



匯聚科技有限公司
TIME Interconnect Technology Limited

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

股份代號 Stock Code: 1729

年度報告
Annual Report
2019

CONTENTS

目錄

2	Corporate Information 公司資料
4	Financial Highlights 財務摘要
5	Chairman's Statement 主席報告
8	Management Discussion and Analysis 管理層討論及分析
26	Biographical Details of The Directors and Senior Management 董事及高級管理層履歷詳情
32	Directors' Report 董事會報告
50	Corporate Governance Report 企業管治報告
67	Environmental, Social and Governance Report 環境、社會及管治報告
105	Independent Auditor's Report 獨立核數師報告
113	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
114	Consolidated Statement of Financial Position 綜合財務狀況表
115	Consolidated Statement of Changes in Equity 綜合權益變動表
117	Consolidated Statement of Cash Flows 綜合現金流量表
119	Notes to the Consolidated Financial Statements 綜合財務報表附註
208	Financial Summary 財務概要

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Cua Tin Yin Simon (*Chief Executive Officer*)
Mr. Wong Chi Kuen

Non-Executive Director:

Mr. Lo Chung Wai Paul (*Chairman*)

Independent Non-Executive Directors:

Mr. Ho Hin Shun
Mr. Luk Wai Shing
Mr. Chan Chung Shun Eric

BOARD COMMITTEES

Audit Committee

Mr. Chan Chung Shun Eric (*Chairman*)
Mr. Ho Hin Shun
Mr. Luk Wai Shing

Remuneration Committee

Mr. Ho Hin Shun (*Chairman*)
Mr. Wong Chi Kuen
Mr. Luk Wai Shing
Mr. Chan Chung Shun Eric

Nomination Committee

Mr. Luk Wai Shing (*Chairman*)
Mr. Wong Chi Kuen
Mr. Ho Hin Shun
Mr. Chan Chung Shun Eric

COMPANY SECRETARY

Ms. Tam Kwai Heung (resigned on 1 March 2019)
Ms. Ng Hoi Ying (appointed on 1 March 2019)

AUTHORISED REPRESENTATIVES

Mr. Wong Chi Kuen
Ms. Tam Kwai Heung (resigned on 1 March 2019)
Ms. Ng Hoi Ying (appointed on 1 March 2019)

COMPLIANCE ADVISER

Frontpage Capital Limited
26/F, Siu On Centre
188 Lockhart Road
Wan Chai
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
35/F, One Pacific Place
88 Queensway
Hong Kong
(*Certified Public Accountants*)

董事會

執行董事：

柯天然先生 (*行政總裁*)
黃志權先生

非執行董事：

羅仲煒先生 (*主席*)

獨立非執行董事：

何顯信先生
陸偉成先生
陳忠信先生

董事委員會

審核委員會

陳忠信先生 (*主席*)
何顯信先生
陸偉成先生

薪酬委員會

何顯信先生 (*主席*)
黃志權先生
陸偉成先生
陳忠信先生

提名委員會

陸偉成先生 (*主席*)
黃志權先生
何顯信先生
陳忠信先生

公司秘書

譚桂香女士 (於二零一九年三月一日辭任)
吳愷盈女士 (於二零一九年三月一日獲委任)

授權代表

黃志權先生
譚桂香女士 (於二零一九年三月一日辭任)
吳愷盈女士 (於二零一九年三月一日獲委任)

合規顧問

富比資本有限公司
香港
灣仔
駱克道188號
兆安中心26樓

核數師

德勤•關黃陳方會計師行
香港
金鐘道88號
太古廣場一期35樓
(*香港執業會計師*)

LEGAL ADVISORS AS TO HONG KONG LAWS

CFN Lawyers in association with Broad and Bright
Units 4101-04, 41/F
Sun Hung Kai Centre
30 Harbour Road
Wan Chai
Hong Kong

REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 601, Photonics Centre
2 Science Park East Avenue
Hong Kong Science Park
Shatin
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
Hang Seng Bank
The Hongkong and Shanghai Banking Corporation Limited
Australia and New Zealand Banking Group Limited (Hong Kong Branch)
China Citic Bank International Limited
Fubon Bank (Hong Kong) Limited
Bank of China (Huizhou Branch)
HSBC Bank (China) Company Limited (Huizhou sub-branch)

COMPANY'S WEBSITE

www.time-interconnect.com

STOCK CODE

1729

有關香港法律的法律顧問

陳馮吳律師事務所(與世澤律師事務所聯營)
香港
灣仔
港灣道30號
新鴻基中心
41樓4101-04室

開曼群島註冊辦事處

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

香港總辦事處及主要營業地點

香港
沙田
香港科學園
科技大道東2號
光電子中心601室

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

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
54樓

主要往來銀行

中國銀行(香港)有限公司
恒生銀行
香港上海滙豐銀行有限公司
Australia and New Zealand Banking Group Limited (香港分行)
中信銀行(國際)有限公司
富邦銀行(香港)有限公司
中國銀行(惠州分行)
滙豐銀行(中國)有限公司(惠州支行)

公司網站

www.time-interconnect.com

股份代號

1729

FINANCIAL HIGHLIGHTS

財務摘要

For the year ended 31 March	截至三月三十一日 止年度	2019	2018	Change 變動
Operating results (HK\$'million)	經營業績(百萬港元)			
Revenue	收益	1,314.4	1,238.4	6.1%
Gross profit	毛利	279.3	273.0	2.3%
Total profit for the year	年度溢利總額	122.9	132.1	-7.0%
Basic earnings per share (Hong Kong cents)	每股基本盈利 (港仙)	6.7	8.7	-23.0%
Financial position (HK\$'million)	財務狀況(百萬港元)			
Cash generated from operations	經營產生的現金	171.5	193.3	-11.3%
Bank balances and cash	銀行結餘及現金	223.8	279.6	-20.0%
Shareholders' funds	股東資金	549.1	458.7	19.7%
Capital expenditure	資本開支	182.6	11.3	1,515.9%
Key ratios (%)	主要比率(%)			
Gross profit margin	毛利率	21.2	22.0	-0.8pts
Net profit margin	淨利潤率	9.4	10.7	-1.3pts
EBITDA/Revenue	EBITDA/收益	12.8	14.9	-2.1pts
Return on shareholders' funds	股東資金回報	22.4	28.8	-6.4pts

CHAIRMAN'S STATEMENT 主席報告

Dear Shareholders,

On behalf of the board of directors (the “**Board**”), I am pleased to present to you the annual report of TIME Interconnect Technology Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) for the year ended 31 March 2019 (the “**Review Year**” or “**FY2019**”).

Following the Group's successful listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2018, the Group achieved another year of prospects with much progress made in innovation and supply chain management. Meanwhile, the Group actively invested resources in strategic industries with high growth potential, including 5G telecommunications, data centre and medical equipment etc. We firmly believe that 2019 would mark as a year of lucrative harvest for the Group with our ferocious effort to gear up and strong drive to move forward.

FINANCIAL REVIEW

During the year ended 31 March 2019, the Group achieved a 6.1% increase in revenue to approximately HK\$1,314.4 million from approximately HK\$1,238.4 million for the year ended 31 March 2018 (the “**Previous Year**” or “**FY2018**”). The growth was mainly driven by higher sales in telecommunication and medical equipment sectors. The Group recorded a 2.3% increase in gross profit to HK\$279.3 million in FY2019 compared to HK\$273.0 million in FY2018. Gross profit margin slightly decreased from 22.0% in FY2018 to 21.2% in FY2019, mainly attributable to the change in product mix.

After considering the Group's short term needs and our cash on hand, the Board has proposed to recommend to Shareholders the payment of a final dividend of HK2 cents (2018: HK1 cent) per share, amounting to a total of approximately HK\$36.8 million.

致各股東：

本人欣然代表董事會(「**董事會**」)向閣下呈列匯聚科技有限公司(「**本公司**」，連同其附屬公司統稱為「**本集團**」)截至二零一九年三月三十一日止年度(「**回顧年度**」或「**二零一九財政年度**」)的年報。

繼本集團於二零一八年在香港聯合交易所有限公司(「**聯交所**」)主板成功上市後，本集團再次走過前景光明的一年，創新及供應鏈管理大有建樹。同時，本集團積極向5G電訊、數據中心及醫療設備等具有高增長潛力的戰略性行業投放資源。我們堅信，只要我們奮勇前進，蓄力前行，二零一九年將會是本集團收穫豐碩的一年。

財務回顧

於截至二零一九年三月三十一日止年度，本集團的收益由截至二零一八年三月三十一日止年度(「**上年度**」或「**二零一八財政年度**」)的約1,238.4百萬港元增長6.1%至約1,314.4百萬港元。有關增長主要由通訊及醫療設備分部的高銷售額推動。本集團的毛利增加2.3%至二零一九財政年度的279.3百萬港元，而二零一八財政年度則為273.0百萬港元。毛利率由二零一八財政年度的22.0%微跌至二零一九財政年度的21.2%，主要由於產品組合變動所致。

經考慮本集團的短期需求及手頭現金後，董事會建議向股東派付末期股息每股2港仙(二零一八年：1港仙)，總額約為36.8百萬港元。

CHAIRMAN'S STATEMENT 主席報告

OUTLOOK

In spite of the weakened business sentiments caused by trade disputes between the United States and China, the Group's turnover recorded an increase in FY2019. This clearly demonstrated the outstanding management capabilities of the Group. To maintain our excellent performance and achieve sustainable growth in the long run, we will continue to put great efforts on product development, customer maintenance and expansion, and production capacity enhancement.

In the recent years, we see a new world is coming with the next-generation 5G network being realised gradually. The demand on mobile network, Internet of Things (IoT), infrastructure products to transport big data is expected to be highly increased. These new technologies and the growing trend of big data processing are expected to drive the demand of building new hardware that requires the cable assembly products. In light of this, we remain optimistic on the continuous growth of the telecommunication and data centre sectors.

For the fast-growing medical equipment sector, it has made greater contribution to the Group's revenue in FY2019. We believe this sector will keep its dynamic pace of growth, considering the arising demand from the medical equipment market, which is driven by the aging population, people's improving health awareness and etc. To catch up with the trend, we will continue to solidify the collaboration with our existing medical equipment customers, explore more notable customers and enhance our research and development ("R&D") capabilities, so as to launch top-grade products as such.

In the coming year, we will remain cautiously optimistic when making business strategies, in view of both the encouraging prospects of telecommunication, data centre and medical equipment sectors; and the volatile global economic and political environment caused by the trade disputes between the United States and China. We have been seeking for measures to mitigate the impact of trade war on our businesses. For example, we changed the supply source away from China for the certain major components of products to be shipped to the U.S. and procured recognition ruling from the U.S. on specific products to avoid the additional tariffs.

前景

儘管中美貿易爭端令商業環境低迷，本集團仍於二零一九財政年度錄得營業額增長，充分顯示出本集團擁有卓越的管理能力。為保持我們的卓越表現及長期取得可持續增長，我們將繼續大力開發產品、維繫及開發客戶並提升產能。

近年來，隨著下一代的5G網絡逐步落地，一個全新的世界正款款而來。對移動網絡、物聯網(IoT)、基建產品乃至傳輸大數據的需求預期將會激增。這些新技術及大數據處理的發展趨勢預期將推動對建設需要電線組件產品的新硬件的需求。有鑒於此，我們仍對電訊及數據中心分部的持續增長抱樂觀態度。

增長迅速的醫療設備分部對本集團於二零一九財政年度的收益貢獻更甚。考慮到人口老齡化及人們的保健意識不斷提升等促使醫療設備市場的需求增長，我們相信該分部將保持強勁的增長步伐。為緊跟趨勢，我們將繼續鞏固與現有醫療設備客戶的合作、物色更多知名客戶及提升我們的研究及開發(「研發」)能力，以因此推出一流的產品。

鑒於電訊、數據中心及醫療設備分部的前景令人鼓舞，加之中美貿易爭端令全球經濟及政治環境動盪，我們於來年作出商業戰略時仍將保持審慎樂觀態度。我們一直尋求措施減低貿易戰對我們業務的影響。例如，我們更改將運往美國之產品的若干主要組件的供應來源地，使其遠離中國，並取得美國對特定產品的認可裁定，以避開額外關稅。

APPRECIATION

Looking forward to 2019, the Group will continue to adhere to its professional practices and efficient operations to grow our existing businesses through continuous integration of enterprise resources and product innovation. At the same time, we will seize more profitable investment opportunities, to generate possible additional revenue and business diversification. We aim to consolidate and expand the Group's competitive advantages, creating long-term and high-value returns for shareholders.

Finally, I would like to take this opportunity to express my heartfelt thanks to the Board, the management team, business partners and all staff for their contributions.

Lo Chung Wai Paul

Chairman

Hong Kong, 21 June 2019

致謝

展望二零一九年，本集團將透過持續整合企業資源及產品創新，繼續奉行專業守則及有效營運，以促進現有業務增長。與此同時，我們將把握更多具盈利的投資機遇，產生潛在額外收益及達致業務多元化。我們旨在強化及擴大本集團的競爭優勢，從而為股東締造高價值的長期回報。

最後，本人謹此衷心感謝董事會、管理團隊、業務夥伴及全體員工所作的努力。

主席

羅仲煒

香港，二零一九年六月二十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

The trade and tariff disputes between the United States and China caused the overall slowdown of global macro-economy. In the face of challenges and difficulties, the Group's turnover growth during the year has not been greatly affected, thanks to its unique customer profile and sensible business strategies.

As a reputable supplier of customised wiring components, the Company has given unremitting efforts in providing high-quality products and services for its customers. During the Review Year, the Group has continued to invest resources in product development and further enhance its R&D capabilities. It has launched more 5G next-generation products to form a product mix of diversified products and solutions. The Directors believe that the continuous innovation and outstanding product mix will elevate the Group's overall competitiveness, set it apart from the peers and leverage the expansion of the Group's market share.

The Group has kept expanding its customer base to capture the rising business opportunities from the communication equipment, data centre and medical equipment industries. During the Review Year, the Group has captured new customers in the PRC market and further improved the business relationships with its existing international customers. In FY2019, the Group achieved much progress made in innovation and supply chain management. The Group has received various recognitions from its customers on the Group's top-class products and services, such as two supply chain awards — "Excellent Supply Performance Award" and "Excellent Digital Collaboration Award" from Huawei Technologies Co., Ltd. In the fast-growing medical equipment sector, the Group has garnered the "Excellent Cooperation Award" from GE Healthcare Group, being the only winner of this award amongst the suppliers of wiring components. This was the first award the Group obtained in the medical equipment industry, reflecting its rapid development in this market sector.

業務回顧

中美之間的貿易關稅爭端令全球宏觀經濟整體放緩。面對挑戰及困難，本集團憑藉獨特的客戶群及明智的業務策略，使年內的營業額增長不受較大影響。

作為知名的定制電線部件供應商，本公司堅持不懈地為其客戶提供高質的產品及服務。於回顧年度內，本集團繼續向產品開發投放資源，並繼續進一步提高自身研發能力。本集團已推出更多5G下一代產品，以形成具有多元化產品及解決方案的產品組合。董事相信，持續創新及出色的產品組合將提升本集團的整體競爭力，使其在同業對手中脫穎而出並有賴於擴大本集團的市場份額。

本集團持續擴大其客戶群，以把握通訊設備、數據中心及醫療設備行業不斷湧現的商機。於回顧年度內，本集團已爭取到中國市場的新客戶，並進一步鞏固其與現有國際客戶的業務關係。於二零一九財政年度，本集團在創新及供應鏈管理方面大有建樹。本集團的一流產品及服務廣獲客戶好評，如華為技術有限公司授予的兩項供應鏈獎項—「優秀交付績效獎」及「數字化協同標杆獎」。在本集團增長迅速的醫療設備分部，本集團榮獲GE Healthcare Group頒發的「卓越合作獎」(「Excellent Cooperation Award」)，成為眾多電線部件供應商中此獎項的唯一獲獎者。此乃本集團醫療設備行業獲得的第一個獎項，反映其在此市場分部發展迅速。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RESULTS OF OPERATIONS

Financial Overview

經營業績

財務回顧

For the year ended 31 March	截至三月三十一日止年度	2019 HK\$'million 百萬港元	2018 HK\$'million 百萬港元	Change 變動 HK\$'million 百萬港元
Revenue	收益	1,314.4	1,238.4	76.0
Gross profit	毛利	279.3	273.0	6.3
Gross profit margin	毛利率	21.2%	22.0%	
Other income and other gains and losses	其他收入及其他收益及虧損	(4.9)	11.8	(16.7)
Total operating expenses	經營開支總額	(126.8)	(95.5)	(31.3)
Total operating expenses as a percentage of revenue	經營開支總額佔收益百分比	9.6%	7.7%	
Operating profit	經營溢利	147.6	189.3	(41.7)
Operating profit margin	經營利潤率	11.2%	15.3%	
Imputed financial guarantee income	推算財務擔保收入	–	8.4	(8.4)
Listing expenses	上市開支	–	(24.4)	24.4
Finance costs	融資成本	(1.6)	(2.3)	0.7
Profit before taxation	除稅前溢利	146.0	171.0	(25.0)
Taxation	稅項	(23.1)	(38.9)	15.8
Effective tax rate	實際稅率	15.8%	22.7%	
Profit for the year	年度溢利	122.9	132.1	(9.2)
Net profit margin (Note)	淨利潤率(附註)	9.4%	10.7%	

Note: Net profit margin is derived as profit for the year divided by the revenue for the year.

附註：淨利潤率以年內溢利除以年內收益計算得出。

Revenue

The Group's revenue for FY2019 increased by 6.1% to HK\$1,314.4 million from \$1,238.4 million in the previous financial year. The increase in revenue was mainly driven by the higher sales in telecommunication and medical equipment sectors.

收益

本集團於二零一九財政年度的收益由上一財政年度1,238.4百萬港元增加6.1%至1,314.4百萬港元。收益增長主要由通訊及醫療設備分部的高銷售額推動。

Market Sector	市場分部	2019		2018		Change 變動	
		HK\$'million 百萬港元	%	HK\$'million 百萬港元	%	HK\$'million 百萬港元	%
Telecommunication	電訊	650.9	49.5%	534.1	43.1%	116.8	21.9%
Data centre	數據中心	462.9	35.2%	571.6	46.2%	(108.7)	-19.0%
Medical equipment	醫療設備	138.0	10.5%	62.1	5.0%	75.9	122.2%
Industrial equipment	工業設備	62.6	4.8%	70.6	5.7%	(8.0)	-11.3%
Total	總計	1,314.4	100.0%	1,238.4	100.0%	76.0	6.1%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Telecommunication sector: It recorded an increase of revenue from HK\$534.1 million for the previous financial year to HK\$650.9 million for FY2019, which represented an increase of 21.9%. Such increase was mainly attributable to the growing demand for new 5G products from its major customers in the sector, which remained as the main sales growth driver of the Group's revenue in terms of amount and percentage.

Data centre sector: The revenue recorded a decrease of 19.0% from HK\$571.6 million for the previous financial year to HK\$462.9 million for FY2019. Such decrease was mainly attributable to the decline in demand for products from the Group's major customers in this sector.

Medical equipment sector: The revenue achieved a significant growth rate of 122.2% from HK\$62.1 million for the previous financial year to HK\$138.0 million for FY2019. Such growth represented the highest growth rate among the Group's market sectors and the increase was mainly attributable to the robust demand for products from both existing customers and new customers.

Industrial equipment sector: The revenue dropped 11.3% from HK\$70.6 million for the last financial year to HK\$62.6 million for FY2019. The decrease was mainly due to the turmoil from the Sino-U.S. trade war.

