜多樣的估值與估值師磋商。估值方法根據物業的特征選定，整體旨在最大程度利用市場資料。

以下載列有關根據第三層公平值等級分類的投資物業公平值的資料：

	Valuation technique	Unobservable input	Range of unobservable input 不可觀察輸入數據的範圍	
			31 March 2019 二零一九年三月三十一日	31 March 2018 二零一八年三月三十一日
<b>Investment property:</b>	<b>投資物業：</b>			
- Residential property (Note)	Income capitalisation approach	Rent	<b>HKD394 per square foot per year</b> <b>394 港元／平方呎 每年</b>	HKD359 per square foot per year 359 港元／平方呎 每年
- 住宅物業 (附註)	收入資本化方法	租金		
		Capitalisation rates 資本化率	<b>2.7%</b> <b>2.7%</b>	2.7% 2.7%

Note: The investment property is located at 11th Floor, Fortune Count, No. 8 Fuk Tsun Street, Tai Kok Tsui in currently being leased out for rental income.

附註：投資物業位於大角咀福全街8號福駿閣11樓，目前已出租以獲得租金收入。

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### 14. INVESTMENT PROPERTIES (continued)

#### Fair value measurement of investment property (continued)

The fair values of the residential investment property in Hong Kong are determined using income capitalisation approach by capitalisation of future rental, which largely use unobservable inputs (e.g. market rent, yield, etc.) and taking into account the significant adjustment on term yield to account for the risk upon reversionary and the estimation in vacancy rate after expiry of current lease. In the valuation, the capitalisation rate adopted is by reference to the yield rates observed by the valuer for similar properties in the locality and adjusted for the valuer's knowledge of factors specific to the respective properties. The fair value measurement is positively correlated to the future rental and negatively correlated to the capitalisation rate.

Fair value adjustment in investment property is included in 'Other gains and losses, net' in the consolidated statement of profit or loss and other comprehensive income.

The Group's borrowings and banking facilities are secured by investment properties with carrying values at 31 March 2019 of HK\$4,970,000 (2018: HK\$4,550,000) (note 21).

### 14. 投資物業(續)

#### 投資物業的公平值計量(續)

香港住宅投資物業的公平值採用收入資本化方法透過將未來租金資本化而釐定，主要使用不可觀察輸入數據(如市值、收益率等)，並考慮到對期限收益率的重大調整(以承擔復歸後的風險)及現行租期屆滿後對空置率的估計。在估值時，所採用的資本化率乃參考估值師就當地類似物業所觀察到的收益率，並根據估值師對各自物業特定因素的了解進行調整。公平值計量與日後租金呈正相關，與資本化率呈負相關。

投資物業公平值調整計入綜合損益及其他全面收益表「其他收益及虧損，淨額」。

本集團的借款及銀行融資乃以投資物業作抵押，相關投資物業於二零一九年三月三十一日的賬面值為4,970,000港元(二零一八年：4,550,000港元)(附註21)。



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### 15. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries at 31 March 2019 and 2018 are as follows.

### 15. 於附屬公司的權益

於二零一九年及二零一八年三月三十一日，主要附屬公司詳情如下。

Company name 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/ 成立/營運地點	Type of legal entity 法人實體類型	Issued and paid up capital/ Registered capital 已發行及繳足股本/註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要業務
				2019 二零一九年	2018 二零一八年	
Directly held 直接持有						
Richer Ventures Limited	The BVI	Limited liability company	350,000 ordinary shares of US\$1	100%	100%	Investment holding
Richer Ventures Limited	英屬處女群島	有限公司	350,000 股每股面值 1 美元的普通股	100%	100%	投資控股
Top Growth Ventures Limited (note (i))	The BVI	Limited liability company	50,000 ordinary shares of US\$1	100%	N/A	Investment holding
Top Growth Ventures Limited (附註(i))	英屬處女群島	有限公司	50,000 股每股面值 1 美元的普通股	100%	不適用	投資控股
Indirectly held 間接持有						
Kit Kee Engineering Limited	Hong Kong	Limited liability company	300,000 ordinary shares	100%	100%	Undertaking foundation works in Hong Kong
杰記工程有限公司	香港	有限公司	300,000 股普通股	100%	100%	在香港承接地基工程
Dragon Rise Asia Limited (note (ii))	Hong Kong	Limited liability company	10,000 ordinary shares	100%	N/A	Trading
龍昇亞洲貿易有限公司 (附註(ii))	香港	有限公司	10,000 股普通股	100%	不適用	貿易
Dragon Rise Investment Limited (note (ii))	Hong Kong	Limited liability company	10,000 ordinary shares	100%	N/A	Inactive
Dragon Rise Investment Limited (附註(ii))	香港	有限公司	10,000 股普通股	100%	不適用	不活躍

Notes:

- (i) Top Growth Ventures Limited was established and incorporated on 5 October 2018 in the BVI.
- (ii) Dragon Rise Asia Limited and Dragon Rise Investment Limited were established and incorporated on 6 November 2018 in Hong Kong.

附註：

- (i) Top Growth Ventures Limited 於二零一八年十月五日 在英屬處女群島成立及註冊成立。
- (ii) 龍昇亞洲貿易有限公司及 Dragon Rise Investment Limited 於二零一八年十一月六日 在香港成立及註冊成立。

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#### 16. TRADE AND OTHER RECEIVABLES

#### 16. 貿易及其他應收款項

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
<b>Trade receivables</b>	<b>貿易應收款項</b>			
– from third parties	– 來自第三方	(a)	<b>12,903</b>	28,074
<b>Deposit, prepayment and other receivables</b>	<b>按金、預付款項及其他應收款項</b>			
Retention receivables	應收保留金	(b)	–	32,092
Other receivables and prepayment	其他應收款項及預付款項		<b>909</b>	1,236
Utility and other deposits	公用事業費及其他按金		<b>150</b>	150
Amount due from the ultimate holding company	應收最終控股公司款項	(c)	<b>110</b>	–
			<b>1,169</b>	33,478
			<b>14,072</b>	61,552

The directors of the Group consider that the fair values of trade and other receivables are not materially different from their carrying amounts, because their balances have short maturity periods on their inception.