Gross Profit/Margin

Gross profit for FY2019 was HK\$279.3 million, an increase of HK\$6.3 million or 2.3% compared to the HK\$273.0 million recorded in the previous financial year. Gross profit margin slightly decreased from 22.0% to 21.2%. The change in gross profit and gross profit margin was mainly attributable to the change in product mix. Cost of materials as percentage of the Group's revenue was decreased as compared to the previous financial year as a result of its material cost savings program during the year. But for the direct labour costs and manufacturing overheads as a percentage of revenue, they were higher than last year due to the labour costs and depreciation increase.

電訊分部：收益由上一財政年度的534.1百萬港元增加至二零一九財政年度的650.9百萬港元，增長為21.9%。有關增加主要歸因於該分部內主要客戶對新5G產品不斷增長的需求，此亦為本集團銷售收益的主要增長動力（按金額及百分比計算）。

數據中心分部：收益由上一財政年度的571.6百萬港元減少19.0%至二零一九財政年度的462.9百萬港元。有關減少主要歸因於對本集團該分部內主要客戶的產品的需求減少。

醫療設備分部：收益錄得顯著增長，由上一財政年度的62.1百萬港元增加122.2%至二零一九財政年度的138.0百萬港元。該增長為本集團市場分部中的最高增長率，而該增長主要歸因於現有及新客戶對產品的強烈需求。

工業設備分部：收益由上一財政年度的70.6百萬港元減少11.3%至二零一九財政年度的62.6百萬港元。有關減少主要歸因於中美貿易戰的動盪。

毛利／毛利率

二零一九財政年度的毛利為279.3百萬港元，較上一財政年度錄得的273.0百萬港元增加6.3百萬港元或2.3%。毛利率由22.0%略微減少至21.2%。毛利及毛利率變動主要由於產品組合變動所致。材料成本佔本集團收益的百分比較上一財政年度下降，乃由於年內的材料成本節省計劃。至於直接勞工成本及生產支出佔收益的百分比高於去年，乃由於勞工成本及折舊增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operating Profit/Margin

Operating profit (excluding the listing expenses, imputed guarantee income and finance costs) for FY2019 was HK\$147.6 million, which represented a decrease of HK\$41.7 million or 22.0% as compared with the previous financial year. Operating profit margin also decreased from 15.3% to 11.2%. The ratio of EBITDA to revenue dropped from 14.9% to 12.8%.

Other income and other gains and losses decreased from a gain HK\$11.8 million for the year ended 31 March 2018 to a loss HK\$4.9 million for the FY2019. Such decrease was mainly attributable to exchange loss of HK\$9.8 million recognised in FY2019, which arose from the Group's operations in the ordinary course of business, as compared with an exchange gain of HK\$9.7 million in the last financial year.

The total operating expenses for FY2019 were HK\$126.8 million, an increase HK\$31.3 million or 32.8% over the last financial year. Total operating expenses as a percentage of Group's revenue increased from 7.7% to 9.6%.

Distribution and selling expenses increased from HK\$20.2 million to HK\$23.2 million during FY2019, an increase of 14.9% compared with the last financial year. It was mainly attributable to the increase of staff cost, travel and entertainment, freight and transportation cost. As a percentage of Group's revenue, distribution and selling expenses increased from 1.6% to 1.8%.

Administrative expenses increased from HK\$34.4 million to HK\$57.9 million over the last year. The increase was mainly due to the increase in staff cost, legal and professional fee, and depreciation. The staff cost increased due to headcount increase in I.T., salary and bonus increase, and the increase of share option expenses. The legal and professional fee increase was mainly due to expenses incurred in relation to the compliance of listing requirements and the acquisition of new factory. Administrative expenses as a percentage of revenue increased from 2.8% to 4.4%.

During FY2019, the research and development expenses were HK\$45.7 million, which represented an increase of 11.7% compared with the previous financial year. It was mainly attributable to the increase of staff cost, which including headcount increase and salary increment. Research and development expenses as a percentage of Group's revenue slightly increased from 3.3% to 3.5%. The Group continuously expanded the size of its R&D team to enhance its R&D capabilities in respect of launching new products and technologies.

經營溢利／經營利潤率

二零一九財政年度的經營溢利(扣除上市開支、推算擔保收入及融資成本)為147.6百萬港元，較上一財政年度減少41.7百萬港元或22.0%。經營利潤率亦由15.3%下降至11.2%。EBITDA佔收益比率由14.9%下降至12.8%。

其他收入及其他收益及虧損由截至二零一八年三月三十一日止年度的收益11.8百萬港元減少至二零一九財政年度的虧損4.9百萬港元。有關減少主要歸因於二零一九財政年度確認的本集團日常業務過程中的營運產生匯兌虧損9.8百萬港元，而上一財政年度則產生匯兌收益9.7百萬港元。

二零一九財政年度的經營開支總額為126.8百萬港元，較上一財政年度增加31.3百萬港元或32.8%。經營開支總額佔本集團收益百分比由7.7%增加至9.6%。

於二零一九財政年度，銷售及分銷開支由上一財政年度的20.2百萬港元增加至23.2百萬港元，增幅14.9%，乃主要歸因於員工成本、差旅及應酬、貨運及交通成本的增加。分銷及銷售開支佔本集團收益百分比由1.6%增加至1.8%。

行政開支由去年的34.4百萬港元增加至57.9百萬港元。增加主要由於員工成本、法律及專業費用以及折舊增加所致。員工成本的增加乃主要歸因於電腦部門人數增加、薪金及花紅增長以及購股權開支增加。法律及專業費用增加主要歸因於就遵守上市要求及收購新工廠而產生的開支。行政開支佔收益百分比由2.8%增加至4.4%。

於二零一九財政年度，研發開支為45.7百萬港元，較上一財政年度增加11.7%。此乃主要歸因於員工成本增加(包括人數增加及薪金上漲)。研發開支佔本集團收益百分比由3.3%略微上升至3.5%。本集團不斷壯大其研發團隊的規模，以增強推出新產品及技術的研發能力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance Costs

The finance costs mainly represent bank loan interest for bank borrowings. In line with the decrease in bank loan, the finance costs decreased by 30.4% from HK\$2.3 million for the last financial year to HK\$1.6 million for FY 2019.

Total Profit for the Year and Earnings Per Share

Total profit for the year of the Company for FY2019 was HK\$122.9 million, a decrease of HK\$9.2 million or 7.0% as compared to the last financial year. Net profit margin dropped from 10.7% to 9.4%.

Taxation represents the tax expenses arising from the assessable profit generated by the Group in Hong Kong and PRC. Taxation was provided at the respective tax rate of 16.5% and 25% based on the profit from operating activities. Taxation charges decreased from HK\$38.9 million in the last financial year to HK\$23.1 million in FY2019. The effective tax rate decreased from 22.7% to 15.8%, due to overprovision tax amounting to HK\$3.8 million in prior year and the additional tax deduction on R&D expenditure claim in the PRC amounting to HK\$5.6 million in FY2019.

Basic and diluted earnings per share for FY2019 were HK6.68 cents as compared to the basic earnings per share of HK8.68 cents in the previous financial year.

Dividends

The Directors recommend to Shareholders the payment of a final dividend in respect of FY2019 of HK2 cents (2018: HK1 cent) per share, amounting to a total of approximately HK\$36.8 million.

Segment Information

Segmental information is presented for the Group as disclosed on Note 5 to the consolidated financial statements.

OUTLOOK

Looking ahead, the Group will devote to strengthen its competitive advantages, namely cutting-edge innovation and R&D capabilities; in-depth industry understanding; high-quality and diversified product mix as well as long term and stable relationship with customers. Especially, the Group will continue to put resources on new product development and customer base expansion, and pursue strategic industries which it believes to have high growth potential, such as the telecommunication, data centre and medical equipment sectors.

融資成本

融資成本主要指銀行借款的銀行貸款利息。隨著銀行貸款減少，融資成本由上一財政年度的2.3百萬港元減少30.4%至二零一九財政年度的1.6百萬港元。

年度溢利總額及每股盈利

本公司於二零一九財政年度的年度溢利總額為122.9百萬港元，較上一財政年度減少9.2百萬港元或7.0%。淨利潤率由10.7%下降至9.4%。

稅項指自本集團於香港及中國的應課稅溢利產生的稅項開支。稅項根據經營活動所得溢利分別按16.5%及25%的稅率作出撥備。稅項開支由上一財政年度的38.9百萬港元減少至二零一九財政年度的23.1百萬港元。實際稅率由22.7%減少至15.8%，乃由於過往年度的稅項超額撥備為3.8百萬港元，而二零一九財政年度在中國的研發開支獲得額外稅項扣減為5.6百萬港元所致。

於二零一九財政年度，每股基本及攤薄盈利為6.68港仙，而上一財政年度每股基本盈利為8.68港仙。

股息

董事建議向股東派付二零一九財政年度的末期股息每股2港仙(二零一八年：1港仙)，總額約為36.8百萬港元。

分部資料

本集團呈列之分部資料如綜合財務報表附註5所披露。

展望

展望未來，本集團將致力於鞏固其競爭優勢：前沿的創新及研發能力、深厚的行業知識、優質而多樣化的產品組合及與客戶長期穩定的關係。尤其是，本集團將繼續投放資源於新產品開發及擴大客戶群，並追求如電訊、數據中心及醫療設備分部等具有高增長潛力的戰略性行業。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

According to a report released by Global System for Mobile Communication Association and Global TD-LTE Initiative, China is expected to become the world's largest 5G market by 2025, accounting for 430 million 5G connections, or one-third of the global total. All three Chinese mobile operators China Mobile, China Unicom and China Telecom are currently conducting live 5G trials as part of a multi-year plan that includes research and development, and a network deployment strategy with a view to a large scale commercial launch by 2020, according to the report released at the 2018 Mobile World Congress Shanghai. With the 5G network deployment pushing forward, the demand for optical fibre cable are believed to grow outstandingly and the Directors are confident on the Group's future performance in the telecommunication and data centre sector as its customers are the primary network equipment suppliers to the three nationwide mobile operators.

For the medical equipment sector, the Group has achieved great progress in the past one year. In addition to the substantial revenue growth recorded, the Group also successfully secured new customers in this sector and got recognition from its existing renowned customer GE Healthcare Group, reflecting its rapid development in this sector. The Group expects this sector to maintain a strong growth momentum in the coming year in view of the constant increasing demand for medical care services. In this occasion, the Group will continuously expand its R&D team so as to enhance the R&D capabilities in respect of launching such medical-grade products and technologies.

The recent escalation of the trade tensions between the United States and China has brought more uncertainties to the global economy. The heavy additional tariffs that may be raised by the United States would negatively influence different industries once it is adopted. Revenue of industrial equipment sector becomes difficult to predict, the Group will pay close attention to the changes in relevant circumstances. In the meantime, the Group will strive to grasp different business opportunities in order to minimise the risks and uncertainties involved in the unstable economies.

根據全球移動通訊系統協會及TD-LTE全球發展倡議發佈的報告，到二零二五年，中國預期將成為全球最大的5G市場，5G連接數達4.3億，佔全球市場的三分之一。根據2018世界移動大會•上海發佈的報告，中國三大移動運營商中國移動、中國聯通及中國電信目前均正在進行5G的現場測試(作為包括研發在內的多年規劃的一部分)，及實施網絡部署戰略，旨在於二零二零年前推出大規模商用。隨著5G網絡部署的推進，相信光纖電線的需求將會顯著增長，而由於其客戶為三大國有移動運營商的網絡設備主要供應商，董事對本集團電訊及數據中心分部的日後表現充滿信心。

就醫療設備分部而言，本集團已於過去一年取得重大進展。除收益錄得大幅增長外，本集團亦成功爭取該分部的新客戶，並獲得其現有知名客戶GE Healthcare Group的認可，反映本集團在此分部發展迅速。鑒於對醫療保健服務的需求不斷增加，本集團預期該分部將於來年保持強勁的增長動力。在此情況下，本集團將繼續擴展研發團隊，以提升推出醫療級別產品及相關科技的研發能力。

近期中美貿易摩擦升溫，給全球經濟帶來更多不確定性。美國可能加徵沉重的額外關稅一旦獲得採納，將對不同行業造成負面影響。工業設備分部的收益變得難以預計，本集團將密切關注相關環境的變動。與此同時，本集團將竭力把握不同業務機遇，藉此盡量減少不穩定經濟環境中的風險及不確定性。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

To meet with the increasing demand as aforementioned, the Group is making great efforts to enhance its production capacity and look for more space for the production. On 24 September 2018, the proposed acquisition of a parcel of industrial land with two industrial buildings (the “**Target Property**”) of Huizhou Light Engine Limited (94% equity interest owned by United Luminous, which in turn is wholly owned by Mr. Lo Chung Wai Paul, the Chairman, a non-executive Director and a controlling shareholder of the Group) has been approved at the extraordinary general meeting by the Independent Shareholders, at the consideration of HK\$166.8 million. Such acquisition would increase more than 120% of production capacity for telecommunication sector, data centre sector and medical equipment sector. The acquisition has been completed on 25 December 2018, and the Group plans to utilise the enlarged capacity by stages within three years, 24 production lines will be schedule installed in the coming twelve months. The Directors believe the acquisition of the Target Property would add stability to the Group’s sustainable development in medium term.

With regard to the additional tariffs that may be raised by the United States on certain Chinese imported goods, the Group has been taking measures to mitigate the impact of trade war on its businesses since 2018. In April 2019, the Group has changed the supply source away from China for the certain major components of products to be shipped to the United States for avoidance of the additional tariffs. Besides, the Group also procured from the U.S. Customs and Border Protection the “Country of origin and Marking Ruling” for the Group’s fibre cable assembly products in February 2019. Accordingly, the fibre cable assembly products will not be subjected to additional tariffs when importing into the United States in the future even though the major components of the fibre cable assembly products are purchased from China. In this connection, the Group has preliminarily assessed that the additional tariffs will not have a material adverse impact on its businesses in the United States in the current fiscal year 2020.

LIQUIDITY AND FINANCIAL RESOURCES

Shareholders’ funds as at 31 March 2019 were approximately HK\$549.1 million, which represented an increase of 19.7% from HK\$458.7 million in the last financial year. The increase was mainly due to the profit attributable to equity shareholders for the current year and difference in the foreign currency exchange rate from converting Renminbi into Hong Kong dollars as recorded in the financial statements of the PRC subsidiary following the currency appreciation of Renminbi during FY2019. Shareholders’ funds per share was HK\$0.30, same as last financial year.

為滿足上述日益增長的需求，本集團正大力提升其產能及增加產量。於二零一八年九月二十四日，獨立股東於股東特別大會上批准以代價166.8百萬港元建議收購惠州元暉光電股份有限公司(為之光電擁有94%股權，而為之光電由本集團主席、非執行董事及控股股東羅仲煒先生全資擁有)的一塊有兩棟工業大樓的工業用地(「**目標物業**」)。該收購事項將令通訊分部、數據中心分部及醫療設備分部的產能增加逾120%。這收購已於二零一八年十二月二十五日完成，本集團計劃於三年內分階段使用擴大的產能，24條生產線將按計劃於未來12個月內獲安裝。董事認為，收購目標物業將增加本集團中期可持續發展的穩定性。

就美國可能對中國若干進口產品徵收的額外關稅而言，本集團已自二零一八年以來採取措施，減低貿易戰對其業務的影響。於二零一九年四月，本集團更改將運往美國之產品的若干主要組件的供應來源地，使其遠離中國，以避開額外關稅。此外，本集團亦於二零一九年二月就本集團的光纖電線組件產品取得美國海關及邊境保衛局作出「原產國及標記裁定」。因此，未來光纖電線組件產品進口至美國時，即使其主要組件均採購自中國，惟光纖電線組件產品將不會被徵收額外關稅。就此而言，本集團已初步評估，於當前二零二零財政年度，額外關稅將不會對其美國的業務產生重大不利影響。

流動資金及財務資源

於二零一九年三月三十一日，股東資金約為549.1百萬港元，較上一財政年度的458.7百萬港元增加19.7%。增加主要由於權益股東應佔本年度溢利及於二零一九財政年度人民幣升值後將中國附屬公司財務報表所錄得的人民幣換算為港元的匯率差額所致。每股股東資金為0.30港元，與上一財政年度相同。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 March 2019, the Group had bank balances and cash of HK\$223.8 million, representing a decrease of 20.0% as compared to HK\$279.6 million as of 31 March 2018. It was mainly due to HK\$104.8 million was utilised from the net proceeds of HK\$126.6 million received from the listing, and the increase in cash generated from operating activities during the current year. As at 31 March 2019, the Group's bank loan was HK\$49.2 million, an increase of 18.6% from HK\$41.5 million in the last financial year. The Group maintained sufficient banking facilities and did not have any outstanding long-term bank borrowings as at 31 March 2019.

於二零一九年三月三十一日，本集團銀行結餘及現金為223.8百萬港元，較二零一八年三月三十一日的279.6百萬港元減少20.0%，主要由於動用上市收取的所得款項淨額126.6百萬港元中的104.8百萬港元，以及於本年度內經營活動產生的現金增加所致。於二零一九年三月三十一日，本集團銀行貸款為49.2百萬港元，較上一財政年度的41.5百萬港元增加18.6%。本集團維持充足的銀行融資，於二零一九年三月三十一日並無任何尚未償還的長期銀行借款。

Analysis of Cash Flow from Operations

經營所得現金流量分析

For the year ended 31 March	截至三月三十一日止年度	2019 HK\$'million 百萬港元	2018 HK\$'million 百萬港元	Change 變動 HK\$'million 百萬港元
Operating profit	經營溢利	147.6	189.3	(41.7)
Listing expenses	上市開支	–	(24.4)	24.4
Release of prepaid lease payments	解除預付租賃付款	0.5	–	0.5
Depreciation and amortisation	折舊及攤銷	19.6	11.3	8.3
EBITDA (excluding imputed financial guarantee income)	EBITDA (扣除推算財務擔保收入)	167.7	176.2	(8.5)
Interest income	利息收入	(1.3)	(0.5)	(0.8)
Gain on disposal of tangible assets	出售有形資產的收益	–	(0.4)	0.4
Write off of inventories	撇銷存貨	3.0	2.6	0.4
Share based payments	以股份為基礎的付款	3.8	–	3.8
Working capital change	營運資金變動	(1.7)	15.4	(17.1)
Cash generated from operations	經營產生的現金	171.5	193.3	(21.8)

The Group's cash generated from operations for FY2019 was HK\$171.5 million, a decrease of 11.3% as compared to HK\$193.3 million in the previous financial year. The decrease was mainly attributable to the decrease in EBITDA in FY2019 and the change of working capital as compared with the previous financial year.

本集團經營產生的現金於二零一九財政年度為171.5百萬港元，較上一財政年度的193.3百萬港元減少11.3%。有關減少主要歸因於二零一九財政年度的EBITDA減少以及營運資金與上一財政年度相比的變化。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Working Capital Change

營運資金變動

As at 31 March	於三月三十一日	2018 HK\$'million 百萬港元	Change 變動 HK\$'million 百萬港元	2019 HK\$'million 百萬港元
Stocks	存貨	195.3	(8.7)	186.6
Trade debtors	應收賬項	237.7	(73.5)	164.2
Other debtors, deposits and prepayments	其他應收款、按金及預付款項	39.6	(6.0)	33.6
Trade creditors	應付賬項	(328.3)	72.3	(256.0)
Other creditors and accruals	其他應付款及應計費用	(36.4)	6.3	(30.1)
Total working capital	營運資金總額	107.9	(9.6)	98.3

Stock as of 31 March 2019 were HK\$186.6 million, decreased from HK\$195.3 million as of 31 March 2018. The turnover days was 67 days, increased 7 days from last financial year.