本集團董事認為，貿易及其他應收款項的公平值與其賬面值並無重大差異，因為該等結餘自開始起計的到期日較短。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 16. TRADE AND OTHER RECEIVABLES (continued)

#### (a) Trade receivables

Based on the invoice date (or date of revenue recognition, if earlier), the ageing analysis of the trade receivables, net of ECL allowance (2018: provision for impairment), was as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30天	12,634	22,156
31 – 60 days	31至60天	269	872
61 – 90 days	61至90天	–	5,046
		<b>12,903</b>	<b>28,074</b>

As at 31 March 2019, based on the judgement of the management of the Group, the exposure to credit risk and ECL for trade receivables which are assessed collectively based on provision matrix is negligible.

As at 31 March 2018, trade receivables which were past due but not impaired related to independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

#### (b) Retention receivables

Upon initial application of HKFRS15, the retention receivables were reclassified to contract assets (see note 18).

#### (c) Amount due from the ultimate holding company

The amount due from the ultimate holding company is unsecured, interest-free and repayable on demand.

### 16. 貿易及其他應收款項(續)

#### (a) 貿易應收款項

根據發票日期(或收益確認日期,以較早者為準),貿易應收款項(扣除預期信貸虧損撥備)(二零一八年:減值撥備)的賬齡分析如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30天	12,634	22,156
31 – 60 days	31至60天	269	872
61 – 90 days	61至90天	–	5,046
		<b>12,903</b>	<b>28,074</b>

於二零一九年三月三十一日,根據本集團管理層的判斷,使用撥備矩陣共同評估的信貸風險及貿易應收款項預期信貸虧損甚微。

於二零一八年三月三十一日,已逾期但未減值之貿易應收款項與本集團擁有良好往績記錄之獨立客戶有關。根據過往經驗,管理層相信毋須就該等結餘作出減值撥備,原因為有關客戶之信貸質素並無重大改變,且該等結餘仍被視為可悉數收回。本集團並無就該等結餘持有任何抵押品。

#### (b) 應收保留金

於初步應用香港財務報告準則第15號後,應收保留金乃重新分類至合約資產(見附註18)。

#### (c) 應收最終控股公司款項

應收最終控股公司款項為無抵押、免息及應要求償還。

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#### 17. AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONSTRUCTION CONTRACTS 17. 應收／(應付) 客戶建築合約款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract costs incurred plus recognised profits less recognised losses	所產生的合約成本加已確認溢利減已確認虧損	-	1,093,087
Less: progress billings	減：進度票據	-	(1,000,135)
Contract work-in-progress	在建合約工程	-	92,952
Analysed for reporting purposes as:	就報告目的分析：		
Amounts due from customers on construction contracts	應收客戶建築合約款項	-	94,137
Amounts due to customers on construction contracts	應付客戶建築合約款項	-	(1,185)
		-	92,952

The gross amounts due from/(to) customers on construction contracts are expected to be recovered/settled within one year.

應收／(應付)客戶建築合約款項總額預期於一年內收回／結清。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 18. CONTRACT ASSETS AND CONTRACT LIABILITIES 18. 合約資產及合約負債

		31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元
Unbilled revenue	未發單收益	96,232	94,137	–
Retention receivables	應收保留金	16,926	32,092	–
		<b>113,158</b>	126,229	–
Transfers from contract assets recognised at the beginning of the year to receivables	自年初確認的合約資產轉撥至應收款項	<b>120,138</b>		

Notes:

Unbilled revenue represents the Group's right to receive consideration for work completed and not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.

Retention receivables included in contract assets represents the Group's right to consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

The Group has initially applied HKFRS 9 and HKFRS 15 using the cumulative effect transition method and adjusted the opening balances as at 1 April 2018.

Upon the adoption of HKFRS 15, amounts previously included as "Retention receivables" under "Trade and other receivables" and "Amounts due from customers on construction contracts" were reclassified to contract assets.

The contract assets are transferred to trade receivables when the rights become unconditional. The amount of contract assets expected to be recovered/settled over one year is HK\$7,800,000, all of the remaining balances were expected to be recovered/settled within one year.

附註：

未發單收益指本集團有權就已完工工程收取代價但因收款權利須待客戶信納本集團所完成建築工程方可作實且工程正待客戶認證而尚未開具賬單。於權利成為無條件時，合約資產乃轉撥至貿易應收款項，一般為本集團獲得客戶對已完工建築工程的認證時。

計入合約資產的應收保留金指本集團就所開展工程收取代價的權利，但因收款權利須待客戶於合約規定之一定時期內信納服務質素方可作實而尚未開具賬單。合約資產於權利成為無條件時轉撥至貿易應收款項，一般於本集團就本集團所開展之建築工程之服務質素提供保證期間的到期日。

本集團使用累計影響過渡方式初始應用香港財務報告準則第9號及香港財務報告準則第15號，並於二零一八年四月一日調整期初結餘。

於採納香港財務報告準則第15號後，先前計入「貿易及其他應收款項」項下「應收保留金」及「應收客戶合約工程款項」之款項已重新分類至合約資產。

權利成為無條件時，合約資產乃轉撥至貿易應收款項。預期將於超過一年收回／結算之合約資產款項為7,800,000港元，所有餘額預期將於一年內收回／結算。



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18. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

18.1 Contract liabilities

18. 合約資產及合約負債(續)

18.1 合約負債

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract liabilities arising from construction contracts from billings in advance of performance	1,021	-

Notes:

The Group has initially applied HKFRS 15 using the cumulative effect transition method and adjusted the opening balances as at 1 April 2018.

Upon the adoption of HKFRS 15, amounts previously included as "Amounts due to customers on construction contracts" were reclassified to contract liabilities.

All of the contract liabilities is expected to be recovered/settled within one year.

附註：

本集團使用累計影響過渡方式初始應用香港財務報告準則第15號，並於二零一八年四月一日調整期初結餘。

於採納香港財務報告準則第15號後，先前計入「應付客戶合約工程款項」之款項已重新分類至合約負債。

所有合約負債預期將於一年內收回/結清。

Movements in contract liabilities

合約負債之變動

	2019 二零一九年 HK\$'000 千港元
Balance at 1 April	1,185
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(1,185)
Increase in contract liabilities as a result of billing in advance of construction activities	1,021
Balance at 31 March	1,021

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### 18. CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

#### 18.1 Contract liabilities (continued)

##### Unsatisfied long-term construction contracts

The transaction price allocated to the remaining unsatisfied or partially satisfied performance obligation as at 31 March are as follows:

		2019 二零一九年 HK\$'000 千港元
Within one year	於一年內	<b>320,795</b>

The amounts disclosed above do not include transaction price allocated to performance obligations which have been satisfied but not yet recognised due to variable consideration constraint.

### 18. 合約資產及合約負債(續)

#### 18.1 合約負債(續)

##### 未達成長期建築合約

於三月三十一日分配至餘下未達成或部分已達成履約責任之交易價格載列如下：

上文所披露之該等金額不包括因可變代價限制已達成但尚未確認之分配至履約責任的交易價格。

### 19. CASH, BANK BALANCES AND PLEDGED DEPOSITS

### 19. 現金、銀行結餘及已抵押存款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash, bank balances and pledged deposits	現金、銀行結餘及已抵押存款	<b>136,815</b>	147,267
Less: bank deposits, pledged	減：已抵押銀行存款	<b>(25,408)</b>	(10,200)
Cash and cash equivalents per the consolidated statement of cash flows	綜合現金流量表的現金及現金等價物	<b>111,407</b>	137,067

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Pledged bank deposits earn 0.25% interest per annum (2018: 0.01%) and have a maturity of 1 month or less. They have been pledged to secure bank facilities (note 21).

The directors consider that the fair values of cash at bank are not materially different from their carrying amounts, because their balances have short maturity periods on their inception.

銀行現金基於每日銀行存款利率按浮動利率賺取利息。

已抵押銀行存款每年賺取0.25%的利息(二零一八年：0.01%)，期限為一個月或以下。已抵押銀行存款已質押以擔保銀行融資(附註21)。

董事認為，銀行現金的公平值與其賬面值並無重大差異，因為該等結餘自開始起計的到期日較短。

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#### 20. TRADE AND OTHER PAYABLES

#### 20. 貿易及其他應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	貿易應付款項	27,782	39,862
Accruals and other payables	應計費用及其他應付款項	2,719	2,537
		<b>30,501</b>	<b>42,399</b>

Notes:

附註：

**(a) Trade payables**

Payment terms granted by suppliers are 0 to 30 days (2018: 0 to 30 days) from the invoice date of the relevant purchases.

**(a) 貿易應付款項**

供應商授予的付款期限為自有關採購發票日期起計0至30天（二零一八年：0至30天）。

The ageing analysis of trade payables based on the invoice date is as follows:

貿易應付款項按發票日期的賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30天	23,725	39,682
31 – 60 days	31至60天	2,300	180
61 – 90 days	61至90天	1,757	–
		<b>27,782</b>	<b>39,862</b>

**(b)** All trade and other payables are denominated in HK\$.

**(b)** 所有貿易及其他應付款項均以港元計值。

**(c)** All amounts are short-term and hence, the carrying values of the Group's trade payables and accruals and other payables are considered to be a reasonable approximation of fair value.

**(c)** 所有款項均為短期，因此，本集團的貿易應付款項以及應計費用及其他應付款項的賬面值被視為與公平值合理相若。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 21. BORROWINGS, SECURED

At 31 March 2019, the secured bank loans were repayable as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank loans repayable on demand (note (a))	應要求償還的銀行貸款(附註(a))	<b>3,523</b>	-

Notes:

- (a) At 31 March 2019, the bank loans are interest-bearing at 4.73% per annum.
- (b) At 31 March 2019, the banking facilities of the Group were secured by:
- (1) Charges on the properties owned by the Group (note 14);
  - (2) Charges on certain bank deposits (note 19) made by the Group.

### 21. 有抵押借款

於二零一九年三月三十一日，須償還的有抵押銀行貸款如下：

附註：

- (a) 於二零一九年三月三十一日，銀行貸款按年利率4.73%計息。
- (b) 於二零一九年三月三十一日，本集團的銀行融資透過以下方式擔保：
- (1) 本集團所擁有物業(附註14)之押記；
  - (2) 本集團的若干銀行存款(附註19)之押記。

### 22. OBLIGATION UNDER FINANCE LEASES

The analysis of the Group's obligation under finance leases is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total minimum lease payments:	最低租賃付款總額：		
Within one year	一年內	<b>2,362</b>	2,577
After one year but within two years	一年後，但於兩年內	-	2,362
		<b>2,362</b>	4,939
Future finance charges	未來財務費用	<b>(55)</b>	(228)
Present value of lease obligation	租賃負債現值	<b>2,307</b>	4,711

### 22. 融資租賃承擔

本集團融資租賃承擔分析如下：

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22. OBLIGATION UNDER FINANCE LEASES 22. 融資租賃承擔 (續)

(continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Present value of minimum lease payment: 最低租賃付款現值：			
Within one year 一年內		2,307	2,404
After one year but within two years 一年後，但於兩年內		-	2,307
		2,307	4,711
Less: Portion due within one year Included under current liabilities 減：一年內到期的部分 計入流動負債		(2,307)	(2,404)
Portion due after one year included under non-current liabilities 計入非流動負債一年後到期的部分		-	2,307

The Group has entered into finance leases for plant and machinery and motor vehicles. These lease periods are for 5 years. At the end of the lease term, the Group has the option to purchase the leased assets at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the lease. None of the leases includes contingent rentals. As at 31 March 2019, the effective interest rate on these finance leases was 5.01% (2018: 5.01%) per annum.

Obligation under finance leases are effectively secured by the underlying assets at the rights to the leased assets would be converted to the lessor in the event of default by repayment by the Group.

本集團已訂立廠房、機械及汽車的融資租賃。該等租賃為期5年。於租期末，本集團有權按租賃結束時預計遠低於租賃資產公平值的價格購買租賃資產。概無租賃包括或然租金。於二零一九年三月三十一日，該等融資租賃的實際年利率為5.01%（二零一八年：5.01%）。

融資租賃承擔以相關資產有效擔保，倘本集團拖欠還款則租賃資產權利轉換予出租人。



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#### 23. DEFERRED TAXATION

The movement in deferred tax liabilities and recognised in the consolidated statement of the financial position during the year was as follows:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元
As at 1 April 2017	於二零一七年四月一日	1,078
Recognised in profit or loss (note 9)	於損益確認(附註9)	995
As at 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	2,073
Recognised in profit or loss (note 9)	於損益確認(附註9)	2,725
<b>As at 31 March 2019</b>	<b>於二零一九年三月三十一日</b>	<b>4,798</b>

As at 31 March 2019 and 2018, the Group did not have any material unrecognised deferred tax assets/liabilities.