於二零一九年三月三十一日的**庫存**為186.6百萬港元，較二零一八年三月三十一日的195.3百萬港元有所減少。周轉日數為67日，較上一財政年度增加7日。

As at 31 March	於三月三十一日	2019 HK\$'million 百萬港元	2018 HK\$'million 百萬港元
Stock	庫存	186.6	195.3
Average stocks as a percentage of Cost of Goods Sold	平均存貨佔已售貨品成本百分比	18.4%	16.5%
Turnover days	周轉日數	67 days	60 days
		67 日	60 日

Trade debtors as of 31 March 2019 were HK\$164.2 million, decreased from HK\$237.7 million as of 31 March 2018. The lower trade debtor balance as at 31 March 2019 was mainly due to the decrease in revenue in the last quarter of financial year 2019 compared with the previous financial year. Debtors' turnover days continuously improved from 65 days to 56 days. The improvement on turnover days was mainly due to the early payment from its major customer of telecommunication sector.

於二零一九年三月三十一日的**應收賬項**為164.2百萬港元，較二零一八年三月三十一日的237.7百萬港元有所減少。於二零一九年三月三十一日的應收賬項結餘減少主要由於與上一財政年度相比，二零一九財政年度最後一個季度的收益減少。應收款項的周轉日數由65日不斷改善至56日。周轉日數改善主要由於電訊分部主要客戶的提早還款。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group has tight management on credit exposure, and has delegated a Credit Team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced. The overdue balances greater than 30 days accounted for 1.2% of the gross trade debtors as of 31 March 2019.

本集團對信貸風險實行嚴格管理，並指派信貸團隊負責信貸限額之釐定、信貸額之批核，並設有其他監管程序，確保能採取跟進措施收回逾期債務。此外，本集團於各報告期末檢討每筆應收債項的可收回金額，以確保就不可收回金額提撥充足減值虧損。就此而言，董事認為，本集團的信貸風險顯著降低。於二零一九年三月三十一日，逾期超過30日的逾期結餘佔應收賬項總額的1.2%。

As at 31 March	於三月三十一日	2019 <i>HK\$'million</i> 百萬港元	2018 <i>HK\$'million</i> 百萬港元
Trade debtors and bills receivables	應收賬項及應收票據	164.2	237.7
Average trade debtors as a percentage of revenue	平均應收賬項佔收益百分比	15.3%	17.7%
Turnover days	周轉日數	56 days 56日	65 days 65日

Other debtors, deposits and prepayments as of 31 March 2019 were HK\$33.6 million, decreased from HK\$39.6 million as of 31 March 2018. It was mainly attributable to the decrease of value added tax receivables.

於二零一九年三月三十一日的**其他應收款、按金及預付款項**為33.6百萬港元，較二零一八年三月三十一日的39.6百萬港元有所減少，主要由於應收增值稅減少所致。

Trade creditors as of 31 March 2019 were HK\$256.0 million, as compared to HK\$328.3 million as of 31 March 2018. Creditors' turnover days improved from 99 days to 103 days.

於二零一九年三月三十一日的**應付賬項**為256.0百萬港元，而二零一八年三月三十一日為328.3百萬港元。應付款的周轉日數由99日改善至103日。

As at 31 March	於三月三十一日	2019 <i>HK\$'million</i> 百萬港元	2018 <i>HK\$'million</i> 百萬港元
Trade creditors and bills payables	應付賬項及應付票據	256.0	328.3
Average trade creditors as a percentage of Cost of Goods Sold	平均應付賬項佔已售貨品成本百分比	28.2%	27.0%
Turnover days	周轉日數	103 days 103日	99 days 99日

Other creditors and accruals as of 31 March 2019 were HK\$30.1 million, decreased from HK\$36.4 million as of 31 March 2018, which was mainly due to the decrease in general accrued charges.

於二零一九年三月三十一日的**其他應付款及應計費用**為30.1百萬港元，較二零一八年三月三十一日的36.4百萬港元有所減少，主要由於一般應計開支減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Expenditure

For FY2019, the Group invested HK\$182.6 million in the purchase of tangible assets including machinery and equipment, leasehold improvements, office equipment, as well as the improvement of manufacturing working environment and the acquisition of factory building through acquisition of a subsidiary.

Charge on Group Assets

Save for the bank deposits that were pledged in order to secure the bills payables issued by the bank under the general banking facilities granted to the Group, as at 31 March 2019 and 2018, banking facilities extended to the Group were not secured with the Group's assets. Pledged bank deposits amounted to HK\$18.0 million and HK\$16.3 million as at 31 March 2018 and 2019 respectively.

Gearing Ratio

Gearing ratio is calculated as total debt (summation of amount due to ultimate holding company, and unsecured bank borrowings) divided by total equity and multiplied by 100%. As at 31 March 2019, the Group's gearing ratio was 9.0% as compared to the last financial year 9.1%.

CAPITAL STRUCTURE

The shares of the Company were successfully listed on the Main Board of Stock Exchange on 13 February 2018. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 March 2019, the Company's issued share capital was HK\$18.4 million and the number of its issued ordinary shares were 1,840,000,000 of HK\$0.01 each.

資本開支

於二零一九財政年度，本集團投資182.6百萬港元購置有形資產(包括機器及設備、租賃物業裝修、辦公室設備以及改善生產作業環境)及透過收購一間附屬公司收購工廠大樓。

集團資產抵押

除為獲取銀行根據授予本集團的一般銀行信貸所發行的應付票據而抵押的銀行存款外，於二零一九年及二零一八年三月三十一日，本集團獲授的銀行信貸並無以本集團資產作抵押。於二零一八年及二零一九年三月三十一日，已抵押銀行存款分別為18.0百萬港元及16.3百萬港元。

負債比率

負債比率根據債務總額(應付最終控股公司款項與無抵押銀行借款的總和)除以總權益再乘以100%計算。於二零一九年三月三十一日，本集團的負債比率為9.0%，而上一財政年度負債比率為9.1%。

股本架構

本公司股份於二零一八年二月十三日在聯交所主板成功上市。自此，本集團股本架構概無任何變動。本集團的股本僅包括普通股。

於二零一九年三月三十一日，本公司的已發行股本為18.4百萬港元，而其已發行普通股數目為1,840,000,000股，每股面值0.01港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the prospectus of the Company dated 30 January 2018 (the “Prospectus”) with the actual business progress for the period from the date of listing (i.e. 13 February 2018) to 31 March 2019 is set out below:

Business plan as set out in Prospectus

招股章程所載的業務計劃

Pursue strategic industries which we the Group believes to have high growth potential:

專注於本集團認為具有高增長潛力的戰略性行業：

- The Group plans to intensify its presence in the telecommunication, data centre, and medical equipment sectors by dedicating sufficient resources, including the purchase of new laboratory and testing equipment, and the hiring of experienced and talented personnel to join its R&D team and to strengthen its product development capabilities. The Group plans to invest and spend approximately HK\$8.6 million in further strengthening its R&D capability.
- 本集團計劃透過撥出充裕資源來着力投入電訊、數據中心及醫療設備行業，包括購置新實驗室和測試設備，僱用具經驗和才能的人員來加入其研發團隊，以加強產品開發能力。本集團計劃投資和使用約8.6百萬港元來進一步強化其研發能力。

業務目標與實際業務進展比較

將本公司日期為二零一八年一月三十日的招股章程(「招股章程」)所載涵蓋業務目標與上市日期(即二零一八年二月十三日)至二零一九年三月三十一日期間實際業務進展作比較的分析，載列如下：

Actual business progress up to 31 March 2019

截至二零一九年三月三十一日的實際業務進展

Up to 31 March 2019, the Group has utilised HK\$2.5 million of the net proceeds for the new testing equipment and hired 17 experienced personnel in order to strengthen the Group’s R&D capabilities. The remaining balance of the net proceeds will be expected to utilise after the completion of the production plant acquisition. 直至二零一九年三月三十一日，本集團已就新測試設備而動用2.5百萬港元所得款項淨額，並僱用17名具經驗的人員，以強化本集團的研發能力。餘下所得款項淨額將預期在完成收購生產廠房後動用。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business plan as set out in Prospectus

招股章程所載的業務計劃

Enhance and increase the production capacity:

提升並增加產能：

- The Group plans to acquire new production facilities to aim at high level of automation yet capable of assembling a wide variety of cable assembly products. The Group plans to invest approximately HK\$96.1 million for the production capacity expansion (HK\$88.6 million for the new production facility and HK\$7.5 million for the related production machinery) and HK\$15.9 million for the automation expenditures.
- 本集團計劃收購新生產設施，旨在對準已有能力組裝一系列電線組件產品的高度自動化流程。本集團計劃投資約96.1百萬港元作擴充產能之用（88.6百萬港元作新生產設施之用及7.5百萬港元作相關生產機器之用）及15.9百萬港元作自動化開支之用。

Actual business progress up to 31 March 2019

截至二零一九年三月三十一日的實際業務進展

As at 31 March 2019, the Group has spent HK\$6.2 million and HK\$3.2 million for the production machinery and automation process in order to meet the demand of existing production capacity. In addition, the Group has acquired a parcel of industrial land with two industrial buildings of Huizhou Light Engine Limited at the consideration of HK\$166.8 million, where HK\$88.6 million was paid by the net proceeds from the listing, and the balance was paid by internal resources. The new factory would offer more than 120% of the increased production capacity in terms of increment in gross floor area for production, and the Company plans to utilise the enlarged capacity by stages within three years following completion. The new factory will be utilised for telecommunication, data centre and medical equipment sector.

於二零一九年三月三十一日，本集團已使用6.2百萬港元及3.2百萬港元作生產機器及自動化工序之用，以迎合現有產能需求。此外，本集團已以代價166.8百萬港元（其中88.6百萬港元以上市所得款項淨額撥付，而結餘乃以內部資源撥付）收購惠州元暉光電股份有限公司的一塊工業用地連兩幢工業大廈。新工廠增加的生產建築面積將令產能增加逾120%，本公司計劃於收購完成後在三年內分階段利用擴大的產能。新工廠將用於電訊、數據中心及醫療設備分部。

Strengthen established customer relationships and continue to expand customer base:

加強既有客戶關係並持續擴展我們的客戶群：

- The Group plans to spend approximately HK\$1.9 million to set up regional representative offices or centre in key strategic locations where potential customers are located to support its future business development and to enable the Group to respond quickly to the needs of customers in different regions.
- 本集團計劃花費約1.9百萬港元在潛在客戶身處的關鍵策略地點設置區域代表辦事處或中心，以支持其未來業務發展及讓本集團能迅速回應不同地區的客戶需求。

As at 31 March 2019, the Group has spent HK\$0.2 million for setting up a regional representative office in Shanghai where will take care its potential customers in eastern and northern part of China. The Group plans to hire 2 to 3 new sales personnel in order to provide services to strengthen the Group's salesforce.

於二零一九年三月三十一日，本集團已花費0.2百萬港元在上海設置區域代表辦事處，以兼顧其在中國東部及北部的潛在客戶。本集團計劃僱用兩至三名新銷售人員，以提供服務，增強本集團的銷售團隊實力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND USE OF NET PROCEEDS FROM LISTING

During FY2019, the Group was committed to expand its production capacity by acquiring a new production factory, purchasing of production equipment and upgrading of existing production and quality equipment, which is in line with the use of proceeds from the listing that was set out in the Prospectus. The net proceeds from the listing of the Company were HK\$126.6 million (after deducting underwriting fees and related expenses). The use of the net proceeds from the listing as at 31 March 2019 was approximately as follows:

資本承擔、或然負債及上市所得款項淨額用途

於二零一九財政年度，本集團致力擴充產能，按招股章程所載上市所得款項用途購入新生產工廠、購置生產設備及升級現有生產及優質設備。本公司上市所得款項淨額為126.6百萬港元（經扣除包銷費用及相關開支）。於二零一九年三月三十一日，上市所得款項淨額的用途大致如下：

Use of proceeds	所得款項用途	Percentage of net proceeds 佔所得款項 淨額百分比 %	Net proceeds 所得款項 淨額 HK\$'million 百萬港元	Amount utilised 已動用金額 HK\$'million 百萬港元	Amount remaining 餘額 HK\$'million 百萬港元
New production facility	新生產設施	70.0%	88.6	88.6	-
R&D equipment	研發設備	6.8%	8.6	2.5	6.1
Production machinery	生產機器	5.9%	7.5	6.2	1.3
Automation process	自動化工序	12.6%	15.9	3.2	12.7
Marketing development	營銷發展	1.5%	1.9	0.2	1.7
General working capital	一般營運資金	3.2%	4.1	4.1	-
Total	總計	100.0%	126.6	104.8	21.8

As of 31 March 2019, the Group had not provided any form of guarantee for any company outside the Group and has not been involved in any material legal proceedings for which provision for contingent liabilities was required.

於二零一九年三月三十一日，本集團並無向本集團以外任何公司以任何形式作擔保，亦無牽涉任何重大法律訴訟而須就或然負債作出撥備。

As at 31 March 2019, the capital commitment of the Group is as follows:

於二零一九年三月三十一日，本集團的資本承擔如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for in the consolidated financial statements	3,595	3,287

有關收購已訂約但尚未於綜合財務報表作出撥備之物業、廠房及設備的資本開支

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

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

Save as disclosed in this report, the Group did not have any significant investments held, material acquisition or disposal of subsidiaries and associations for FY2019. There is no other plan for material investments or capital assets as at 31 March 2019.

MATERIAL EVENT SINCE THE END OF THE FINANCIAL PERIOD

Save as disclosed in this report, there has no other important event affecting the Group since 31 March 2019 and up to the date of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors believe that there are certain risks and uncertainties involved in the operations of the Group, some of which are beyond the Group's control. The Directors believe the most significant risks relating to the business are as follows:

- a significant portion of the Group's revenue during the Track Record Period was derived from a limited number of major customers, especially the Group's largest customer, as such, the Group are exposed to the risk of customer concentration and the Group's revenue may fluctuate significantly in the event the Group's orders from major customers vary by a large extent;
- the orders from US customers may be impacted by the list of products with Chinese origin announced by the United States of America on 15 June 2018;
- the Group may experience labour shortage or unrest or may incur high labour costs;
- the Group are exposed to credit risk of its customers;
- fluctuations in the prices of the Group's major raw materials or commodity prices could materially and adversely affect the Group's business, financial conditions and results of operations;

持有重大投資、重大收購及出售附屬公司及聯屬公司以及重大投資或資本資產計劃

除本報告所披露者外，於二零一九財政年度，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及聯營公司。於二零一九年三月三十一日，概無其他重大投資或資本資產計劃。

財務期末以來的重大事件

除本報告所披露者外，自二零一九年三月三十一日起直至本報告日期並無其他影響本集團的重要事件。

主要風險及不確定因素

董事相信，本集團經營業務涉及若干風險及不確定因素，其中某些風險超出本集團的控制範圍。董事相信以下為與我們業務相關的最重大風險：

- 於往績記錄期間，本集團的收益大部分來自少數主要客戶，尤其是本集團的最大客戶，因此本集團面對客戶集中的風險，且倘來自主要客戶的訂單有大變化，本集團的收益或會大幅波動；
- 來自美國客戶的訂單可能受到美國於二零一八年六月十五日公佈的對華產品徵稅清單的影響；
- 本集團或會遭遇勞動力短缺或勞資糾紛或可能承擔高昂勞動成本；
- 本集團面對客戶的信貸風險；
- 本集團的主要原材料價格或商品價格波動可對本集團的業務、財務狀況及經營業績造成嚴重不利影響；

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

- if the Group fail to attract or retain its key managerial and technical personnel, the Group may compromise its ability to maintain strong relationships with its customers and suppliers, develop new products and effectively carry on the R&D and other efforts.

A detailed discussion of the risk factors is set forth in the section headed “Risk Factors” in the Prospectus.

Foreign Exchange Exposure

Most of the Group’s receipts and payments are denominated in US dollars, Hong Kong dollars, Renminbi and Euro. The Group’s management monitors the risk of related foreign exchange exposure by entering into forward foreign exchange contracts. Foreign currency exchange rates are volatile and may have an impact on the Group’s results. The Group’s management evaluates the Group’s foreign currency exposure on a continuing basis and takes actions to minimise the Group’s exposure whenever necessary.

Treasury Policies

As an internal treasury policy, the Group continues to implement a prudent policy on financial management policy and does not participate in any high risk speculative activities. However, the Group’s management monitors exchange exposure and will consider hedging significant foreign currency exposure should the need arise. Save for the net proceeds from the listing, the Group will also monitor and maintain a Hong Kong dollar cash balance in order to minimise the need for unnecessary foreign exchange conversion which may result in exchange loss.

The reporting currency of the Group is presented in Hong Kong Dollars, as the Directors consider that it is more relevant to the users of the consolidated financial statements as the Company listed its shares on the Stock Exchange.

EMPLOYEE

As of 31 March 2019, the total headcount for the Company was approximately 2,033, compared to 2,168 in the previous financial year. Fair and competitive remuneration package and benefits are offered to employees as well as discretionary bonuses and share option. Various types of trainings were provided to the employees. Total employee benefit expenses including Directors’ remuneration for the year ended 31 March 2019 were approximately HK\$201.6 million, as compared to approximately HK\$156.7 million in the financial year 2018. Remuneration is determined with reference to performance skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

- 倘本集團未能吸引或挽留主要管理及技術人員，本集團在與客戶及供應商維繫穩固關係、開發新產品及有效進行研發及其他方面的努力可能受損。

有關風險因素的詳細討論載於招股章程「風險因素」一節。

外匯風險

本集團大部分收付款以美元、港元、人民幣及歐元計值。本集團管理層透過訂立遠期外匯合約監察其相關外匯風險。匯率波動，可能對本集團業績產生影響。本集團管理層持續評估本集團的外匯風險並於必要時採取措施降低本集團風險。

庫務政策

作為內部庫務政策，本集團繼續就財務管理政策實施審慎政策，並無參與任何高風險投機活動。然而，本集團管理層會監察外匯風險，並將於需要時考慮對沖重大外幣風險。除上市所得款項淨額外，本集團亦將監察及維持港元現金結餘，以減少對可能引致外匯虧損的不必要外匯兌換的需求。

本集團的呈報貨幣為港元，乃由於董事認為，此舉對綜合財務報表的使用者更為貼合，原因為本公司股份於聯交所上市。

僱員

於二零一九年三月三十一日，本公司共有約2,033名僱員，而上一財政年度則為2,168名。僱員獲提供合理及具競爭力的薪酬福利待遇、酌情花紅及購股權。僱員亦獲提供各類型的培訓。截至二零一九年三月三十一日止年度的僱員福利開支總額（包括董事酬金）約為201.6百萬港元，而二零一八年財政年度則約為156.7百萬港元。酬金乃參考相關員工的表現、技能、資歷及經驗並根據現行行業慣例釐定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In addition to salaries and wages, other employee benefit expenses include double pay, bonus, incentive allowance, medical insurance, housing fund and other social insurances, as well as share option. The Company adopted the Share Option Scheme to offer valuable incentive to attract and retain quality personnel. The remuneration of the Directors is reviewed by the remuneration committee of the Company (the “**Remuneration Committee**”) and approved by the Board. The relevant Director’s experience, duties and responsibilities, time commitment, the Company’s performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group has a strong, long-established relationship with its key customers, which include leading telecommunication equipment and network solutions provider in the PRC, global internet-related service providers and multinational medical equipment manufacturers that have extensive international coverage. The Group has developed multi-products strategy and also strengthened its scope of services to its global customers. The Group will continue to diversify its customer base and the Directors believe that the extent of customer concentration is likely to decrease in the future.

The Group maintains long-term relationships with suppliers and subcontractors. The Group has no concentration or a high level of dependency on a small groups of suppliers. The Group carefully selects its suppliers based on certain assessment criteria, such as overall track record, scale and expertise, cost, product quality and quality control effectiveness, reliability, price, delivery punctuality, historical relationship with the Group, financial condition, reputation and aftersales services. During the selection process, the Group generally carries regular on-site examination of its potential suppliers to ensure that they meet its selection criteria. The Group carries out evaluation of the performance of its existing suppliers and identifies better third party suppliers from time to time to replace the suppliers who fail to perform to its satisfaction.

除薪金及工資外，其他僱員福利開支包括雙薪、花紅、激勵津貼、醫療保險、住房公積金及其他社會保險以及購股權。本公司採納購股權計劃提供具價值的獎勵，以吸引及挽留優秀人才。董事薪酬經本公司薪酬委員會（「**薪酬委員會**」）審閱並已獲得董事會批准。於釐定董事薪酬時會考慮相關董事的經驗、職責及責任、時間投入、本公司的表現及當前市況。

與供應商、客戶及其他持份者的關係

本集團與主要客戶建立了強大且長期的關係，客戶包括中國領先的電訊設備及網絡解決方案供應商、全球互聯網相關服務供應商及擁有廣泛國際網絡的跨國醫療設備生產商。本集團已制訂產品多元化策略，同時加強對其全球客戶的服務範疇。本集團將繼續擴大其客戶基礎，且董事認為，客戶集中程度於未來可能下降。

本集團與供應商及分包商維持長期關係。本集團並無集中或高度依賴少量供應商。本集團根據整體往績記錄、規模及專業知識、成本、產品質量及質量控制成效、可靠性、價格、交貨準時程度、與本集團的過往關係、財務狀況、聲譽及售後服務等若干評估標準，小心選擇供應商。在選擇過程中，本集團一般定期對其潛在供應商進行現場考察，以確保符合本集團的選擇標準。本集團對其現有供應商的績效進行評估，並不時識別更好的第三方供應商，以取代並不符合要求的供應商。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group recognises and supports the culture of attracting, motivating and retaining talents. The Group provides competitive compensation and benefits for its employees. Remuneration packages are generally structured by reference to market and individual merits. Salaries are normally reviewed on an annual basis based on individual performance and financial performance of the Group. Those employees with outstanding performance are also awarded discretionary bonuses. The Group promotes open communications, encourages continuous learning and supports different kind of training on leadership development programme.

ENVIRONMENTAL AND SOCIAL POLICIES

The Group is committed to creating a sustainable and greener environment and continues to explore ways to reduce carbon emissions, conserve energy and reduce wastage. The Group has implemented various environmental and sustainability initiatives in its factory and offices, such as replacing all lighting systems in the Huizhou factory with LED lights; adopting heat recovery system to recover the residual heat from the air compressor to heat up water supply in dormitory; encouraging video and phone conference to minimise carbon footprint created by business-related travel. Being a responsible social citizen, the Group has been actively involved in charitable activities in the communities and cities where its factories are operating, and encouraging the employees to participate in in-house or external community activities. During FY2019, the Group has been participating various environmental and social related scheme and awarded a lot of certificates, such as EcoPartner and 5 Years + EcoPioneer of the Corporate Environmental Leadership Awards; Good MPF Employer; Better World Company; Happy Company; Industry Cares; Social Capital Builder Award; 10 Years + Caring Company; 9th Hong Kong Outstanding Corporate Citizenship Logo and Meritorious Family-Friendly Employers Award — Special Mention (Gold). The Company's Environmental, Social and Governance Report (collectively the "ESG Report"), which discusses in detail its initiatives on environmental and social aspects and their performance, is set out in the ESG Report section of this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Company upholds high standards and meets relevant requirements under applicable laws or ordinances when conducting its business. The Company did not identify non-compliance or breach of relevant standards, rules and regulations during the year.

本集團肯定並全力支持吸引、激勵並挽留人才之文化。本集團向其僱員提供具競爭力的薪酬待遇及福利。薪酬組合一般參照市場及個人能力制定。薪酬之調整一般每年按照個人表現及本集團之財務表現而訂定。表現出色之僱員更會獲發酌情花紅。本集團鼓勵開誠溝通，推動持續學習，並支持各種領袖發展培訓課程。

環境及社會政策

本集團致力締造可持續發展及更綠化之環境，並不斷尋求方法減少碳排放、節能及減廢。本集團已於其工廠及辦公室實施了各類環保及可持續發展措施，如用LED燈更換惠州工廠的所有照明系統；安裝熱回收系統，以回收空氣壓縮機的剩餘熱量，為宿舍供水加熱；鼓勵利用視像及電話會議，以降低業務相關差旅產生的碳足跡。身為負責任之社會公民，本集團一直致力參與其工廠營運所在社區及城市的各種慈善活動，並鼓勵僱員參加內部及外界社區活動。於二零一九財政年度，本集團一直參加各類環境及社會相關計劃並獲授多項證書，如企業環保領先大獎的環保傑出夥伴及5年+參與環保先驅獎章；積金好僱主；環球愛心企業；開心企業；工業獻愛心；社會資本動力獎；10年+商界展關懷標誌；第九屆香港傑出企業公民嘉許標誌及優秀家庭友善僱主特別嘉許金獎。本公司的環境、社會及管治報告(統稱「環境、社會及管治報告」)載於本年報環境、社會及管治報告一節，當中論述有關環境及社會方面的措施及其表現。

遵守相關法律及法規

本公司恪守於營運過程中維持高水平標準並符合適用法律或條例之相關規定。於本年度，本公司並無發現偏離或違反相關標準、規則及法規之情況。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

Biographical details of the Directors of the Company and the senior management of the Group are set out as follows:

EXECUTIVE DIRECTORS

Mr. Cua Tin Yin Simon (柯天然) (“Mr. Cua”), aged 57, is the chief executive officer (the **“Chief Executive Officer”**) and an executive Director of the Company. Mr. Cua was appointed as Director on 15 June 2017 and re-designated as the Chief Executive Officer and executive Director of the Company on 10 July 2017. Mr. Cua is responsible for overall corporate management, operations and business development. He also plays a critical role in formulating the strategies and driving the sustainable growth of the Group with new opportunities. Mr. Cua has gathered extensive experiences in the electronics and cable industry in the PRC since the 1980s. Prior to joining the Group in 1992, Mr. Cua started his career with Gold Peak Group (i.e. Gold Peak Industries (Holdings) Limited (**“Gold Peak”**) and its subsidiaries). From 2007 to 2014, Mr. Cua was a director of Lingsen Precision Industries, Ltd., a company listed on the Taiwan Stock Exchange Corporation (stock code: 2369).

Mr. Cua obtained a Master of Business Administration in October 2005 and was further awarded honorary Doctorate of Laws (LL.D.) in May 2015 from The University of Western Ontario, Canada. Mr. Cua was honoured with the Young Industrialist Awards of Hong Kong in December 2001 and became an awardee member of Hong Kong Young Industrialists Council. Mr. Cua is one of the founding members of the China Overseas Chinese Entrepreneurs Association (**“COCEA”**) and has been a member of COCEA since January 2008. He has also been elected as a council member of International Cablemakers Federation since 2014. He is currently a member of Hong Kong-Shanghai Economic Development Association, the director of Shanghai Chinese Overseas Friendship Association and the executive committee member of Hong Kong Electronic Industries Association and Hong Kong Electronics Industry Council.

Mr. Wong Chi Kuen (黃志權) (“Mr. Wong”), aged 54, is the chief financial officer (the **“Chief Financial Officer”**) and an executive Director of the Company. Mr. Wong is responsible for overseeing the Group’s finance, compliances, operation and administration. Mr. Wong was appointed as Director on 15 June 2017 and re-designated as the Chief Financial Officer and executive Director on 10 July 2017.

本公司董事及本集團高級管理層履歷詳情載列如下：

執行董事

柯天然先生(「柯先生」)，57歲，為本公司之行政總裁(「行政總裁」)兼執行董事。柯先生於二零一七年六月十五日獲委任為董事並於二零一七年七月十日調任為行政總裁兼執行董事。柯先生負責整體公司管理、營運及業務發展。彼亦在制訂策略以及運用新的機遇推動本集團的可持續發展上擔當重要的角色。自一九八零年代起，柯先生於中國的電子及電線行業積累經驗。於一九九二年加入本集團之前，柯先生於金山集團(即金山工業(集團)有限公司(「金山」)及其附屬公司)展開其職業生涯。於二零零七年至二零一四年，柯先生為菱生精密工業股份有限公司(一家於台灣證券交易所上市的公司，股份代號：2369)之董事。

柯先生於二零零五年十月在加拿大韋仕敦大學獲得工商管理碩士學位，並於二零一五年五月獲頒授榮譽法學博士學位。柯先生於二零零一年十二月榮獲香港青年工業家獎，其後成為香港青年工業家協會的得獎者會員。柯先生為中國僑商投資企業協會(「中國僑商投資企業協會」)的其中一位創始成員並自二零零八年一月起一直為中國僑商投資企業協會會員。彼亦自二零一四年起獲選為國際線纜製造商聯盟的理事會成員。彼現為滬港經濟發展協會的會員、上海海外聯誼會的理事以及香港電子業商會及香港電子業總會的執行委員會成員。

黃志權先生(「黃先生」)，54歲，為本公司之首席財務官(「首席財務官」)兼執行董事。黃先生負責監督本集團的財務、合規、營運及行政。黃先生於二零一七年六月十五日獲委任為董事並於二零一七年七月十日調任為首席財務官及執行董事。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

Mr. Wong obtained a Bachelor of Business Administration from The Open University of Hong Kong in June 2002. Mr. Wong is currently a fellow member of the Association of International Accountants and a certified public accountant of the Hong Kong Institute of Certified Public Accountants. He was also admitted as International Accountant (FAIA) jointly by Association of International Accountants and China Association of Chief Financial Officers in 2016.

Mr. Wong has over 21 years of experience in management accounting and operation management. He is particularly familiar with accounting and enterprise resource planning management system in Hong Kong and the PRC. Mr. Wong worked for Linkz Industries (the controlling shareholder of the Company) from 1994 to 2007 with last position as chief accountant. From 2007 to 2010, Mr. Wong served in LTK International Limited (a subsidiary of Belden Inc., a company listed on the Stock Exchange of New York (stock code: BDC), with his last position as the finance director of OEM business group. Mr. Wong re-joined Linkz Industries as financial controller in July 2010 prior to becoming the Chief Financial Officer of the Group in July 2017.

NON-EXECUTIVE DIRECTOR

Mr. Lo Chung Wai Paul (羅仲煒) (“Mr. Paul Lo”), aged 70, is the chairman (the “Chairman”) and non-executive Director of the Company. Mr. Paul Lo is responsible for the overall strategic management and corporate development. He was appointed as Director on 15 June 2017 and re-designated as the Chairman and non-executive Director on 10 July 2017.

Mr. Paul Lo has over 41 years of experience in the electronics industry. He has extensive experience in global marketing and has been instrumental in the corporate and business development of the Group, particularly in the formulation of corporate strategies as well as market positioning of significant products. He is one of the co-founders of and served as an executive director for Gold Peak, a company listed on the Main Board of the Stock Exchange, from 1977 to 2011. From July 1990 to August 1997, Mr. Paul Lo was a director of GP Batteries International Limited, a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (stock code: GD8). From March 1998 to December 2014, Mr. Paul Lo was a supervisor of Lingsen Precision Industries, Ltd., a company listed on the Taiwan Stock Exchange Corporation (stock code: 2369). Mr. Paul Lo is currently the general councilor of the Sixth Council of Guangdong Association of Enterprises with Foreign Investment and the Vice President of the Seventh Council of Huizhou Association of Enterprises with Foreign Investment of China.

黃先生於二零零二年六月於香港公開大學取得工商管理學士學位。黃先生現為國際會計師公會的資深會員及香港會計師公會的執業會計師。於二零一六年，彼亦獲國際會計師公會及中國總會計師協會聯合授予國際會計師銜頭。

黃先生擁有逾21年管理會計及營運管理經驗，對香港及中國的會計及企業資源計劃管理系統尤其熟悉。黃先生於一九九四年至二零零七年於領先工業(本公司控股股東)任職，最後職位為總會計師。於二零零七年至二零一零年，黃先生任職於樂庭國際有限公司(百通公司的附屬公司，百通公司為一家於紐約證券交易所上市公司，股份代號：BDC)，其最後職位為原始設備製造組財務總監。黃先生於二零一七年七月成為本集團的首席財務官之前，於二零一零年七月重返領先工業擔任財務總監。

非執行董事

羅仲煒先生(「羅仲煒先生」)，70歲，為本公司之主席(「主席」)兼非執行董事。羅仲煒先生負責整體策略管理及企業發展。彼於二零一七年六月十五日獲委任為董事並於二零一七年七月十日調任為主席兼非執行董事。

羅仲煒先生擁有逾41年電子行業經驗。彼於全球營銷範疇上有著豐富經驗並一直促進本集團的企業及業務發展，特別在制訂企業策略以及主要產品的市場定位上。彼為金山(一家於聯交所主板上市的公司)的聯合創始人之一，並於一九七七年至二零一一年期間擔任該公司執行董事。於一九九零年七月至一九九七年八月，羅仲煒先生為金山電池國際有限公司(一家於新加坡證券交易所有限公司主板上市的公司，股份代號：GD8)的董事。於一九九八年三月至二零一四年十二月，羅仲煒先生為菱生精密工業股份有限公司(一家於台灣證券交易所上市的公司，股份代號：2369)的監察人。羅仲煒先生目前為廣東外商投資企業協會第六屆理事會常務理事及惠州市外商投資企業協會第七屆理事會副會長。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ho Hin Shun (何顯信) (“Mr. Ho”), aged 54, was appointed as the independent non-executive Director on 24 January 2018. Mr. Ho is responsible for providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Group. Mr. Ho has over 21 years of experience in sales and marketing on electronics components and substantial management experience in multinational corporations.

Mr. Ho obtained a Bachelor of Science in Engineering from the University of Hong Kong in November 1987. He further obtained his Master of Business Administration from The Chinese University of Hong Kong in December 1994.

Mr. Luk Wai Shing (陸偉成) (“Mr. Luk”), aged 50, was appointed as the independent non-executive Director on 24 January 2018. Mr. Luk is responsible for providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Group.

Mr. Luk had worked for Nanyang Commercial Bank Limited (“NCB”) from 1992 to 2017 and held a number of positions during his course of employment at NCB with his last position held as chief relationship manager in cross-border business team. Mr. Luk’s responsibilities in NCB included business development, marketing, customers relationship and compliance.

Mr. Luk obtained a Bachelor of Business Administration from The Chinese University of Hong Kong in December 1992. Mr. Luk has been a certified financial planner accredited by the Institute of Financial Planners of Hong Kong since October 2010.

Mr. Chan Chung Shun Eric (陳忠信) (“Mr. Eric Chan”), aged 53, was appointed as the independent non-executive Director on 24 January 2018. Mr. Eric Chan is responsible for providing independent judgment on the issues of strategy, performance, resources and standard of conduct of the Group.

Mr. Eric Chan obtained a Master of Management Sciences from University of Hull in December 1992. Mr. Eric Chan has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since February 1996 and a fellow of The Association of Chartered Certified Accountants since January 1998.

獨立非執行董事

何顯信先生(「何先生」)，54歲，於二零一八年一月二十四日獲委任為本公司獨立非執行董事。何先生負責就本集團的策略、表現、資源及操守標準事宜提供獨立判斷。何先生擁有逾21年電子元件銷售及營銷經驗，亦擁有豐富的跨國公司管理經驗。

何先生於一九八七年十一月於香港大學取得工程理學士學位。彼更在一九九四年十二月於香港中文大學取得其工商管理碩士學位。

陸偉成先生(「陸先生」)，50歲，於二零一八年一月二十四日獲委任為本公司獨立非執行董事。陸先生負責就本集團的策略、表現、資源及操守標準事宜提供獨立判斷。

陸先生由一九九二年至二零一七年於南洋商業銀行有限公司(「南洋商業銀行」)任職並在彼受僱於南洋商業銀行期間出任若干職位，最後職位為跨境業務團隊的關係總經理。陸先生於南洋商業銀行的職責包括業務發展、營銷、客戶關係及合規事宜。

陸先生於一九九二年十二月於香港中文大學取得工商管理學士學位。陸先生自二零一零年十月起一直獲香港財務策劃師學會頒授認可財務策劃師資歷。

陳忠信先生(「陳忠信先生」)，53歲，於二零一八年一月二十四日獲委任為本公司獨立非執行董事。陳忠信先生負責就本集團的策略、表現、資源及操守標準事宜提供獨立判斷。

陳忠信先生在一九九二年十二月於赫爾大學取得管理科學碩士學位。陳忠信先生自一九九六年二月起一直為香港會計師公會的執業會計師以及於自一九九八年一月起成為特許公認會計師公會會員。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

Mr. Eric Chan has served as an assistant accounting manager at FTB Packaging Limited from April 1993 to August 1996 and a finance controller at Asia Management Services Limited from November 1996 to November 2002. Mr. Eric Chan has also been a financial controller at Chen Hsong Holdings Limited (stock code: 57), a company listed on the Main Board, since January 2003.

SENIOR MANAGEMENT

Mr. Chu Yi Fu (朱一夫) (“Mr. Chu”), aged 53, joined the Group in April 2018 as the General Manager of TIME Interconnect Technology (Huizhou) Limited (“**Huizhou TIME**”). He is also currently a director of Huizhou Chuangxiang. He is primarily responsible for overseeing the overall manufacturing operation of the Group, driving new initiatives to ensure that the factory’s operation can align with the strategic development of the Group.

Mr. Chu has over 17 years’ working experience in various cable companies covering the domains of engineering, sales and marketing as well as factory management. During March 2007 to December 2008, he was the general manager of Shanghai LTK Electronic Cables Limited, a subsidiary of Belden Inc. (a company listed on the Stock Exchange of New York (stock code: BDC)). Mr. Chu obtained an EMBA from Fudan University, PRC in June 2010.

Mr. Chan Ting Hei (陳庭禧) (“Mr. Chan”), aged 55, joined the Group in 1992 and is currently the Assistant General Manager of Supply Chain Management of the Group and a director of Huizhou TIME. Mr. Chan is primarily responsible for overseeing the supply chain management and purchasing functions of the Group.

Mr. Chan has over 29 years’ working experience in the cable industry covering the domains of sales and marketing, purchasing, supply chain management and factory management. Mr. Chan obtained a Master of Science in Management of Manufacture from Coventry Polytechnic (now known as Coventry University) in October 1989, a Master of Business Administration from the University of South Australia in September 1999 and a Master of Arts in International Business Management in November 2001 from the City University of Hong Kong.