#### 23. 遞延稅項

於綜合財務狀況表內確認年內的遞延稅項負債變動如下：

於二零一九年及二零一八年三月三十一日，本集團並無任何重大未確認遞延稅項資產／負債。

#### 24. SHARE CAPITAL

		2019 二零一九年		2018 二零一八年	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>				
As at 1 April	於四月一日	10,000,000,000	100,000	38,000,000	380
Increase during the year (note (ii))	年內增加(附註(ii))	-	-	9,962,000,000	99,620
<b>As at 31 March</b>	<b>於三月三十一日</b>	<b>10,000,000,000</b>	<b>100,000</b>	10,000,000,000	100,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
As at 1 April	於四月一日	1,200,000,000	12,000	1	-*
Issue of shares (note (i))	發行股份(附註(i))	-	-	349,999	4
Issue of shares pursuant to the capitalisation issue (note (iii))	根據資本化發行發行股份(附註(iii))	-	-	899,650,000	8,996
Issue of shares pursuant to the share offer (note (iv))	根據股份發售發行股份(附註(iv))	-	-	300,000,000	3,000
<b>As at 31 March</b>	<b>於三月三十一日</b>	<b>1,200,000,000</b>	<b>12,000</b>	1,200,000,000	12,000

\* The balance represents an amount less than HK\$1,000.

\* 結餘指不足1,000港元的金額。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 24. SHARE CAPITAL (continued)

Notes:

- (i) The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 22 February 2017 with an initial authorised share capital of HK\$380,000 divided into 38,000,000 ordinary shares of HK\$0.01 each. On 22 February 2017 and 26 May 2017, 1 share and 349,999 shares of HK\$0.01 each are allotted and issued respectively.
- (ii) Pursuant to the written resolution of the shareholder passed on 18 January 2018, the authorised share capital of the Company was increased from HK\$380,000 to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each.
- (iii) Pursuant to the written resolutions of the shareholder passed on 18 January 2018, 899,650,000 ordinary shares of HK\$0.01 each were allotted and issued at par by way of capitalisation of the sum of HK\$8,996,500 from the share premium account of the Company (the "Capitalisation Issue").
- (iv) On 8 February 2018, upon listing on the Stock Exchange, 300,000,000 new shares with par value of HK\$0.01 each of the Company were allotted and issued at a price of HK\$0.40 per share by way of share offer. The proceeds of HK\$3,000,000 representing the par value of these ordinary shares were credited to the Company's share capital. The shares capital of the Company was then increased to HK\$12,000,000 divided into 1,200,000,000 shares of HK\$0.01 each. The remaining proceeds, less the listing costs directly attributable to the issue of shares amounted to HK\$105,894,000, were credited to the Company's share premium account.

### 24. 股本(續)

附註：

- (i) 本公司於二零一七年二月二十二日根據開曼群島公司法(經修訂)於開曼群島註冊成立為獲豁免有限公司，初步法定股本380,000港元分為38,000,000股每股面值0.01港元的普通股。於二零一七年二月二十二日及二零一七年五月二十六日，分別配發及發行1股及349,999股每股面值0.01港元的股份。
- (ii) 根據股東於二零一八年一月十八日通過的書面決議案，本公司法定股本由380,000港元增至100,000,000港元，分為10,000,000,000股每股面值0.01港元的股份。
- (iii) 根據股東於二零一八年一月十八日通過的書面決議案，透過將本公司股份溢價賬的金額8,996,500港元撥作資本的方式按面值配發及發行899,650,000股每股面值0.01港元的普通股(「資本化發行」)。
- (iv) 於二零一八年二月八日於聯交所上市後，本公司以股份發售的方式按每股0.40港元的價格配發及發行本公司每股面值0.01港元的300,000,000股新股。所得款項3,000,000港元(相當於該等普通股面值)計入本公司股本。之後，本公司股本增至12,000,000港元，分為1,200,000,000股每股面值0.01港元的股份。其餘所得款項扣除發行股份直接應佔的上市費用105,894,000港元後計入本公司股份溢價賬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 25. RESERVES

The reserves of HK\$276,135,000 (2018: HK\$266,302,000) as at 31 March 2019 in the consolidated statement of financial position comprise of the Group's share premium, other reserve and retained earnings. The amounts of the Group's reserves and the movements therein for the years ended 31 March 2019 and 2018 are presented in the consolidated statement of changes in equity of the consolidated financial statements.

#### Share premium

The share premium represents the difference between the par value of the shares of the Company and net proceeds received from the issuance of the shares of the Company.

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to the shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

#### Other reserve

Other reserve of the Group represents the difference between the nominal values of the share capital of subsidiaries acquired by the Group and the nominal value of the Company's share issued under the Reorganisation.

### 25. 儲備

綜合財務狀況表中於二零一九年三月三十一日的儲備276,135,000港元(二零一八年: 266,302,000港元)包括本集團股份溢價、其他儲備及保留盈利。本集團儲備額及其於截至二零一九年及二零一八年三月三十一日止年度之變動於綜合財務報表之綜合權益變動表內呈列。

#### 股份溢價

股份溢價指本公司股份面值與發行本公司股份所得款項淨額之間的差額。

根據開曼群島公司法，本公司股份溢價賬可用於支付向股東所作的分派或股息，惟在緊隨建議支付分派或股息的日期後本公司有能力償還日常業務過程中到期的債項。

#### 其他儲備

本集團其他儲備指本集團所收購附屬公司的股本面值與根據重組發行的本公司股份面值之間的差額。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

26. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 26. 本公司財務狀況表

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current asset</b>	<b>非流動資產</b>			
Investment in subsidiaries	於附屬公司的投資	15	<b>143,765</b>	143,375
<b>Current assets</b>	<b>流動資產</b>			
Other receivables	其他應收款項		<b>219</b>	335
Amount due from subsidiaries	應收附屬公司款項		<b>19,176</b>	12,423
Cash and cash equivalents	現金及現金等價物		<b>73,169</b>	83,519
			<b>92,564</b>	96,277
<b>Current liability</b>	<b>流動負債</b>			
Other payables	其他應付款項		<b>(1,097)</b>	(926)
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>91,467</b>	95,351
<b>Net assets</b>	<b>資產淨值</b>		<b>235,232</b>	238,726
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	24	<b>12,000</b>	12,000
Reserves	儲備		<b>223,232</b>	226,726
<b>Total equity</b>	<b>總權益</b>		<b>235,232</b>	238,726

Mr. Yip Yuk Kit  
葉育杰先生  
Director  
董事

Mr. Cheung Chun Fai  
張振輝先生  
Director  
董事

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 26. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued) 26. 本公司財務狀況表(續)

The movement of the Company's reserves are as follows:

本公司儲備的變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Accumulated loss 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance as at 1 April 2017	於二零一七年四月一日之結餘	-	-	-	-
Effect of reorganisation (note)	重組的影響(附註)	-	143,371	-	143,371
Issue of shares pursuant to the capitalisation issue (note 24(iii))	根據資本化發行發行股份(附註24(iii))	(8,996)	-	-	(8,996)
Issue of shares pursuant to the share offer (note 24(iv))	根據股份發售發行股份(附註24(iv))	105,894	-	-	105,894
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	(13,543)	(13,543)
<b>Balance as at 31 March 2018 and as at 1 April 2018</b>	<b>於二零一八年三月三十一日及二零一八年四月一日之結餘</b>	<b>96,898</b>	<b>143,371</b>	<b>(13,543)</b>	<b>226,726</b>
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	(3,494)	(3,494)
<b>Balance as at 31 March 2019</b>	<b>於二零一九年三月三十一日之結餘</b>	<b>96,898</b>	<b>143,371</b>	<b>(17,037)</b>	<b>223,232</b>

Note: Other reserve of the Company represents the difference between the aggregate net assets values of subsidiaries acquired by the Company and the nominal value of the Company's share issued under the Reorganisation.

附註：本公司其他儲備指本公司所收購附屬公司的資產淨值總額與根據重組發行的本公司股份面值之間的差額。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 27. OPERATING LEASE COMMITMENTS

#### As lessee

At the reporting date, the total future minimum lease payments payable by the Group under non-cancellable operating leases are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	738	510
In the second to fifth years	第二年至第五年	510	-
		<b>1,248</b>	<b>510</b>

The Group is the lessee in respect of premises under operating leases. The leases typically run for an initial period of one to two years (2018: one year). The leases do not include contingent rentals.

#### As lessor

At the reporting date, the total future minimum lease receipts receivables by the Group under non-cancellable operating leases are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	39	144
In the second to fifth years	第二年至第五年	-	39
		<b>39</b>	<b>183</b>

The Group leases its investment properties (note 14) under operating lease arrangements which run for a lease term of one to two years, with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenant.

### 27. 經營租賃承擔

#### 作為承租人

於報告日期，本集團根據不可撤銷經營租賃而應付之未來最低租賃應付款總額如下：

本集團為經營租賃項下物業的承租人。租賃的初步期限一般為一至兩年（二零一八年：一年）。租賃並不包括或然租金。

#### 作為出租人

於報告日期，本集團根據不可撤銷經營租賃而應收之未來最低租賃應收款總額如下：

本集團根據經營租賃安排租賃其投資物業（附註14），租期為一至兩年，可選擇在屆滿日期或本集團與相關租客共同協定的日期續訂租期。

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### 28. RELATED PARTY TRANSACTIONS

In addition to the balances and transactions detailed elsewhere in this report, the Group had the following transactions with its related parties during the year.

#### Key management personnel remuneration

The emoluments of the directors and senior management of the Company, who represent the key management personnel during the years ended 31 March 2019 and 2018 are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, fee and allowances	薪金、袍金及津貼	2,940	1,842
Discretionary bonuses	酌情花紅	252	1,800
Retirement benefit scheme contributions	退休福利計劃供款	72	67
		<b>3,264</b>	<b>3,709</b>

### 29. CONTINGENT LIABILITIES

At 31 March 2019 and 2018, the Group has been involved in a number of claims, litigations and potential claims against the Group in relation to work-related injuries and non-compliances. The potential claims and litigations against the Group, as a subcontractor, are insured by main contractor's insurance policy, the director is of the opinion that the claims, litigations and non-compliances are not expected to have a material impact on the consolidated financial statements, and the outcome for potential claims is uncertain. Accordingly, no provision has been made to the consolidated financial statements.

### 28. 關聯方交易

除本報告其他地方所詳述結餘及交易之外，本集團於年內與其關聯方進行以下交易。

#### 主要管理人員薪酬

截至二零一九年及二零一八年三月三十一日止年度，本公司董事及高級管理層（為主要管理人員）薪酬如下：

### 29. 或然負債

於二零一九年及二零一八年三月三十一日，本集團涉及多項針對本集團的工傷申索、訴訟及潛在申索以及不合規事件。針對本集團（作為分包商）的潛在申索或訴訟均由主要承包商的保險單承保，董事認為該等申索、訴訟及不合規事件預期不會對綜合財務報表造成重大影響，且潛在申索的結果為不確定。因此，概無於綜合財務報表作出撥備。

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### 綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

### 30. 融資活動產生的負債之對賬

本集團融資活動所產生負債之變動可分類如下：

		Bank loans 銀行貸款 HK\$'000 千港元	Obligation under finance leases 融資租賃承擔 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	-	4,711	4,711
<b>Cash-flows:</b>	<b>現金流：</b>			
Proceed	持續	4,000	-	4,000
Repayment	償還	(477)	(2,404)	(2,881)
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>	<b>3,523</b>	<b>2,307</b>	<b>5,830</b>
At 1 April 2017	於二零一七年四月一日	895	6,996	7,891
<b>Cash-flows:</b>	<b>現金流：</b>			
Repayment	償還	(895)	(2,285)	(3,180)
<b>At 31 March 2018</b>	<b>於二零一八年三月三十一日</b>	<b>-</b>	<b>4,711</b>	<b>4,711</b>

### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group and approved by the board of directors.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### 31. 財務風險管理及公平值計量

本集團於日常業務過程中使用金融工具而承擔財務風險。財務風險包括外幣風險、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策略旨在將對本集團財務業績的潛在不利影響降至最低。風險管理乃由本集團高級管理層執行並經董事會批准。

本集團就金融工具承擔的風險類別或其管理及計量風險的方法並無變動。

本集團對該等風險的承擔及本集團管理該等風險所用的財務風險管理政策及慣例載於下文。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued)

#### 31.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and liabilities:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
At amortised costs:	按攤銷成本計量：		
– Trade and other receivables	– 貿易及其他應收款項	<b>13,053</b>	–
– Cash, bank balances and pledged deposits	– 現金、銀行結餘及已抵押存款	<b>136,815</b>	–
Loan and receivables:	貸款及應收款項：		
– Trade and other receivables	– 貿易及其他應收款項	–	60,316
– Cash, bank balances and pledged deposits	– 現金、銀行結餘及已抵押存款	–	147,267
		<b>149,868</b>	207,583
<b>Financial liabilities</b>	<b>金融負債</b>		
At amortised costs:	按攤銷成本計量：		
– Trade and other payables	– 貿易及其他應付款項	<b>(30,501)</b>	(42,399)
– Obligation under finance leases	– 融資租賃承擔	<b>(2,307)</b>	(4,711)
– Borrowings, secured	– 有抵押借款	<b>(3,523)</b>	–
		<b>(36,331)</b>	(47,110)

#### 31.2 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposures to currency risk arise from its cash at bank denominated in RMB of HK\$15,990,000 (2018: nil), which is not the functional currency of the respective group companies.