陳忠信先生在一九九三年四月至一九九六年八月期間於富特波爾容器集團有限公司擔任助理會計經理，並在一九九六年十一月至二零零二年十一月期間，於Asia Management Services Limited擔任財務總監。陳忠信先生自二零零三年一月起亦出任震雄集團有限公司(一家於主板上市的公司，股份代號：57)的財務總監。

高級管理層

朱一夫先生(「朱先生」)，53歲，於二零一八年四月加入本集團，並擔任匯聚科技(惠州)有限公司(「惠州匯聚」)的總經理。彼現時亦為惠州創享的董事。彼主要負責監督本集團的整體生產營運，推出新措施以確保工廠營運與本集團的策略發展一致。

朱先生於多家電線公司擁有逾17年的工作經驗，涵蓋工程、銷售及營銷以及工廠管理領域。於二零零七年三月至二零零八年十二月，彼曾擔任上海樂庭電線工業有限公司(百通公司的附屬公司，百通公司為一家於紐約證券交易所上市的公司，股份代號：BDC)的總經理。朱先生於二零一零年六月取得中國復旦大學高級管理人員工商管理碩士學位。

陳庭禧先生(「陳先生」)，55歲，於一九九二年加入本集團，現時為本集團供應鏈管理副總經理及惠州匯聚的董事。陳先生主要負責監督本集團的供應鏈管理及採購職能。

陳先生在電線行業擁有逾29年經驗，涵蓋銷售與營銷、採購、供應鏈管理及工廠管理領域。陳先生在一九八九年十月於考文垂理工學院(現稱考文垂大學)取得生產管理學碩士學位、在一九九九年九月於南澳大學取得工商管理碩士學位及在二零零一年十一月於香港城市大學取得國際企業管理學碩士學位。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

Mr. Zhan Yangwang (占陽旺) (“Mr. Zhan”), aged 46, joined the Group in 2012 and is currently the Assistant Financial Controller of the Group. He is primarily responsible for overseeing the functions of finance, accounting and internal control of the Group.

Mr. Zhan has over 23 years’ working experience in the accounting and finance field. Mr. Zhan obtained an Associate Degree of Industrial Management Engineering in Industrial Accounting from Nanchang University in July 1995 and a Master of Business Administration from the Hong Kong Baptist University in November 2010.

Mr. Zhou Yinfa (周銀發) (“Mr. Zhou”), aged 54, joined the Group in 2005 and is currently the Assistant General Manager of Project and Administration of the Group. He is primarily responsible for overseeing the functions of human resources, infrastructure and automation projects of the Group.

Mr. Zhou has over 30 years’ working experience in various cable companies. During August 2002 to September 2005, he was the assistant general manager of Huizhou GP Wiring Technology Limited (a subsidiary of Gold Peak). Mr. Zhou obtained a Bachelor of Engineering from South China University of Technology in July 1988. He has been qualified as an electrical and mechanical engineer since March 1995.

Mr. Li Yuezhong (李岳忠) (“Mr. Li”), aged 49, joined the Group in 2003 and is currently the Assistant General Manager of Overseas Sales of the Group. He is primarily responsible for driving overseas business, developing new overseas customers and markets, formulating and implementing sales plans and maintaining customer relationships as to drive the sustainable growth of the business.

Mr. Li has over 26 years’ working experience in various cable companies. He obtained an Associate Degree in Secretarial Studies from Xiangtan University in August 1993 and a National Marketing Manager Qualification Certificate from the Marketing Professional Committee of China Business Manager Association in July 2004.

占陽旺先生(「占先生」)，46歲，於二零一二年加入本集團，現時擔任本集團的財務副總監。彼主要負責監督本集團的財務、會計及內部監控職能。

占先生於會計及財務領域擁有逾23年的工作經驗。占先生在一九九五年七月於南昌大學取得工業管理工程系工業會計專科學位及在二零一零年十一月於香港浸會大學取得工商管理碩士學位。

周銀發先生(「周先生」)，54歲，於二零零五年加入本集團，現時擔任本集團項目及行政副總經理。彼主要負責監督本集團人力資源、基建及自動化項目職能。

周先生於多家電線公司擁有逾30年的工作經驗。於二零零二年八月至二零零五年九月期間，彼曾擔任惠州金山線束科技有限公司(金山的附屬公司)的副總經理。周先生在一九八八年七月於華南理工大學取得工程學學士學位。彼自一九九五年三月成為合資格機電工程師。

李岳忠先生(「李先生」)，49歲，於二零零三年加入本集團，現時為本集團的海外營業副總經理。彼主要負責推動海外業務、開發新海外客戶及市場、制定及實施銷售計劃並維持客戶與本集團的關係，以推動業務的可持續增長。

李先生於多家電線公司擁有逾26年的工作經驗。彼在一九九三年八月於湘潭大學取得秘書課程專業學位及在二零零四年七月獲得中國商業技師協會市場營銷專業委員會頒發的全國市場營銷經理資格證書。

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

Mr. Tan Dehua (譚德華) (“Mr. Tan”), aged 56, joined the Group in 2002 and is currently the Assistant General Manager of Manufacturing and Production Technology. He is primarily responsible for overseeing the production and manufacturing engineering of the Group.

Mr. Tan has over 26 years’ working experience in the manufacturing sector, covering the domains of production, quality and factory management. He obtained a Bachelor of Engineering from Central South University (formerly known as Central South University of Technology) in July 1987. Mr. Tan has been qualified as a geotechnical engineer since October 1992.

Mr. Zhong Xilin (鍾喜林) (“Mr. Zhong”), aged 39, joined the Group in 2003 and is currently the Assistant General Manager of Domestic Sales of the Group. He is primarily responsible for identifying new customers and markets, formulating and implementing sales plans and maintaining customer relationships as to drive the sustainable growth of the business.

Mr. Zhong has over 19 years’ working experience in the cable industry. He completed a professional training in Plants Protection from Hengyang City Agricultural School in July 1999.

COMPANY SECRETARY

Ms. Ng Hoi Ying (吳愷盈) (“Ms. Ng”), aged 32, was appointed as the Company Secretary of the Company on 1 March 2019.

She obtained a degree of Bachelor of Business Administration (Honours) in Accountancy from The Hong Kong Polytechnic University. She has been a member of the Hong Kong Institute of Certified Public Accountants.

Ms. Ng has over 10 years of experience in auditing, accounting and financial reporting. She worked as senior auditor of Deloitte Touche Tohmatsu from September 2008 to November 2011. From November 2011 to October 2014, Ms. Ng worked as a senior accountant in Asia Maritime Pacific (Hong Kong) Limited, a privately-owned shipping company. From October 2014 to October 2018, Ms. Ng worked as finance manager of Ngai Shun Construction & Drilling Company Limited, a subsidiary of Boill Healthcare Holdings Limited (formerly known as Ngai Shun Holdings Limited) (stock code: 1246), a company listed on the Main Board of the Stock Exchange. She is currently a company secretarial manager at Blooming (HK) Business Limited, a company primarily engaged in corporate advisory and company secretarial services.

譚德華先生(「譚先生」)，56歲，於二零零二年加入本集團，現時擔任生產及生產技術副總經理。彼主要負責監督本集團的生產及製造工程。

譚先生於生產領域擁有逾26年的工作經驗，涵蓋生產、品質及工廠管理範疇。彼在一九八七年七月於中南大學(前稱中南工業大學)取得工程學學士學位。譚先生自一九九二年十月起獲得地質工程師專業資格。

鍾喜林先生(「鍾先生」)，39歲，於二零零三年加入本集團，現時擔任本集團的國內營業副總經理。彼主要負責識別新客戶及市場、制定及實施銷售計劃並維持客戶與本集團的關係，以推動業務的可持續增長。

鍾先生於電線行業擁有逾19年的工作經驗。彼在一九九九年七月於衡陽市農業學校完成植物保護的專業培訓。

公司秘書

吳愷盈女士(「吳女士」)，32歲，於二零一九年三月一日獲委任為本公司之公司秘書。

吳女士於香港理工大學取得會計學(榮譽)工商管理學士學位。彼為香港會計師公會的註冊會計師。

吳女士於審計、會計及財務報告方面擁有逾10年的經驗。於二零零八年九月至二零一一年十一月，彼曾擔任德勤•關黃陳方會計師行之高級核數師。於二零一一年十一月至二零一四年十月，吳女士曾於Asia Maritime Pacific (Hong Kong) Limited(一家私人船運公司)擔任高級會計師。於二零一四年十月至二零一八年十月，吳女士曾於Ngai Shun Construction & Drilling Company Limited(保集健康控股有限公司之附屬公司，保集健康控股有限公司(前稱毅信控股有限公司)為一家於聯交所主板上市的公司，股份代號：1246)擔任財務經理。彼現時為Blooming (HK) Business Limited(主要從事企業顧問及公司秘書服務)之公司秘書經理。

DIRECTORS' REPORT

董事會報告

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company, and its subsidiaries are principally engaged in manufacture and sales of cable assembly products (the “**Core Business**”). Details of the principal activities of its subsidiaries are set out in Note 33 to the consolidated financial statements. There were no significant changes in the nature of the Group’s principal activities during the year.

BUSINESS REVIEW

The business review of the Group for the year is set out in the “Chairman’s Statement” and “Management Discussion and Analysis” of this annual report.

DIVIDEND POLICY

The Board has adopted a dividend policy (the “**Dividend Policy**”) on 28 December 2018. Details of the Dividend Policy is disclosed as below.

The Company adopts a general dividend policy that aims to provide shareholders of the Company out of the Group’s profit attributable to shareholders in any financial year, subject to the criteria set out below.

Such declaration and payment of dividends shall remain to be determined at the discretion of the Board and subject to all applicable requirements (including without limitation restrictions on dividend declaration and payment) under the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) and the memorandum and articles of association of the Company.

In proposing any dividend payout, the Board shall also take into account, inter alia:

- the Group actual and expected financial performance;
- shareholders’ interests;
- retained earnings and distributable reserves of the Company and each of the other members of the Group;
- the level of the Group’s debts to equity ratio, return on equity and financial covenants to which the Group is subject;
- possible effects on the Group’s creditworthiness;
- any restrictions on payment of dividends that may be imposed by the Group’s lenders;

董事會欣然提呈截至二零一九年三月三十一日止年度的年報連同本集團之經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，而其附屬公司主要從事製造及銷售電線組件產品（「**核心業務**」）。其附屬公司的主要業務之詳情載於綜合財務報表附註33。於本年度，本集團的主要業務性質概無重大變動。

業務回顧

本集團本年度之業務回顧載於本年報的「主席報告」及「管理層討論及分析」內。

股息政策

董事會已於二零一八年十二月二十八日採納一項股息政策（「**股息政策**」）。股息政策詳情如下文所披露。

本公司採納一般股息政策，旨在於任何財政年度向本公司股東提供本集團之股東應佔溢利，惟須遵守下列標準。

有關宣派及派付股息仍由董事會酌情決定，並須遵守香港法例第622章《公司條例》及本公司組織章程大綱及細則的所有適用規定（包括但不限於股息宣派及派付限制）。

建議派付任何股息時，董事會亦應考慮（其中包括）：

- 本集團的實際及預期財務業績；
- 股東權益；
- 本公司及本集團其他各成員公司的保留盈利及可分配儲備；
- 本集團之負債股權比率、股本回報率，以及施加於本集團的財務限制所處之水平；
- 對本集團信用可靠程度之潛在影響；
- 由本集團的貸款人可能施加的任何股息派付限制；

- the Group's expected working capital requirements and future expansion plans;
- liquidity position and future commitments at the time of declaration of dividend;
- taxation considerations;
- statutory and regulatory restrictions;
- general business conditions and strategies;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- other factors that the Board deems appropriate.

The Board may propose the payment of dividends, if any, with respect to the Company's shares on a per share basis.

In addition to cash, dividends may be distributed in the form of shares subject to and in accordance with the procedures set out in the Company's memorandum and articles of association.

Except for interim dividend, any dividends declared by the Company must be approved by an ordinary resolution of shareholders at the general meeting and must not exceed the amount recommended by the Board. The Board may from time to time pay to the shareholders such interim dividends as appear to the directors to be justified by the profits of the Company available for distribution.

The Company will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

Pursuant to the Code Provision E.1.5 under Appendix 14 Corporate Governance Code and Corporate Governance Report, the Company should disclose the policy on payment of dividend in the annual report.

- 本集團之預期營運資金需求以及未來擴張計劃；
- 於宣派股息時之流動資金狀況及未來之承諾情況；
- 稅務考慮；
- 法定和監管限制；
- 整體商業條件及策略；
- 整體經濟狀況、本集團業務的商業週期，以及可能對本公司業務或財務表現和狀況有影響的其他內部或外部因素；及
- 董事會認為適當的其他因素。

董事會可就本公司股份以每股股份為基準建議派付股息(如有)。

除現金外，股息可以股份形式分派，惟須遵守及按照本公司組織章程大綱及細則規定的程序進行。

除中期股息外，本公司宣派的任何股息必須於股東大會上經股東的普通決議案予以批准，且不得超過董事會所建議的數額。倘董事認為本公司的可供分派溢利足以作出有關分派，董事會可不時向股東派付中期股息。

本公司將會持續審閱股息政策以及保留其唯一及絕對酌情權於任何時間更新、修訂及/或修改股息政策，並且股息政策並不構成具法律約束力的承諾使本公司將以任何具體金額派付股息，及/或並不使本公司有義務於任何時間或不時宣派股息。

根據附錄14企業管治守則及企業管治報告守則條文第E.1.5條，本公司應於年報中披露有關派付股息的政策。

DIRECTORS' REPORT

董事會報告

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2019 are set out in the consolidated statement of profit or loss and other comprehensive income of this annual report. The state of affairs of the Group and the Company as at 31 March 2019 are set out in the consolidated statement of financial position and Note 32 to the consolidated financial statements respectively. The Directors do recommend the payment of a final dividend of HK2 cents (2018: HK1 cent) per share, amounting to a total of approximately HK\$36.8 million (2018: HK\$18.4 million).

CLOSURE OF REGISTER OF MEMBER

The forthcoming annual general meeting is scheduled to be held on Wednesday, 28 August 2019 (the "2019 AGM"). For determining the entitlement to attend and vote at the 2019 AGM, the register of members of the Company will be closed from Friday, 23 August 2019 to Wednesday, 28 August 2019, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the 2019 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the company in Hong Kong, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 22 August 2019.

In order to qualify for the entitlement to the proposed final dividend, the register of members of the Company will also be closed from Tuesday, 3 September 2019 to Thursday, 5 September 2019, both days inclusive, during which period no transfer of shares in the Company will be registered. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 2 September 2019. If the resolution of the proposed final dividend is passed at the 2019 AGM, the proposed final dividend is expected to be paid on or before Wednesday, 25 September 2019.

業績及股息

本集團截至二零一九年三月三十一日止年度的業績載於本年報的綜合損益及其他全面收益表。本集團與本公司於二零一九年三月三十一日的業務狀況分別載於綜合財務狀況表及綜合財務報表附註32。董事建議派付末期股息每股2港仙(二零一八年：1港仙)，總金額約為36.8百萬港元(二零一八年：18.4百萬港元)。

暫停辦理股份過戶登記手續

應屆股東週年大會預定於二零一九年八月二十八日(星期三)舉行(「二零一九年股東週年大會」)。為釐定出席二零一九年股東週年大會並於會上投票的權利，本公司將由二零一九年八月二十三日(星期五)至二零一九年八月二十八日(星期三)(包括首尾兩日)期間暫停辦理股東登記手續，期間不會進行本公司的股份過戶登記。為出席二零一九年股東週年大會及於會上投票，所有股份過戶文件連同相關股票必須最遲於二零一九年八月二十二日(星期四)下午四時三十分前交回本公司香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心54樓)。

為符合資格享有建議末期股息，本公司將由二零一九年九月三日(星期二)至二零一九年九月五日(星期四)(包括首尾兩日)期間暫停辦理股東登記手續，期間不會進行本公司的股份過戶登記。所有股份過戶文件連同相關股票必須最遲於二零一九年九月二日(星期一)下午四時三十分前交回本公司香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心54樓)。倘建議末期股息的決議案於二零一九年股東週年大會上獲通過，建議末期股息預期於二零一九年九月二十五日(星期三)或之前派付。

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the five financial years is set out on page 208 in this annual report. This summary does not form part of the audited consolidated financial statements of the Group.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in Note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year, together with the reasons thereof, are set out in Note 24 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in consolidated statement of changes in equity and Note 32 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

At 31 March 2019, the Company's reserves available for distribution to owners comprising share premium account and accumulated profit, amounted to approximately HK\$272 million.

SHARE OPTION SCHEMES

The Company conditionally adopted a share option scheme on 24 January 2018 (the "**Scheme**"). The terms of the Scheme are in accordance with the provisions of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and other relevant rules and regulations. Further details of the Share Option Scheme are set forth in the section headed "Statutory and General Information — E. Share Option Scheme" in Appendix IV to the Prospectus and Note 25 to the consolidated financial statements.

財務概要

本集團五個財政年度的業績、資產及負債概要載於本年報第208頁。本概要並不構成本集團經審核綜合財務報表的一部分。

物業、廠房及設備

有關本集團本年度物業、廠房及設備變動的詳情載於綜合財務報表附註14。

股本

有關本公司本年度股本變動的詳情及其原因載於綜合財務報表附註24。

儲備

有關本集團及本公司本年度儲備變動的詳情分別載於綜合權益變動表及綜合財務報表附註32。

可供分派儲備

於二零一九年三月三十一日，本公司可供分派予擁有人的儲備(包括股份溢價賬及累計溢利)金額為約272百萬港元。

購股權計劃

本公司已於二零一八年一月二十四日有條件地採納購股權計劃(「**計劃**」)。計劃的條款符合聯交所證券上市規則(「**上市規則**」)第17章的條文及其他相關規則及規例。購股權計劃的進一步詳情載於招股章程附錄四「法定及一般資料 — E. 購股權計劃」一節及綜合財務報表附註25。

DIRECTORS' REPORT

董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the memorandum and articles of association of the Company or the laws of the Cayman Islands, being the jurisdiction of which the Company is incorporate, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

DONATION

Charitable donations made by the Group during the year ended 31 March 2019 amounted to HK\$57,500 (2018: HK\$2,000).

RELATED PARTY TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

As disclosed in the Prospectus, upon the date of listing, a non-exempt continuing connected transaction has been entered into and will continue to be carried out between the Company and Linkz Industries.

Linkz Industries, through Time Interconnect Holdings Limited ("**Time Holdings**"), holds 1,175,070,000 shares (representing 63.86% of the Group's enlarged total share capital) and remains as the controlling shareholder. Mr. Paul Lo, considered himself and his shareholdings in Nickson Holdings Limited ("**Nickson Holdings**"), holds the controlling shares in Linkz Industries representing indirectly control 38.2% of the Group's enlarged total share capital. Therefore, Linkz Industries is a connected person of the Company under the Listing Rules.

Linkz Industries, with its subsidiaries conducted a business in the manufacture and sales of a range of products including networking cables, LED video display screens as well as leasing of LED video display screens.

The related party transactions of the Group are set out in Note 30 to the consolidated financial statements.

Linkz Industries Framework Agreement

The Group has entered into the agreement between the Company and Linkz Industries prior to the Listing for a term ending on 31 March 2020, for (i) the Group will sell a variety of cable assembly products, in accordance with the specifications and requirements, to Linkz Group; and (ii) the Group will purchase copper cable products from Linkz Group.