The following table illustrates the sensitivity of the Group's profit after tax during the year and equity in regards to the strength in the functional currencies of the group companies against relevant currencies. Weakens in the same % of functional currencies of the group companies against relevant currencies will have equal and opposite impact on the results of the year. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the possible change in foreign exchange rates.

### 31. 財務風險管理及公平值計量 (續)

#### 31.1 金融資產及負債分類

綜合財務狀況表所列賬面值與下列金融資產與負債分類有關：

#### 31.2 外幣風險

外幣風險指外匯匯率變動導致金融工具公平值或未來現金流量出現波動的風險。本集團面臨的貨幣風險來自於以人民幣(並非相關集團公司的功能貨幣)計值的銀行現金15,990,000港元(二零一八年：零)。

下表闡述本集團年內除稅後溢利及權益對集團公司之功能貨幣兌相關貨幣升值的敏感度。集團公司之功能貨幣兌相關貨幣之同等百分比貶值將對年內業績產生相等但相反的影響。敏感度比率乃內部向主要管理人員報告外匯風險時採用之比率，且為管理層對匯率可能變動之最佳評估。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued) 31. 財務風險管理及公平值計量(續)

31.2 Foreign currency risk (continued)

31.2 外幣風險(續)

		Sensitivity rate	Increase/ (Decrease) in profit or loss	Increase/ (Decrease) in equity
		敏感度比率	溢利或虧損增加/ (減少)	權益增加/ (減少)
			HK\$'000 千港元	HK\$'000 千港元
<b>31 December 2019</b>	<b>二零一九年 十二月三十一日</b>			
RMB	人民幣	5%	(800)	(800)
<b>31 December 2018</b>	<b>二零一八年 十二月三十一日</b>			
RMB	人民幣	5%	N/A 不適用	N/A 不適用

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the year has been determined based on the assumed percentage change in foreign currency exchange rates taking place at the beginning of the financial year and held constant throughout the year.

於年末，本集團所面對外幣風險之敏感性分析乃假設外幣匯率變動百分比比於財政年初發生並於整年內維持不變而釐定。

31.3 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings and obligation under finance leases bearing fixed rates expose the Group to fair value interest rate risk and the exposure to the Group is considered immaterial.

The exposure to interest rate risk for the Group bank balances is considered immaterial.

31.3 利率風險

利率風險與金融工具的公平值或現金流量將會因市場利率的變動而波動的風險有關。按固定利率計息的融資租賃借款及責任使本集團面對公平值利率風險及本集團所面對的風險被視為並不重大。

本集團銀行結餘的利率風險承擔被視為並不重大。

31.4 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instruments and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations. The Group's maximum exposure to credit risk on recognised financial assets is limited to the carrying amount at 31 March 2019 and 2018 as summarised in note 31.1.

31.4 信貸風險

信貸風險指金融工具的對手方未能根據金融工具的條款履行其責任及對本集團造成財務虧損的風險。本集團所面對的信貸風險主要來自於其日常業務過程中向客戶授出信貸。本集團就已確認金融資產而面臨之最大信貸風險限於附註31.1所概述於二零一九年及二零一八年三月三十一日之賬面值。



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### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued)

#### 31.4 Credit risk (continued)

##### *Effective before 1 April 2018*

As at 31 March 2018, in respect of trade and other receivables, individual credit evaluations are performed on all customers and counterparties. These evaluations focus on the counterparty's financial position, past history of making payments and take into account information specific to the counterparty as well as pertaining to the economic environment in which the counterparty operates. Monitoring procedures have been implemented to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and other receivable balance at the end of each reporting period to ensure adequate impairment losses are made for irrecoverable amounts.

##### *Effective on 1 April 2018*

##### **Trade receivables and contract assets**

As at 31 March 2019, for trade receivables and contract assets, the Group usually provide customers with a credit term of 28 to 60 days (2018: 28 to 60 days). For the settlement of trade receivables from provision of construction services, the Group usually reaches an agreement on the term of each payment with the customer by taking into account of factors such as, among other things, the credit history of the customer, its liquidity position and the Group's working capital needs, which varies on a case-by-case basis that requires the judgment and experience of the management.

The Group applies the simplified approach for trade receivables and contract assets to provide ECL prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for these receivables due from third parties. These evaluations focus on the counterparty's financial position, past history of making payments and take into account information specific to the counterparty as pertaining to the economic environment in which the counterparty operates. Monitoring procedures have been implemented to ensure that follow-up action is taken to recover overdue balance.

### 31. 財務風險管理及公平值計量 (續)

#### 31.4 信貸風險 (續)

##### *於二零一八年四月一日前生效*

於二零一八年三月三十一日，關於貿易及其他應收款項，需要對所有客戶及對手方進行個別信貸評估。該等評估專注於對手方之財務狀況、過往付款記錄，並考慮對手方之特定資料以及與對手方經營相關的經濟環境。本集團已實施監控程序來確保採取進一步行動收回逾期債務。此外，本集團亦於各報告期末審閱各個別貿易及其他應收款項之可收回金額，以確保對不可收回金額作出充足減值虧損。

##### *於二零一八年四月一日生效*

##### **貿易應收款項及合約資產**

於二零一九年三月三十一日，就貿易應收款項及合約資產而言，本集團通常向客戶提供28至60日的信貸期(二零一八年：28至60日)。就結算撥備建築服務的貿易應收款項而言，本集團通常就每筆付款的年期與客戶達成協議，計及(其中包括)客戶的信貸歷史、流動資金狀況及本集團營運資金需求等因素，其按個別情況而有所不同，並須依靠管理層的判斷及經驗。

本集團就貿易應收款項及合約資產應用香港財務報告準則第9號規定的簡化方法，以作出預期信貸虧損撥備，有關準則允許就應收第三方款項使用全期預期虧損撥備。該等評估專注於對手方之財務狀況、過往付款記錄，並考慮對手方之特定資料以及與對手方經營相關的經濟環境。本集團已實施監控程序來確保採取進一步行動收回逾期結餘。

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### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued)

#### 31.4 Credit risk (continued)

The Group assesses ECL under HKFRS 9 on trade receivables and contract assets based on provision matrix, the analysis of credit risk are based on debtors' ageing because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Based on the judgement of the management of the Group, the exposure to credit risk and ECL for trade receivables and contract assets which are assessed collectively based on provision matrix is negligible at 31 March 2019.

The expected loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analysed. With no material past due and default history, the expected loss rate is considered to be insignificant.

Thus, no loss allowance provision was recognised during the year ended 31 March 2019.

Trade receivables and contract assets are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The directors of the Group reviewed and considered no irrecoverable amounts should be taken account for the overdue trade receivables balances as at 31 March 2019.

At 31 March 2019, the Group has concentration of credit risk as 91% and 100% (2018: 57% and 100%) of the total trade receivables were due from the Group's largest customer and five largest customers respectively and the aggregate amounts of trade receivables from the Group's largest customer and five largest customers amounted to HK\$11,768,000 and HK\$12,903,000 (2018: HK\$15,963,000 and HK\$28,074,000) of the Group's total trade receivables at 31 March 2019 respectively.

### 31. 財務風險管理及公平值計量(續)

#### 31.4 信貸風險(續)

本集團根據香港財務報告準則第9號基於撥備矩陣評估貿易應收款項及合約資產的預期信貸虧損，信貸風險的分析乃基於債務人的賬齡作出，原因為該等客戶包括大量有共同風險特徵的客戶，而該風險特徵代表客戶根據合約條款悉數支付到期款項的能力。根據本集團管理層的判斷，於二零一九年三月三十一日使用撥備矩陣共同評估的貿易應收款項及合約資產的信貸風險及預期信貸虧損甚微。

預期虧損率乃根據債務人預期年期的過往觀察所得的違約率估計，並按毋需不必要成本或努力即可獲得的前瞻性資料作出調整。於各報告日期，歷史違約率予以更新及前瞻性估計變動予以分析。由於並無重大逾期及違約記錄，預期虧損率被視為不重大。

因此，於截至二零一九年三月三十一日止年度並無確認任何虧損撥備。

倘並無實際可收回的前景，貿易應收款項及合約資產(部分或全部)會被撇銷。此乃本集團認為債務人並無資產或收入來源可產生足夠的現金流以償還將予撇銷的款項之一般情況。本集團董事審閱並認為於二零一九年三月三十一日逾期貿易應收款項結餘並無不可收回金額。

於二零一九年三月三十一日，由於貿易應收款項總額的91%及100% (二零一八年：57%及100%)分別為應收本集團最大客戶及五大客戶的款項，故本集團有信貸風險集中，而於二零一九年三月三十一日，本集團貿易應收款項總額中應收本集團最大客戶及五大客戶的貿易應收款項總額分別為11,768,000港元及12,903,000港元(二零一八年：15,963,000港元及28,074,000港元)。

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### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued)

#### 31.4 Credit risk (continued)

For other financial assets measured at amortised cost, the Group has established a policy to perform an assessment of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group classifies its other receivables into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:	When other receivables are first recognised, the Group recognises an allowance based on 12 months' ECLs.
Stage 2:	When other receivables have shown a significant increase in credit risk since origination, the Group records an allowance for the lifetime ECLs.
Stage 3:	When other receivables are considered credit-impaired, the Group records an allowance for the lifetime ECLs.

As at 31 March 2019, the credit rating of other receivables were performing. The Group assessed that the ECL for other receivables measured at amortised cost are not material under the 12 months ECL method. Thus no loss allowance provision was recognised during the reporting period.

#### 31.5 Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and long term.

Management monitors the cash flow forecasts of the Group in meeting its liabilities.

### 31. 財務風險管理及公平值計量 (續)

#### 31.4 信貸風險 (續)

就按攤銷成本計量之其他金融資產而言，本集團已制定政策，透過考慮金融工具剩餘年期發生違約風險之變化評估金融工具之信貸風險是否自初次確認起已大幅增加。本集團將其他應收款項分類為第一階段、第二階段及第三階段，如下所述：

第一階段：	當其他應收款項獲初步確認，本集團基於十二個月預期信貸虧損撥備。
第二階段：	當其他應收款項於初步確認後顯示信貸風險大幅增加，本集團就全期預期信貸虧損記錄撥備。
第三階段：	當其他應收款項已被視為信貸減值，本集團就全期預期信貸虧損記錄撥備。

於二零一九年三月三十一日，其他應收款項的信貸評級為履約中。本集團根據12個月預期信貸虧損方法評估按攤銷成本計量之其他應收款項的預期信貸虧損並無減值。因此，於報告期間並無確認虧損撥備。

#### 31.5 流動資金風險

流動資金風險乃與本集團未能履行其與以交付現金或另一金融資產清償的金融負債相關責任的風險有關。本集團於清償貿易應付款項及履行其融資責任方面以及現金流量管理方面承受流動資金風險。本集團的目標為維持適當水平的流動資產及取得足夠已承諾信貸，以滿足短期及長期流動資金需要。

管理層於履行其責任時監控本集團的現金流量預測。

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued) 31. 財務風險管理及公平值計量(續)

31.5 Liquidity risk (continued)

Analysed below is the Group's remaining contractual maturities for its non-derivative financial liabilities at 31 March 2019 and 2018. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

31.5 流動資金風險(續)

下文顯示本集團於二零一九年及二零一八年三月三十一日有關其非衍生金融負債的餘下合約年期分析。倘債權人有權選擇償還負債的時間，此等負債將於本集團獲要求償還的最早日期入賬。倘此等負債須分期償還，每筆還款將於本集團承諾償還的最早期間分配。

以下合約到期分析乃基於金融負債的未貼現現金流量作出。

		On demand or within one year 按要求或 於一年內 HK\$'000 千港元	Over 1 year but within 5 years 一年後但 於五年內 HK\$'000 千港元	Total undiscounted cash flow 未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$000 千港元
<b>At 31 March 2019</b>	<b>於二零一九年 三月三十一日</b>				
Trade and other payables	貿易及其他應付款項	(30,501)	-	(30,501)	(30,501)
Obligation under finance leases	融資租賃承擔	(2,362)	-	(2,362)	(2,307)
Borrowings, secured	有抵押借款	(3,523)	-	(3,523)	(3,523)
		<b>(36,386)</b>	<b>-</b>	<b>(36,386)</b>	<b>(36,331)</b>
<b>At 31 March 2018</b>	<b>於二零一八年 三月三十一日</b>				
Trade and other payables	貿易及其他應付款項	(42,399)	-	(42,399)	(42,399)
Obligation under finance leases	融資租賃承擔	(2,577)	(2,362)	(4,939)	(4,711)
		<b>(44,976)</b>	<b>(2,362)</b>	<b>(47,338)</b>	<b>(47,110)</b>