優先購買權

本公司組織章程大綱及細則或開曼群島(即本公司註冊成立的司法權區)法例並無載列優先購買權條文，以規定本公司須按比例向現有股東發售新股份。

捐款

本集團於截至二零一九年三月三十一日止年度作出的慈善捐款為57,500港元(二零一八年：2,000港元)。

關聯方交易及持續關連交易

如招股章程所披露，於上市日期後，本公司與領先工業訂立非豁免持續關連交易並將持續進行。

領先工業透過Time Interconnect Holdings Limited (「**Time Holdings**」)持有1,175,070,000股股份(佔本集團經擴大股本總額63.86%)及繼續擔任控股股東。羅仲煒先生考慮到其本身及其於力生控股有限公司(「**力生控股**」)的股權，持有領先工業的控股權(相當於間接控制本集團經擴大股本總額38.2%)。因此，根據上市規則，領先工業為本公司關連人士。

領先工業及其附屬公司進行一系列產品(包括網絡電線、LED視頻顯示屏)的製造及銷售業務，以及LED視頻顯示屏租賃。

本集團關聯方交易載於綜合財務報表附註30。

領先工業框架協議

本集團與本公司及領先工業於上市前訂立一項協議，期限至二零二零年三月三十一日止，內容有關(i)本集團將根據規格及規定向領先集團出售各款電線組件產品；及(ii)本集團將向領先集團購買銅製電線產品。

Linkz Group has been providing materials to the Group for almost ten years and maintaining a track record of providing reliable, efficient and satisfactory cable materials to the Group. Compared with other cable manufacturers, Linkz Group demonstrates to always meet the Group's requirements and technical specifications on cable supplies and that the Group experienced no material dispute in regard to the delivery and quality of its products. Therefore, by riding on the reputation of Linkz Group as an experienced and reliable manufacturer of LED video display screens and networking cables in the PRC, the Board believes the said agreement will strengthen the business profile and also the sales of the Group.

The Directors, including the independent non-executive Directors, consider that all of the continuing connected transactions above and their respective annual caps are fair and reasonable, and that such transactions have been and will be entered into the ordinary and usual course of the business of the Group, on normal commercial terms, are fair and reasonable, and in the interests of the Group and Shareholders as a whole.

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

Save disclosed above, details of all the fully exempted and non-exempted continuing connected transactions are set out in Note 30 to the consolidated financial statements that falls under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

領先集團為本集團提供材料接近十年並保持向本集團提供可靠、有效率及質量理想的電線材料的往績記錄。與其他電線製造商相比，領先集團一直符合本集團對電線供應商的規定及技術規格且本集團並無遇到有關其產品的交付及質量的重大爭議。因此，憑藉領先集團作為中國富有經驗及可靠的LED視頻顯示屏及網絡電線製造商的聲譽，董事會相信上述協議將增強本集團的業務及銷售。

董事(包括獨立非執行董事)認為，上述所有持續關連交易及其各自的年度上限屬公平合理，且該等交易已由及將由本集團根據一般商業條款在一般及日常業務中訂立，屬公平合理並符合本集團及股東的整體利益。

本公司核數師獲委聘根據香港會計師公會頒佈的香港核證委聘準則第3000號(經修訂)「審核或審閱過往財務資料以外的核證委聘」並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已根據上市規則第14A.56條發出載有其對本集團於本年報所披露持續關連交易的事實及結論的無保留意見函件。本公司已將該核數師函件副本呈交聯交所。

除上文所披露者外，符合上市規則第14A章「關連交易」或「持續關連交易」定義的所有全面豁免及非豁免持續關連交易之詳情載於綜合財務報表附註30。本公司已根據上市規則第14A章遵守披露規定。

DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2019, the percentage of the Group's aggregate turnover attributable to the Group's largest customer was approximately HK\$546 million (41.5%), while the percentage of the Group's total turnover attributable to the five largest customers in aggregate was approximately HK\$1,120 million (85.2%).

During the year ended 31 March 2019, the percentage of the Group's purchase amount attributable to the Group's largest supplier was approximately HK\$132 million (12.8%) of the total direct costs for the period, while the percentage of the Group's total purchase amount attributable to the five largest suppliers in aggregate was approximately HK\$380 million (36.7%) of the total direct costs.

None of the Directors of the Company, or any of their close associates or Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) has any beneficial interest in the Group's five largest customers or suppliers.

DIRECTORS

The Directors of the Company during the year and up to the date of this annual report were as follow:

Executive Directors

Mr. Cua Tin Yin Simon ^{Note 1} (Chief Executive Officer)

Mr. Wong Chi Kuen ^{Note 2}

Non-Executive Director

Mr. Lo Chung Wai Paul ^{Note 3} (Chairman)

Independent Non-Executive Directors

Mr. Ho Hin Shun

Mr. Luk Wai Shing

Mr. Chan Chung Shun Eric

主要客戶及供應商

於截至二零一九年三月三十一日止年度，本集團最大客戶應佔總營業額約為546百萬港元(41.5%)，而本集團五大客戶總計應佔總營業額約為1,120百萬港元(85.2%)。

於截至二零一九年三月三十一日止年度，本集團向本集團最大供應商的採購金額佔期內直接總成本的約132百萬港元(12.8%)，而本集團向本集團五大供應商的採購金額總額合共約為直接總成本之380百萬港元(36.7%)。

本公司董事或彼等的任何緊密聯繫人或股東(據董事所深知擁有本公司5%以上的已發行股本)概無於本集團五大客戶或供應商中擁有任何實益權益。

董事

於本年度及直至本年報日期，本公司董事如下：

執行董事

柯天然先生 ^{附註1} (行政總裁)

黃志權先生 ^{附註2}

非執行董事

羅仲煒先生 ^{附註3} (主席)

獨立非執行董事

何顯信先生

陸偉成先生

陳忠信先生

In accordance with the memorandum and articles of association of the Company, at each annual general meeting one third of the Directors for the time being shall retire from office by rotation that every Director shall be subject to retirement by rotation at least once every three years. Such retiring Directors may, being eligible, offer themselves for re-election at the annual general meeting. All Directors appointed by the Board to fill a causal vacancy shall hold office until the first general meeting of Shareholders after their appointment and be subject to re-election at such meeting and all Directors appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

Any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting.

Notes:

- 1) Mr. Cua Tin Yin was appointed as the Director on 15 June 2017 and was re-designated to be the executive Director and Chief Executive Officer on 10 July 2017.
- 2) Mr. Wong Chi Kuen was appointed as the Director on 15 June 2017 and was re-designated to be the executive Director and Chief Financial Officer on 10 July 2017.
- 3) Mr. Lo Chung Wai Paul was appointed as the Director on 15 June 2017 and was re-designated to the non-executive Director and Chairman on 10 July 2017.

PERMITTED INDEMNITY PROVISION

Pursuant to the memorandum and articles of association of the Company, the applicable laws and regulations, every Director shall be indemnified and secured harmless out the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in the execution of their duties in their offices.

Such provision was in force during the year ended 31 March 2019 and remained force as of the date of this annual report. The Company has taken out and maintained Directors' and officers' liabilities insurance throughout the year, which provides appropriate cover for the Directors.

根據本公司組織章程大綱及細則，於每屆股東週年大會上，當時在任的三分之一董事須輪席退任，而所有董事須最少每三年輪席退任一次。該等退任董事如符合資格，可於股東週年大會上膺選連任。所有由董事會委任以填補臨時空缺的董事，其任期僅至獲委任後首個股東大會為止，並可於該大會上膺選連任，而所有獲董事會委任作為現有董事會新增成員的董事，其任期僅至下屆股東週年大會舉行為止，並將符合資格膺選連任。

於股東週年大會前三年並無輪值退任的任何董事須於該股東週年大會上輪值退任。

附註：

- 1) 柯天然先生於二零一七年六月十五日獲委任為董事及於二零一七年七月十日調任為執行董事兼行政總裁。
- 2) 黃志權先生於二零一七年六月十五日獲委任為董事及於二零一七年七月十日調任為執行董事兼首席財務官。
- 3) 羅仲煒先生於二零一七年六月十五日獲委任為董事及於二零一七年七月十日調任為非執行董事兼主席。

獲准彌償條文

根據本公司組織章程大綱及細則、適用法律及法規，各董事獲准以本公司資產及溢利作為彌償保證，以確保其不會因彼等或彼等任何一位於執行彼等於有關職位的職責時招致或遭受的一切訴訟、成本、收費、損失、損害及開支而受損。

有關條文於截至二零一九年三月三十一日止年度有效，並於本年報日期維持有效。本公司於年內已投購及維持董事及高級職員責任保險，為董事提供合適保障。

DIRECTORS' REPORT

董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTEREST IN SIGNIFICANT CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year ended 31 March 2019.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS

Save as disclosed in the section "Director's Report — Related Party Transaction and Continuing Connected Transaction" above and in the sections headed "Relationship with Controlling Shareholders" and "Continuing Connected Transactions" in the Prospectus, neither the Company nor any of its subsidiaries had entered into any contract of significance with the Company's controlling shareholders or their subsidiaries, or any contract of significance for the provision of services to the Company or any of its subsidiaries by the Company's controlling shareholders or their subsidiaries, during the year.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" below and the share option scheme disclosures in Note 25 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such Company's holding company a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事服務合約

董事與本公司或其任何附屬公司概無訂立不作出賠償(法定賠償除外)則不能於一年內由本集團終止的服務合約。

董事於重大合約之權益

概無董事於本公司、其控股公司或其任何附屬公司於截至二零一九年三月三十一日止年度內訂立並對本集團業務而言屬重大的任何合約中直接或間接擁有重大權益。

控股股東於合約的權益

除上文「董事會報告 — 關聯方交易及持續關連交易」一節及招股章程內「與控股股東的關係」及「持續關連交易」兩節所披露者外，本公司或其任何附屬公司概無與本公司控股股東或其附屬公司訂立任何重大合約或有關本公司控股股東或其附屬公司向本公司或其任何附屬公司提供服務之任何重大合約。

董事購買股份或債權證的權利

除下文「董事及最高行政人員於股份、相關股份及債權證的權益及淡倉」一段所披露者及綜合財務報表附註25所載的購股權計劃披露事項外，於年內任何時間，概無任何董事或彼等各自的配偶或未滿18歲的子女獲授權可藉收購本公司股份而獲益、或行使任何該等權利，而本公司控股公司亦無作出任何安排致使董事可於任何其他法人團體獲取該等權利。

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or the controlling shareholders (as defined in the Listing Rules) of the Company (the “**Controlling Shareholders**”) or their respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has or may have any other conflict of interests with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules during the year ended 31 March 2019.

Non-Competition Undertakings

In order to avoid any possible future competition between the Group and the Controlling Shareholders, namely (i) Mr. Paul Lo, (ii) Nickson Holdings, (iii) Gold Peak Industries (Holdings) Limited (“**Gold Peak**”), (iv) GP Industries Limited (“**GP Industries**”), (v) Linkz Industries, (vi) Time Holdings, (vii) Linkz Management (*Note*) (i.e. consists of two senior management members of Linkz Industries, namely Mr. Sy Yuk Tsan, and Mr. Wong Wai Hung); and (viii) Time Management (i.e. consists of two senior management of the Group, namely Mr. Cua Tin Yin Simon and Mr. Chan Ting Hei) (each a “**Covenantor**” and collectively the “**Covenantors**”), have entered into the deed of non-competition (the “**Deed of Non-competition**”) with the Company (for itself and as trustee for its subsidiaries) on 24 January 2018. Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to the Company (for itself and as trustee for its subsidiaries) that, during the period that the Deed of Non-competition remains effective, he/it shall not, and shall procure that his/its associates (other than any member of the Group) not to develop, acquire, invest in, participate in, carry on or be engaged, concerned or interested or otherwise be involved, whether directly or indirectly, in the Core Business that is in competition with or likely to be in competition with the existing business activity of any member of the Group.

Each of the Covenantors further undertakes that if any of him/it or his/its associates other than any member of the Group is offered or becomes aware of any business opportunity which may compete directly or indirectly with the Core Business of the Group, he/it shall (and he/it shall procure his/its associates to) notify the Group in writing and the Group shall have a right of first refusal of take up such business opportunity. The Group shall, within six months after receipt of the written notice (or such longer period if the Group is required to complete any approval procedures as set out under the Listing Rules from time to time), notify the Covenantor(s) whether the Group will exercise the right of first refusal or not.

競爭及利益衝突

於截至二零一九年三月三十一日止年度，董事或本公司控股股東(定義見上市規則)(「**控股股東**」)或彼等各自的緊密聯繫人概無從事根據上市規則第8.10條須予披露的與本集團業務直接或間接構成競爭或可能構成競爭的任何業務或與本集團產生或可能產生任何其他利益衝突。

不競爭承諾

為避免本集團與控股股東(即(i)羅仲煒先生、(ii)力生控股、(iii)金山工業(集團)有限公司(「**金山**」)、(iv)GP工業有限公司(「**GP工業**」)、(v)領先工業、(vi)Time Holdings、(vii)領先管理層(附註)(指領先工業的兩位高級管理人員，包括施毓燦先生及黃偉雄先生)；及(viii)匯聚管理層(指本集團的兩位高級管理人員，包括柯天然先生和陳庭禧先生)(各自為「**契諾人**」，及統稱「**契諾人**」)之間日後可能出現的任何競爭，控股股東已於二零一八年一月二十四日與本公司(為其本身及作為其附屬公司之受託人)訂立不競爭契據(「**不競爭契據**」)。根據不競爭契據，各契諾人已向本公司(為其本身及作為其附屬公司的受託人)不可撤回及無條件地承諾，於不競爭契據仍屬有效期間，其將不會並將促使其聯繫人(本集團任何成員公司除外)不會(無論直接或間接)發展、收購、投資、參與、進行、從事、涉及或有意參與或以其他方式參與與可能與本集團任何成員公司現有業務活動構成競爭的核心業務。

各契諾人進一步承諾，倘其本身或其任何聯繫人(本集團任何成員公司除外)獲得或獲悉任何可能與本集團核心業務構成直接或間接競爭的商機，其會自行及促使其聯繫人以書面方式知會本集團，而本集團將擁有獲取此類商機的優先承購權。本集團將於收到書面通知後六個月內(或上市規則不時規定本集團完成任何審批程序所需的更長時間)通知契諾人本集團是否會行使優先承購權。

DIRECTORS' REPORT

董事會報告

The Group shall only exercise the right of first refusal upon the approval of all the independent non-executive Directors (who do not have any interest in such opportunity) and approval by the Board/or Shareholders as required under relevant laws and regulations and in accordance with the articles of association of the Company in effect at the relevant time. The relevant Covenantor(s) and the other conflicting Directors (if any) shall abstain from participating in and voting at and shall not be counted as quorum at all meetings of the Board where there is a conflict of interest or potential conflict of interest including but not limited to the relevant meeting of the independent non-executive Directors for considering whether or not to exercise the right of first refusal.

During the year, the Company had not received any information in writing from any of the Controlling Shareholders in respect of any new business opportunity which competed or might compete with the existing and future business of the Group which were offered to or came to the knowledge of the Controlling Shareholders or their associates (other than any member of the Group), and the Company has received an annual written confirmation from each Controlling Shareholder of the Company in respect of him/it or his/its associates in compliance with the Deed of Non-competition. The independent non-executive Directors have also reviewed and were satisfied that each of the Controlling Shareholders of the Company had complied with the Deed of Non-competition.

Note: Mr. Li Ping Kuen and Ms. Lo Ching Yee re-designated as the senior management of TIME Interconnect Limited, thus they are no longer consists of the Linkz Management.

本集團僅在獲得全體獨立非執行董事(彼等於有關商機當中並無擁有任何權益)批准以及根據相關法律及法規和根據本公司於有關時間生效的組織章程細則的規定獲董事會及/或股東批准後,方可行使優先承購權。倘存在利益衝突或潛在利益衝突,則有關契諾人及其他有利益衝突的董事(如有)不得參與所有董事會會議(包括但不限於我們的獨立非執行董事為考慮是否行使優先承購權的相關會議)及在會上投票,且不得計入法定人數。

於本年度內,本公司並無自任何控股股東以書面形式收取任何有關與本集團現有及未來業務競爭或可能競爭的任何新業務機遇的任何資料,而該等資料乃控股股東或其聯繫人(本集團任何成員公司除外)已獲提供或已知悉,以及本公司已收到本公司各控股股東有關其及其聯繫人遵守不競爭契據的年度確認書。獨立非執行董事亦已審閱並信納本公司各控股股東已遵守不競爭契據。

附註: 李炳權先生及盧靜儀女士調任為匯聚工業有限公司之高級管理層,因此彼等不再為領先管理層。

EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in Note 10 to the consolidated financial statements. The emolument of the number of the highest paid individuals who are not the Directors of the Company for the year ended 31 March 2019 are set out in Note 10(B) to the consolidated financial statements.

The emoluments of the senior management of the Group for the year ended 31 March 2019 falls within the following band:

Emolument Band	酬金範圍	Number of Senior Management 高級管理層人數
HK\$0 to HK\$1,000,000	0 港元至 1,000,000 港元	4
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1

EMOLUMENT POLICY

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, having regard to the Group's operating results, individual performance and comparable market practices.

The Remuneration Committee will meet at least once for each year to discuss remuneration related matters (including the remuneration of Directors and senior management) and review the remuneration policy of the Group. It has been decided that Remuneration Committee would determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management.

RETIREMENT BENEFITS PLANS

Details of the Group's retirement benefit plans are set out in Note 29 to the consolidated financial statements.

MANAGEMENT CONTRACTS

Save for service contracts, no other contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or subsisting during the year ended 31 March 2019.

董事及高級管理層及五名最高薪酬人士的酬金

有關董事及五名最高薪酬人士酬金的詳情載於綜合財務報表附註10。於截至二零一九年三月三十一日止年度並非本公司董事之最高薪酬人士的酬金載於綜合財務報表附註10(B)。

本集團高級管理層於截至二零一九年三月三十一日止年度的酬金屬於以下範圍：

薪酬政策

薪酬委員會之成立目的為參考本集團經營業績、個人表現及可比市場慣例後，檢討有關本集團的薪酬政策以及制定董事及高級管理層的薪酬架構。

薪酬委員會每年至少舉行一次會議，討論薪酬相關事宜(包括董事及高級管理層的薪酬)及檢討本集團的薪酬政策。薪酬委員會獲委任負責釐定個別執行董事及高級管理層的薪酬待遇。

退休福利計劃

本集團的退休福利計劃詳情載於綜合財務報表附註29。

管理合約

除服務合約外，於截至二零一九年三月三十一日止年度，概無訂立或存在其他有關本公司全體或任何主要部分業務的管理及／或行政合約。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, the interests or short positions of each of the Directors and the chief executive in the shares of the Company, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required pursuant to the Model Code for Securities Transactions by Directors of Listed companies (the "Model Code") set out in Appendix 10 of the Listing Rules, to be notified to the Company and the Stock Exchange are set out as follows:

(I) Long Position in Shares of the Company

Name of Director	Capacity/Nature	Number of shares held/interested	Approximate percentage of interest
董事姓名	身份/性質	所持/擁有權益的股份數目	概約權益百分比
Mr. Paul Lo (Note)	Interest of a controlled corporation/others	1,175,070,000	63.86%
羅仲煒先生(附註)	受控法團權益/其他	1,175,070,000	63.86%

Note:

Mr. Paul Lo beneficially owns the entire issued share capital of Nickson Holdings. Nickson Holdings and Mr. Paul Lo hold 20.14% and 39.68% of the issued ordinary share capital of Linkz Industries, respectively, and Time Holdings is wholly-owned by Linkz Industries. Accordingly, Mr. Paul Lo, is deemed, or taken to be, interested in all the shares held by Time Holdings for the purpose of the SFO.

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於二零一九年三月三十一日，董事及本公司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分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例該等條文彼等被當作或被視為擁有的權益及淡倉)，或須根據證券及期貨條例第352條登記於該條所述登記冊內的權益及淡倉，或根據上市規則附錄十所載上市公司的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：

(I) 於本公司股份的好倉

附註：

羅仲煒先生實益擁有力生控股的全部已發行股本。力生控股及羅仲煒先生分別持有領先工業20.14%及39.68%已發行普通股股本，而Time Holdings由領先工業全資擁有。因此，根據證券及期貨條例，羅仲煒先生被視為或當作於Time Holdings持有的所有股份中擁有權益。

(II) Long Position in Shares of Associated Corporation of the Company (II) 於本公司相聯法團股份的好倉

Name of associated corporation	Name of Director	Nature of interest	Number of shares held/interested 所持／擁有權益的 股份數目	Approximate percentage of interest 概約權益百分比
相聯法團名稱	董事姓名	權益性質		
Linkz Industries 領先工業	Mr. Cua (Note) 柯先生(附註)	Others 其他	12,838,618 12,838,618	0.70% 0.70%

Note:

Mr. Cua is one of the senior management members of the Group, holding 1.09% of the issued ordinary share capital of Linkz Industries. Mr. Cua is also holding 0.011% of the issued share capital of Gold Peak.

附註：

柯先生為本集團高級管理層成員之一，持有領先工業已發行普通股股本之1.09%。柯先生亦持有金山已發行股本之0.011%。

(III) Long Position in the Underlying Shares of the Share Options Granted under the Share Option Scheme (III) 根據購股權計劃授出的購股權的相關股份的好倉

Name of the Directors	董事姓名	Number of the underlying shares interested and nature of interests 擁有權益的相關股份的數目及權益性質	Approximate percentage of the total issued shares (%) * 佔已發行股份總數的概約百分比 (%) *
Executive Directors	執行董事		
Mr. Cua	柯先生	10,488,000	0.570
Mr. Wong Chi Kuen	黃志權先生	9,528,000	0.518
Non-executive Director	非執行董事		
Mr. Paul Lo	羅仲煒先生	1,824,000	0.099
Independent Non-executive Directors	獨立非執行董事		
Mr. Ho Hin Shun	何顯信先生	1,824,000	0.099
Mr. Luk Wai Shing	陸偉成先生	1,824,000	0.099
Mr. Chan Chung Shun, Eric	陳忠信先生	1,824,000	0.099

* The percentage was calculated based on 1,840,000,000 shares in issue as at 31 March 2019.

* 百分比乃根據二零一九年三月三十一日已發行的1,840,000,000股股份計算。

DIRECTORS' REPORT

董事會報告

Save as disclosed above, as at 31 March 2019, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, the following persons/entities (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the Shares or the underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of 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，概無董事及本公司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第XV部）的任何股份、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分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例該等條文彼等被當作或被視為擁有的權益或淡倉），或已登記於本公司根據證券及期貨條例第352條須存置的登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

主要股東及其他人士於股份、相關股份及債權證的權益及淡倉

於二零一九年三月三十一日，以下人士／實體（董事及本公司最高行政人員除外）於本公司的股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉，或已登記於本公司根據證券及期貨條例第336條須備存的登記冊內的權益或淡倉，或直接或間接持有附有權利可於任何情況下在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面值10%或以上的權益：

Long Positions in the Shares

於股份的好倉

Name	Capacity/Nature	Number of shares held/interested	Approximate percentage of interest
名稱	身份/性質	所持/擁有權益的股份數目	概約權益百分比
Time Holdings	Beneficial Owner 實益擁有人	1,175,070,000	63.86%
Linkz Industries (Note 1) 領先工業(附註1)	Interest of controlled corporation 受控法團權益	1,175,070,000	63.86%
Ms. Ho Hsiu Lan (Note 2) 何秀蘭女士(附註2)	Interest of spouse 配偶權益	1,175,070,000	63.86%
Nickson Holdings (Note 3) 力生控股(附註3)	Interest of controlled corporation 受控法團權益	1,175,070,000	63.86%
GP Industries (Note 4) GP工業(附註4)	Interest of controlled corporation 受控法團權益	1,175,070,000	63.86%
Gold Peak (Note 5) 金山(附註5)	Interest of controlled corporation 受控法團權益	1,175,070,000	63.86%
Datatech Investment	Beneficial Owner 實益擁有人	204,930,000	11.14%
Mr. Kwong Ping Man (Note 6) 鄭炳文先生(附註6)	Interest of controlled corporation 受控法團權益	204,930,000	11.14%
Ms. Chan Kit Sum (Note 7) 陳潔心女士(附註7)	Interest of spouse 配偶權益	204,930,000	11.14%

Notes:

附註：

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| <p>1) Time Holdings is wholly-owned by Linkz Industries. Therefore, Linkz Industries is deemed, or taken to be, interested in all the shares held by Time Holdings for the purpose of the SFO.</p> <p>2) Ms. Ho Hsiu Lan is the spouse of Mr. Paul Lo. Accordingly, Ms. Ho Hsiu Lan is deemed, or taken to be, interested in all the shares in which Mr. Paul Lo is interested for the purpose of the SFO.</p> <p>3) Nickson Holdings holds 20.14% of the issued ordinary share capital of Linkz Industries, and Time Holdings is wholly-owned by Linkz Industries. Therefore, Nickson Holdings is deemed to, or taken to be, interested in all the Shares held by Time Holdings for the purpose of the SFO.</p> <p>4) GP Industries holds 38.13% of the issued ordinary share capital of Linkz Industries, and Time Holdings is wholly-owned by Linkz Industries. Therefore, GP Industries is deemed, or taken to be, interested in all the shares held by Time Holdings for the purpose of the SFO.</p> <p>5) Gold Peak holds 85.47% issued share capital of GP Industries. GP Industries holds 38.13% of the issued ordinary share capital of Linkz Industries, and Time Holdings is wholly-owned by Linkz Industries. Therefore, Gold Peak is deemed, or taken to be, interested in all the shares held by Time Holdings for the purpose of the SFO.</p> | <p>1) Time Holdings由領先工業全資擁有。因此，根據證券及期貨條例，領先工業被視為或當作於Time Holdings持有的所有股份中擁有權益。</p> <p>2) 何秀蘭女士為羅仲煒先生的配偶。因此，根據證券及期貨條例，何秀蘭女士被視為或被當作於羅仲煒先生擁有權益的所有股份中擁有權益。</p> <p>3) 力生控股持有領先工業20.14%已發行普通股本，而Time Holdings由領先工業全資擁有。因此，根據證券及期貨條例，力生控股被視為或當作於Time Holdings持有的所有股份中擁有權益。</p> <p>4) GP工業持有領先工業38.13%已發行普通股股本，而Time Holdings由領先工業全資擁有。因此，根據證券及期貨條例，GP工業被視為或當作於Time Holdings持有的所有股份中擁有權益。</p> <p>5) 金山持有GP工業85.47%已發行股本。GP工業持有領先工業38.13%已發行普通股股本，而Time Holdings由領先工業全資擁有。因此，根據證券及期貨條例，金山被視為或當作於Time Holdings持有的所有股份中擁有權益。</p> |
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DIRECTORS' REPORT

董事會報告

- 6) Mr. Kwong Ping Man beneficially owns the entire issued share capital of Datatech Investment Inc.. Therefore, Mr. Kwong Ping Man is deemed, or taken to be, interested in all the shares held by Datatech Investment Inc. for the purpose of the SFO. Mr. Kwong Ping Man is the sole director of Datatech Investment Inc..
- 7) Ms. Chan Kit Sum is the spouse of Mr. Kwong Ping Man. Accordingly, Ms. Chan Kit Sum is deemed, or taken to be, interested in all the shares in which Mr. Kwong Ping Man is interested for the purpose of the SFO.
- 6) 鄭炳文先生實益擁有 Datatech Investment Inc. 的全部已發行股本。因此，根據證券及期貨條例，鄭炳文先生被視為或當作於 Datatech Investment Inc. 持有的所有股份中擁有權益。鄭炳文先生為 Datatech Investment Inc. 的唯一董事。
- 7) 陳潔心女士為鄭炳文先生的配偶。因此，根據證券及期貨條例，陳潔心女士被視為或被當作於鄭炳文先生擁有權益的所有股份中擁有權益。

Save as disclosed above, as at 31 March 2019, none of the substantial or significant shareholders or other persons, other than the Directors and chief executives of the Company whose interests are set out in the section "Directors' Report — Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company remained to be kept under Section 336 of the SFO, or who were 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 members of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the Corporate Governance Report on pages 50 to 66 of this annual report.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the year ended 31 March 2019.

除上文所披露外，於二零一九年三月三十一日，概無主要股東或高持股量股東或其他人士（於上文「董事會報告 — 董事及最高行政人員於股份、相關股份及債權證的權益及淡倉」一節所載擁有權益的董事及本公司最高行政人員除外）於本公司的股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第 XV 部第 2 及 3 分部的條文須向本公司及聯交所披露的權益或淡倉，或已登記於本公司根據證券及期貨條例第 336 條須備存的登記冊內的權益或淡倉，或直接或間接持有附有權利可於任何情況下在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面值 10% 或以上的權益。

購買、出售或贖回本公司上市證券

於截至二零一九年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

企業管治

有關本公司企業管治常規的詳情載於本年報第 50 至 66 頁的企業管治報告。

股票掛鈎協議

除本年報所披露者外，於截至二零一九年三月三十一日止年度，本公司並無訂立股票掛鈎協議。

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on information available in the public domain concerning the Company, at least 25% of the Company's issued share capital were held by the public as at the date of this annual report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

INDEPENDENT AUDITOR

The consolidated financial statements of the Group for the year ended 31 March 2019 were audited by Deloitte Touche Tohmatsu. A resolution will be proposed at the forthcoming annual general meeting of the Company to reappoint Deloitte Touche Tohmatsu as auditor of the Company.

ON BEHALF OF THE BOARD

Time Interconnect Technology Limited

Cua Tin Yin Simon

Executive Director and Chief Executive Officer

Hong Kong, 21 June 2019

足夠公眾持股量

據董事所知及依照於公眾領域可得有關本公司之資料，於本年報日期，本公司已發行股本中最少25%由公眾人士持有。

獨立非執行董事的獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性所發出的年度確認書，本公司認為所有獨立非執行董事均為獨立人士。

獨立核數師

本集團截至二零一九年三月三十一日止年度的綜合財務報表已經由德勤•關黃陳方會計師行審核。本公司將於應屆股東週年大會上提呈決議案續聘德勤•關黃陳方會計師行為本公司核數師。

承董事會命

匯聚科技有限公司

執行董事兼行政總裁

柯天然

香港，二零一九年六月二十一日

CORPORATE GOVERNANCE REPORT

企業管治報告

INTRODUCTION

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, healthy corporate culture, successful business growth and enhancing shareholders' value. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders.

CORPORATE GOVERNANCE PRACTICE

The Company acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders' value. The Company is also committed to achieving high standard of corporate governance that can protect and promote the interests of all Shareholders and to enhance corporate value and accountability of the Company. For corporate governance purpose, the Company has adopted the Corporate Governance Code (the "CG Code") set out in Appendix 14 of the Listing Rules. During the year ended 31 March 2019, to the best knowledge of the Board, the Company had complied with all the applicable code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code and there was no event of non-compliance throughout the period.

引言

本公司董事會及管理層致力於維持良好的企業管治常規及程序。本公司相信，良好的企業管治為有效管理、健康的企業文化、成功的業務增長及提升股東價值提供必要的框架。本公司企業管治守則強調優質的董事會、完善的內部控制、透明及對全體股東負責。

企業管治常規

本公司確信企業管治是為股東創造價值之必要及重要元素之一，而本公司亦致力達至高水平之企業管治，以保障及提升全體股東利益，提高企業價值與本公司之間責任。就企業管治目的而言，本公司已採納上市規則附錄十四所載的企業管治守則（「企管守則」）。截至二零一九年三月三十一日止年度，就董事會所深知，本公司一直遵守企管守則所載的所有適用守則條文。

董事進行證券交易之標準守則

本公司已採納標準守則作為有關董事進行證券交易之操守準則。經作出具體查詢後，全體董事已於整個期間全面遵守標準守則所載所須標準且概無出現不合規事件。

DIRECTORS' RESPONSIBILITIES AND DELEGATION

The Board is responsible for leading and controlling the business operations of the Group. It formulates strategic directions, oversees the operations and monitors the financial performance of the Group. The management is delegated power and authority given by the Board for the day-to-day management and operations of the Group. The management is accountable to the Board for the Company's overall operation. Under the terms of reference, the duties of the Board in respect of corporate governance are as follows:

- 1) to develop and review the policies and practices on corporate governance of the Group and make recommendations;
- 2) to review and monitor the training and continuous professional development of the Directors and the senior management;
- 3) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- 4) to develop, review and monitor the code of conduct applicable to the Directors and the employees of the Group; and
- 5) to review the Company's compliance with the CG Code as set out in Appendix 14 of the Listing Rules and disclosure in the corporate governance report of the Company.

BOARD COMPOSITION

The Board currently comprises two executive Directors, one non-executive Director and three independent non-executive Directors and the Board is accountable to shareholders. The management and control of the business of the Company is vested in its Board. It is the duty of the Board to create value to the shareholders of the Company.

Executive Directors

Mr. Cua Tin Yin Simon
Mr. Wong Chi Kuen

Non-Executive Director

Mr. Lo Chung Wai Paul

董事職責及授權

董事會負責領導及控制本集團的業務經營。其制定策略方向、監督營運及監控本集團的財務表現。管理層獲董事會指派權力及授權進行本集團的日常管理及經營。管理層就本公司的整體營運對董事會負責。根據職權範圍，董事會須履行之企業管治職能如下：

- 1) 制定及檢討本集團之企業管治政策及常規，並提出建議；
- 2) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 3) 檢討及監察本集團在遵守法律及監管規定方面之政策及常規；
- 4) 制定、檢討及監察適用於董事及本集團僱員之操守準則；及
- 5) 檢討本公司遵守上市規則附錄十四所載企管守則之情況及在本公司企業管治報告內之披露。

董事會組成

董事會現時由兩名執行董事、一名非執行董事及三名獨立非執行董事組成，且董事會對股東負責。本公司業務之管理及控制歸屬於董事會。董事會的職責乃為本公司股東創造價值。

執行董事

柯天然先生
黃志權先生

非執行董事

羅仲煒先生

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Non-Executive Directors

Mr. Ho Hin Shun
Mr. Luk Wai Shing
Mr. Chan Chung Shun Eric

Biographical details of the Directors are set out in “Biographical Details of the Directors and Senior Management” on pages 26 to 31 of this annual report.

The proportion of which is higher than what is required by Rule 3.10A, 3.10 (1) and (2) of the Listing Rules whereby independent non-executive Directors of a listed issuer represent at least one-third of the Board. The three independent non-executive Directors represent more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. With the various experience of both the executive Directors, the non-executive Director and the independent non-executive Directors and the nature of the Group’s business, the Board considered that the Directors have a balance of skills and experience for the business of the Board.

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the “**Board Diversity Policy**”) on 28 December 2018 which sets out the basis to achieve diversity on the Board. Details of this policy is disclosed as below.

1. Purpose

The Board Diversity Policy aims to set out the approach to achieve diversity on the Board.

2. Vision

The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

3. Policy

When determining the composition of the Board, the Company will consider board diversity in terms of, among other things, gender, age, experience, cultural and educational background, expertise, skills and know-how. All Board appointments will be based on merits, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

獨立非執行董事

何顯信先生
陸偉成先生
陳忠信先生

董事履歷載於本年報第26至31頁的「董事及高級管理層履歷詳情」。

比例高於上市規則第3.10A、3.10 (1)及(2)條所規定之上市發行人之獨立非執行董事須佔董事會至少三分之一成員人數。三名獨立非執行董事佔董事會多於三分之一成員人數，且當中至少有一名具有合適的專業資格，或會計或相關財務管理專長。鑑於執行董事、非執行董事及獨立非執行董事的各種經驗及本集團之業務性質，董事會認為董事具備平衡之技術與經驗，有助本集團業務。

董事會多樣性政策

董事會已於二零一八年十二月二十八日採納董事會多樣性政策(「**董事會多樣性政策**」)，當中載有達致董事會多樣性的基準。此政策詳情披露如下。

1. 目的

董事會多樣性政策旨在載列董事會成員為達致多樣性而採取的方針。

2. 願景

本公司明白並深信董事會多樣性對提升本公司的表現質素裨益良多。

3. 政策

本公司在設定董事會組成時會從多個方面考慮董事會的多樣性，其中包括性別、年齡、經驗、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會多樣性的裨益。

4. Measurable Objectives

Selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how.

5. Monitoring and Reporting

The nomination committee of the Company (the “**Nomination Committee**”) will disclose the composition of the Board annually in the corporate governance report and monitor the implementation of this Policy.

6. Review of the Board Diversity Policy

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure the effectiveness of the Board Diversity Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

7. Disclosure of the Board Diversity Policy

A Summary of the Board Diversity Policy together with the measurable objectives set for implementing the Board Diversity Policy, and the progress made towards achieving those objectives will be disclosed in the annual corporate governance report.

4. 可計量目標

甄選董事會人選將按一系列多樣化範疇為基準，包括但不限於性別、年齡、經驗、文化及教育背景、專業經驗、技能及知識。

5. 監察及呈報

本公司提名委員會（「**提名委員會**」）將每年在企業管治報告中披露董事會組成，並監察本政策的執行。

6. 檢討董事會多樣性政策

提名委員會將在適當時候檢討董事會多樣性政策，以確保董事會多樣性政策行之有效。提名委員會將會討論任何或需作出的修訂，再向董事會提出修訂建議，由董事會審批。

7. 董事會多樣性政策的披露

董事會多樣性政策概要連同為執行董事會多樣性政策而制定的可計量目標及達致該等目標的進度將於每年的企業管治報告內披露。

NOMINATION POLICY

The Board has adopted a nomination policy (the “**Nomination Policy**”) on 28 December 2018 which sets out the approach to guide the Nomination Committee in relation to the selection, appointment and re-appointment of the Directors. Details of the Nomination Policy is disclosed as below.

1 Purpose

- 1.1 the Nomination Policy aims to set out the approach to guide the Nomination Committee in relation to the selection, appointment and re-appointment of the Directors.
- 1.2 the Nomination Policy aims to ensure that the Board has a balance of skills, experience, knowledge and diversity of perspectives appropriate to the requirements of the Company’s business.

提名政策

董事會已於二零一八年十二月二十八日採納提名政策（「**提名政策**」），其中載列提名委員會甄選、委任及重新委任董事的指導方法。提名政策的詳情披露如下。

1 目的

- 1.1 提名政策旨在載列提名委員會甄選、委任及重新委任董事的指導方法。
- 1.2 提名政策旨在確保董事會具備適當的技能、經驗、知識及多樣性觀點以切合本公司業務的需求。

CORPORATE GOVERNANCE REPORT

企業管治報告

2 Criteria

The Nomination Committee will evaluate, select and recommend candidate(s) for directorships to the Board by giving due consideration to criteria including but not limited to (collectively, the “Criteria”):

- (a) diversity in aspects including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how;
- (b) sufficient time to effectively carry out their duties; their services on other listed and non-listed companies should be limited to reasonable numbers;
- (c) qualifications, including accomplishment and experience in the relevant industries the Company’s business is involved in;
- (d) independence;
- (e) reputation for integrity;
- (f) potential contributions that the individual(s) can bring to the Board; and
- (g) commitment to enhance and maximise shareholders’ value.

3 Re-Election of Director at General Meeting

3.1 The Nomination Committee will evaluate and recommend retiring Director(s) to the Board for re-appointment by giving due consideration to the Criteria including but not limited to:

- (a) the overall contribution and service to the Company of the retiring director including his attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board; and
- (b) whether the retiring Director(s) continue(s) to satisfy the Criteria in section 2.