Secured borrowings of HK\$3,523,000 (2018: nil) with a repayment on demand clause are included in the "on demand or within one year" time band in the above maturity analysis. Taking into account the Group's financial position, the management does not consider that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The management believes that the term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

附帶按要求償還條款的有抵押借款3,523,000港元(二零一八年:零)計入上述到期分析「按要求或於一年內」時間段內。考慮到本集團的財務狀況，管理層認為，出借方不大可能行使其酌情權要求即時還款。管理層認為，定期貸款將按照貸款協議所載計劃還款日期償還。

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### 31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT (continued)

#### 31.5 Liquidity risk (continued)

The maturity analysis of the Group's financial liabilities by expected repayment dates is summarised as follows. The amounts include interest payments computed using contractual rates.

		Total contractual undiscounted cash flows 已訂約未貼現現金流量總額 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	Between 1 and 2 years 一年至兩年 HK\$'000 千港元	Between 2 and 5 years 兩年至五年 HK\$000 千港元
<b>At 31 March 2019</b>	<b>於二零一九年三月三十一日</b>				
Trade and other payables	貿易及其他應付款項	(30,501)	(30,501)	-	-
Obligation under finance leases	融資租賃承擔	(2,362)	(2,362)	-	-
Borrowings, secured	有抵押借款	(3,900)	(900)	(900)	(2,100)
		<b>(36,763)</b>	<b>(33,763)</b>	<b>(900)</b>	<b>(2,100)</b>
<b>At 31 March 2018</b>	<b>於二零一八年三月三十一日</b>				
Trade and other payables	貿易及其他應付款項	(42,399)	(42,399)	-	-
Obligation under finance leases	融資租賃承擔	(4,939)	(2,577)	(2,362)	-
		<b>(47,338)</b>	<b>(44,976)</b>	<b>(2,362)</b>	<b>-</b>

#### 31.6 Fair value measurement of financial instruments

The carry amounts of the Group's financial assets and liabilities are not materially different from their fair values at 31 March 2019 and 2018 due to their short maturities.

### 31. 財務風險管理及公平值計量 (續)

#### 31.5 流動資金風險 (續)

本集團按預期還款日期對金融負債進行之到期分析概述如下。金額包括按合約利率計算之利息付款。

#### 31.6 金融工具之公平值計量

由於年期較短，本集團金融資產及負債之賬面值與其於二零一九年及二零一八年三月三十一日之公平值並無重大差異。



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### 32. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods and services commensurately with the level of risk.

The Group actively and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital structure on the basis of the gearing ratio. For this purpose, gearing ratio is calculated based on total borrowings divided by the total equity as at the end of each reporting period and multiplied by 100%. Total borrowings include bank borrowings and obligation under finance leases. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The gearing ratio at the end of each reporting date was:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total borrowings	借款總額		
Borrowings	借款	<b>3,523</b>	–
Obligation under finance leases	經營租賃承擔	<b>2,307</b>	4,711
<hr/>			
Total equity	權益總額	<b>5,830</b>	4,711
		<b>288,135</b>	278,302
<hr/>			
<b>Gearing ratio</b>	<b>資產負債比率</b>	<b>2.0%</b>	1.7%

### 32. 資本管理

本集團資本管理旨在確保本集團仍能持續經營並透過配合風險水平的商品及服務定價，為股東提供豐裕回報。

本集團積極定期檢討其資本架構並就經濟狀況變動而作出調整。本集團基於資產負債比率監察其資本架構。就此而言，資產負債比率按各報告期末的借款總額除以權益總額再乘以100%計算。借款總額包括銀行借款及融資租賃承擔。管理層透過審議資金成本及各類資本有關的風險審閱資本架構。有鑒於此，本集團可能調整支付予股東的股息金額、發行新股份、向股東退回資本、籌集新債務融資或出售資產以減低債務。

於各報告日期末的資產負債比率為：

# SUMMARY OF FINANCIAL INFORMATION

## 財務資料概要

The financial summary of the Group for the last five years is set as follows:

本集團過往五年的財務概要載列如下：

		For the year ended 31 March 截至三月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	<b>458,174</b>	805,716	593,572	617,846	467,302
Direct costs	直接成本	<b>(425,750)</b>	(708,568)	(522,078)	(553,899)	(443,069)
Gross profit	毛利	<b>32,424</b>	97,148	71,494	63,947	24,233
Other gains and losses, net	其他收益及虧損，淨額	<b>84</b>	2,110	952	(1,217)	1,144
Administrative expenses	行政開支	<b>(19,848)</b>	(34,861)	(14,355)	(9,069)	(8,182)
Finance costs	財務成本	<b>(297)</b>	(299)	(691)	(795)	(574)
Profit before income tax	除所得稅前溢利	<b>12,363</b>	64,098	57,400	52,866	16,621
Income tax expense	所得稅開支	<b>(2,530)</b>	(13,070)	(10,063)	(8,847)	(2,844)
Profit and total comprehensive income for the year attributable to equity holders of the Company	本公司股權持有人應佔年度溢利及全面收入總額	<b>9,833</b>	51,028	47,337	44,019	13,777
Earnings per share for profit attributable to equity holders of the Company:	本公司股權持有人應佔溢利之每股盈利：					
Basic and diluted	基本及攤薄	<b>0.82 cents 仙</b>	5.41 cents 仙	5.26 cents 仙	4.89 cents 仙	1.53 cents 仙

		As at 31 March 於三月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets and Liabilities	資產及負債					
Non-current assets	非流動資產	<b>62,043</b>	27,251	17,544	21,286	27,302
Current assets	流動資產	<b>268,242</b>	302,956	149,716	161,255	142,054
Non-current liabilities	非流動負債	<b>4,798</b>	4,380	5,789	9,674	12,550
Current liabilities	流動負債	<b>37,352</b>	47,525	43,091	55,489	83,447
Total equity	總權益	<b>288,135</b>	278,302	118,380	117,378	73,359

**Dragon Rise Group Holdings Limited**  
**龍昇集團控股有限公司**