3.2 The Nomination Committee and/or the Board shall then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

2 標準

提名委員會將適當考慮下列標準(統稱為「標準」)以評估、甄選及向董事會推薦候選人擔任董事，標準包括但不限於：

- (a) 包括性別、年齡、經驗、文化及教育背景、專長、技能及知識等方面的多樣性；
- (b) 有充足時間以有效履行其職責，彼等於其他上市及非上市公司的服務應限於合理數目內；
- (c) 資格，包括在本公司的業務所涉及的有關行業之中的成就及經驗；
- (d) 獨立性；
- (e) 誠信方面的聲譽；
- (f) 該(等)人士可以為董事會帶來的潛在貢獻；及
- (g) 對提高及使股東價值最大化的承諾。

3 於股東大會上重選董事

3.1 提名委員會將會妥為考慮以下標準以評核及向董事會建議一名或多名退任的董事接受再度委任，標準包括但不限於：

- (a) 該退任董事對本公司的整體貢獻及服務，包括出席董事會會議及(如適用)股東大會，以及在董事會的參與程度及表現；及
- (b) 該(等)退任董事是否繼續符合第2節的標準。

3.2 提名委員會及／或董事會屆時應就於股東大會上建議重選董事向股東作出推薦意見。

4 Nomination Process

The Nomination Committee will recommend to the Board for the appointment of a Director in accordance with the following procedures and process:

- (a) the Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- (b) the Nomination Committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertising, recommendations from an independent agency firm and proposals from shareholders of the Company with due consideration given to the Criteria;
- (c) the Nomination Committee may adopt any process it deems appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third-party reference checks;
- (d) upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
- (e) the Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment and the proposed remuneration package; and
- (f) the Board will have the final authority on determining the selection of nominees and all appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be) to be filed with the Companies Registry of Hong Kong.

4 提名流程

提名委員會將根據下列程序及流程就委任董事一事向董事會作出建議：

- (a) 提名委員會在妥為考慮董事會的現有成員組合及規模下，將擬備一份理想的技能、觀點及經驗清單，以便從一開始能夠專注於物色工作；
- (b) 在妥為考慮標準下，提名委員會在物色或甄選合適候選人時可向其認為合適的任何來源查詢，例如：由現任董事轉介、刊登廣告、由第三方代理人公司推薦以及由本公司的股東建議；
- (c) 提名委員會在評核候選人的適合程度時可採納其認為合適的任何流程，例如：面試、背景查核、簡介申述及對於第三方轉介作出查核；
- (d) 在考慮某名候選人是否適合擔任董事一職之後，提名委員會將舉行會議及／或以書面決議案的方式（如其認為合適）批准向董事會建議作出委任；
- (e) 提名委員會其後將就建議委任及建議薪酬待遇向董事會作出推薦建議；及
- (f) 董事會對甄選獲提名人士將有最終決定權，全部董事委任工作將通過向香港公司註冊處提交相關董事的出任董事職位同意書（或任何其他類似需要有關董事承認或接受出任董事職位的備案，視情況而定）確認。

CORPORATE GOVERNANCE REPORT

企業管治報告

5 Responsibility

The Board will be ultimately responsible for the selection, appointment and re-appointment of Directors.

6 Monitoring and Reporting

The Nomination Committee will assess and report annually, in the corporate governance report, on the composition of the Board, and launch a formal process to monitor the implementation of the Nomination Policy as appropriate.

7 Review of the Nomination Policy

The Nomination Committee will launch a formal process to review the Nomination Policy periodically to ensure that it is transparent and fair, remains relevant to the Company's needs and reflects the current regulatory requirements and good corporate governance practice. The Nomination Committee will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

8 Disclosure of the Nomination Policy

8.1 A summary of the Nomination Policy including the nomination procedures and the process and Criteria adopted by the Nomination Committee to select and recommend candidates for directorship during the year will be disclosed in the annual corporate governance report.

8.2 In the circular to shareholders for proposing a candidate as an independent non-executive director, it should also set out:

- the process used for identifying the candidate and why the Board believes the candidate should be elected and the reason why it considers the candidate to be independent;
- if the proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, the reason the Board believes the candidate would still be able to devote sufficient time to the Board;
- the perspectives, skills and experience that the candidate can bring to the Board; and
- how the candidate can contribute to the diversity of the Board.

5 責任

董事會對於甄選、委任及重新委任董事一事負上最終責任。

6 監察及匯報

提名委員會將在企業管治報告內每年評核及匯報董事會的組成，並推行正式流程以適當地監察提名政策的落實情況。

7 檢討提名政策

提名委員會將推行正式流程以定期檢討提名政策，以確保提名政策透明公正，一直切合本公司的需要，並且反映現有監管規定及企業管治常規良好。提名委員會將討論可能需要進行的任何修改，並將任何該等修改向董事會作出推薦建議，以供其考慮及批准。

8 提名政策的披露

8.1 提名政策概要(包括提名程序及流程以及提名委員會年內就甄選及推薦候選人擔任董事一職而採納的標準)將於每年的企業管治報告內披露。

8.2 於就建議候選人擔任獨立非執行董事而致股東之通函內，亦應載列：

- 用於物色候選人的流程及董事會認為候選人應當獲選的原因以及認為候選人具備獨立性的原因；
- 倘建議獨立非執行董事將擔任七間(或以上)上市公司的董事職位，董事會認為候選人仍將能夠向董事會投入充足時間的原因；
- 候選人能向董事會帶來的觀點、技能及經驗；及
- 候選人如何能向董事會的多樣性作出貢獻。

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors play a significant role in the Board as they bring an impartial view on the Company's strategies, performance and control, as well as ensuring that the interests of all shareholders are taken into account. All independent non-executive Directors possess appropriate academic, professional qualifications or related financial management experience. None of the independent non-executive Directors held any other offices in the Company or any of its subsidiaries or is interested in any shares of the Company. The Company has received from each independent non-executive Director an annual confirmation of his independence, and the Company considers such Directors to be independent in accordance with the criteria set out in Rule 3.13 of the Listing Rules.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors and non-executive Director has entered into a service contract with the Company on 10 July 2017 and signed letters of appointment with each of the independent non-executive Directors on 24 January 2018. The service contracts with the executive Directors and the letter of appointment with each of independent non-executive Directors are for an initial fixed term of three years commencing from the Listing Date. The service contracts and letters of appointment are subject to termination in accordance with their respective terms. The service contracts may be renewed in accordance with the memorandum and articles of association of the Company and the applicable Listing Rules.

According to the Article 108 of the memorandum and articles of association of the Company, one-third of the Directors for the time being shall retire from office by rotation at every annual general meeting of the Company, provided that every Director shall retire from office by rotation and are subject to re-election at annual general meeting at least once every three years. Article 112 of the memorandum and articles of association of the Company provides that any Directors who are appointed to fill casual vacancies shall hold office only until the next following general meeting after their appointment, and are subject to re-election by shareholders of the Company.

Mr. Ho Hin Shun and Mr. Chan Chung Shun Eric will retire from office at the forthcoming annual general meeting of the Company to be held on 28 August 2019. Mr. Ho Hin Shun and Mr. Chan Chung Shun Eric, being eligible, will offer themselves for re-election.

獨立非執行董事

獨立非執行董事於董事會扮演重大角色，原因為彼等為公司的策略、業績及監控問題提供公正意見，並顧及全體股東的利益。全體獨立非執行董事均具備合適學歷、專業資格或相關財務管理經驗。獨立非執行董事概無於本公司或其任何附屬公司擔任任何其他職位，亦無於本公司任何股份中擁有權益。本公司已接獲各獨立非執行董事之年度確認書，確認其獨立性，本公司根據上市規則第3.13條所載準則，認為該等董事均為獨立人士。

委任及重選董事

各執行董事及非執行董事已於二零一七年七月十日與本公司訂立服務合約，並於二零一八年一月二十四日與各獨立非執行董事簽訂委任函。執行董事的服務合約及各獨立非執行董事的委任函的期限初步固定為自上市日期起計為期三年。服務合約及委任函可按照其各自之條款予以終止。服務合約可根據本公司的組織章程大綱及細則及適用上市規則予以續期。

根據本公司組織章程大綱及細則第108條，當時在任的三分之一董事須在本公司每屆股東週年大會上輪值退任，惟每位董事須最少每三年一次在股東週年大會上輪值退任並膺選連任。本公司組織章程大綱及細則第112條規定，任何獲委任以填補臨時空缺的董事，任期僅至其獲委任後的下屆股東大會止，並須經本公司股東重選後方可連任。

何顯信先生及陳忠信先生將於本公司謹定於二零一九年八月二十八日舉行之應屆股東週年大會上退任。符合資格的何顯信先生及陳忠信先生將膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

At the forthcoming annual general meeting of the Company, separate ordinary resolutions will be put forward to the shareholders of the Company in relation to the proposed re-election of Mr. Ho Hin Shun and Mr. Chan Chung Shun Eric as the independent non-executive Directors.

TERM OF OFFICE OF NON-EXECUTIVE DIRECTORS

The initial term of office of each of the non-executive Directors (including independent non-executive Directors) is three years, subject to re-election.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The role of chairman remains separate from that of the chief executive officer to enhance their respective independence, accountability and responsibility. Mr. Paul Lo was the Chairman and Mr. Cua was the Chief Executive Officer.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

The Group acknowledges the importance of adequate and ample continuing professional development for the Directors for a sound and effective internal control system and corporate governance. In this regard, the Group has always encouraged the Directors to attend relevant training courses to receive the latest news and knowledge regarding corporate governance.

The Company updates Directors on the latest developments and changes to the Listing Rules and the applicable legal and regulatory requirements concerning good governance practices. Reading materials on regulatory updates were also provided to the Directors for updating their knowledge on relevant issues. The Company will, if necessary, provide timely and regular trainings to the Directors to ensure that they keep abreast of the current requirements under the Listing rules. The Group has also adopted a policy to reimburse the Directors for any relevant training costs and expenses incurred concerning corporate governance and internal control.

於本公司應屆股東週年大會上，將向本公司股東提呈有關建議重選何顯信先生及陳忠信先生為獨立非執行董事的獨立普通決議案。

非執行董事的任期

各非執行董事(包括獨立非執行董事)的初步任期為三年，須重選。

主席與行政總裁

根據企業管治守則的守則條文A.2.1，主席與行政總裁的角色應有所區分，及不應由同一人士兼任。

主席與行政總裁的角色維持分立，以分別提高各自的獨立性、問責性及責任。羅仲煒先生擔任主席及柯先生為行政總裁。

董事的培訓及專業發展

本集團認同董事獲得足夠及充份的持續專業發展，對健全而有效的內部監控系統與企業管治的重要性。為此，本集團一直鼓勵董事出席相關培訓課程，以獲取有關企業管治的最新消息及知識。

本公司向董事更新涉及良好企業管治常規之上市規則最新發展及修訂以及適用之法律及監管規定。最新規管資料之閱讀材料亦會提供予董事，以更新彼等對相關事宜之認識。本公司將按需要為董事提供適時及定期之培訓，以確保彼等緊貼上市規則之現行規定。本集團亦已採納一項政策，以實報實銷方式，付還董事就參與任何有關企業管治及內部監控之培訓所產生之相關費用及開支。

BOARD COMMITTEES

The Board has established three Board committees, namely, the audit committee of the Company (the “**Audit Committee**”), the Remuneration Committee and the Nomination Committee, for overseeing particular aspects of the Company’s affairs. All Board committees have been established with defined written terms of reference, which are posted on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.time-interconnect.com. All the Board committees responsibly report to the Board on their decisions or recommendations made.

The practices, procedures and arrangements in conducting meetings of Board committees follow in line with, so far as practicable, those of the Board meetings set out above.

All Board committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstance, at the Company’s expense.

The Board is responsible for performing the corporate governance duties set out in the CG Code which included developing and reviewing the Company’s policies and practices on corporate governance, training and continuous professional development of Directors, and reviewing the Company’s compliance with the code provision in the CG Code and disclosures in this annual report.

AUDIT COMMITTEE

The Audit Committee was established on 24 January 2018. The chairman of the Audit Committee is Mr. Chan Chung Shun Eric, the independent non-executive Director, and other members include Mr. Ho Hin Shun and Mr. Luk Wai Shing, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the website of the Stock Exchange and on the Company’s website.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

董事委員會

董事會已成立三個董事委員會，分別為本公司審核委員會（「**審核委員會**」）、薪酬委員會及提名委員會，以監察本公司特定範疇的事務。所有董事委員會於成立當時均具有明確的書面職權範圍，該等範圍刊載於聯交所網站 www.hkexnews.hk 及本公司網站 www.time-interconnect.com。所有董事委員會盡責地向董事會匯報其所作出的決定或推薦意見。

在實際可行情況下，董事委員會舉行會議的常規、程序及安排均與上文所載董事會會議的常規、程序及安排一致。

所有董事委員會均獲提供充足資源以履行其職務，並可應合理要求於適當情況下徵詢獨立專業意見，費用由本公司支付。

董事會負責履行企業管治守則所載之企業管治職務，當中包括制定及檢討本公司之企業管治政策及常規、董事的培訓及持續專業發展，以及檢討本公司有否遵守企業管治守則的守則條文及本年報所作的披露。

審核委員會

審核委員會於二零一八年一月二十四日成立。審核委員會主席為獨立非執行董事陳忠信先生，其他成員包括獨立非執行董事何顯信先生及陸偉成先生。審核委員會的書面職權範圍刊載於聯交所網站及本公司網站。

本公司已遵守上市規則第3.21條，即審核委員會（須由最少三名成員組成，且主席須為獨立非執行董事）至少須有一名具備適當專業資格或會計相關財務管理專長的獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

The primary duties of the Audit Committee are to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

During the year, the Audit Committee held two meetings to review and comment on the Company's 2018 annual results and 2018/2019 interim results as well as the Company's internal control procedures and risk management system.

The Group's consolidated financial statements for the year ended 31 March 2019 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the year ended 31 March 2019 comply with applicable accounting standards, Listing Rules and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 24 January 2018. The chairman of the Remuneration Committee is Mr. Ho Hin Shun, the independent non-executive Director, and other members include Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric, the independent non-executive Directors and Mr. Wong Chi Kuen, the executive Director. The written terms of reference of the Remuneration Committee are posted on the website of the Stock Exchange and the Company's website.

The Remuneration Committee has been charged with the responsibility of making recommendations to the Board on the appropriated policy and structures for all aspects of Directors' and senior management's remuneration. The Remuneration Committee considers factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee has reviewed the remuneration packages and emoluments of Directors and senior management and considered that they are fair and reasonable during the year ended 31 March 2019. No Director nor any of his associates is involved in deciding his own remuneration.

審核委員會的基本職務為檢討財務資料及申報程序、內部監控程序及風險管理制度、審計計劃及與外部核數師的關係，以及檢討相關安排，令本公司僱員可以保密形式提出本公司財務匯報、內部監控或其他方面可能發生之不正當行為。

年內，審核委員會舉行兩次會議，就本公司二零一八年度業績及二零一八年／二零一九年中期業績以及本公司之內部監控程序及風險管理系統進行檢討並反映意見。

本集團截至二零一九年三月三十一日止年度的綜合財務報表已經由審核委員會審閱。審核委員會認為，本集團截至二零一九年三月三十一日止年度的綜合財務報表符合適用會計準則及上市規則，並已作出充足的披露。

薪酬委員會

薪酬委員會已於二零一八年一月二十四日成立。薪酬委員會主席為獨立非執行董事何顯信先生，其他成員包括獨立非執行董事陸偉成先生及陳忠信先生及執行董事黃志權先生。薪酬委員會的書面職權範圍刊載於聯交所網站及本公司網站。

薪酬委員會的職責為就董事及高級管理層薪酬各個方面的適當政策及架構向董事會提出建議。薪酬委員會考慮的因素包括可資比較公司之薪金、付出時間、董事職責、集團內其他職位之僱用條件及按表現發放薪酬的可取性。於截至二零一九年三月三十一日止年度，薪酬委員會已審閱董事及高級管理層的薪酬待遇及酬金，並認為屬公平合理。概無董事或其任何聯繫人參與釐訂其自身的薪酬。

NOMINATION COMMITTEE

The Nomination Committee was established on 24 January 2018. The chairman of the Nomination Committee is Mr. Luk Wai Shing, the independent non-executive Director, and other members include Mr. Ho Hin Shun and Mr. Chan Chung Shun Eric, the independent non-executive Directors and Mr. Wong Chi Kuen, the executive Director. The written terms of reference of the Nomination Committee are posted on the website of the Stock Exchange and on the Company's website.

The primary duties of the Nomination Committee are to review and assess the composition of the Board and independence of the independent non-executive Directors and make recommendations to the Board on appointment of new Directors of the Company. In recommending candidates for appointment to the Board, the Nomination Committee considers candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board.

In designing the Board's composition, Board diversity has been considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a director. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

BOARD AND GENERAL MEETINGS

The Board meets regularly for considering, reviewing and/or approving matters relating to, among others, the financial and operating performance, as well as, the overall strategies and policies of the Company. Additional meetings are held when significant events or important issues are required to be discussed and resolved.

During the year, the Chairman held a meeting with the independent non-executive Directors without the executive Director present.

提名委員會

提名委員會於二零一八年一月二十四日成立。提名委員會主席為獨立非執行董事陸偉成先生，其他成員包括獨立非執行董事何顯信先生及陳忠信先生以及執行董事黃志權先生。提名委員會的書面職權範圍刊載於聯交所網站及本公司之網站。

提名委員會的主要職責為審查及評估董事會的組成及獨立非執行董事的獨立性，並就有關本公司新董事的委任向董事會提供推薦建議。向董事會推薦委任候選人時，提名委員會根據客觀標準考慮候選人的長處，並顧及董事會多樣性的裨益。

董事會作出成員甄選時，已從多方面觀點考慮董事會的多樣性，包括但不限於性別、年齡、文化和教育背景、行業經驗、技術及專業技能及／或資格、知識及服務年資及作為董事之可服務時間。本公司亦會考慮有關自身業務模式及不時的特殊需求之因素。最終決定乃基於候選人將帶給董事會的裨益及貢獻。

董事會會議及股東大會

董事會定期召開會議，以考慮、審閱及／或批准有關(其中包括)本公司財務及營運表現，以及整體策略及方針。當需要討論及解決重大事項或重要事件時，本公司將另行舉行會議。

於本年度，主席在執行董事避席的情況下與獨立非執行董事舉行一次會議。

CORPORATE GOVERNANCE REPORT 企業管治報告

Details of all Directors' attendance at the Board meetings and Board Committees' meetings held during the year ended 31 March 2019 are as follows:

截至二零一九年三月三十一日止年度，全體董事出席董事會會議及董事委員會會議的詳情如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	General Meeting 股東大會
		Number of Meetings Attended/Held 出席／舉行大會的次數				
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Cua Tin Yin Simon	柯天然先生	12/14	-	-	-	2/2
Mr. Wong Chi Kuen	黃志權先生	14/14	-	4/4	2/2	2/2
<i>Non-executive Director</i>	<i>非執行董事</i>					
Mr. Lo Chung Wai Paul	羅仲煒先生	11/14	-	-	-	1/2
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Ho Hin Shun	何顯信先生	7/14	2/2	4/4	2/2	2/2
Mr. Luk Wai Shing	陸偉成先生	7/14	2/2	4/4	2/2	2/2
Mr. Chan Chung Shun Eric	陳忠信先生	7/14	2/2	4/4	2/2	2/2

COMPANY SECRETARY

The company secretary of the Company (the “**Company Secretary**”) assists the Board by ensuring the Board policy and procedures are followed. The Company Secretary is also responsible for advising the Board on corporate governance matters.

The Company engages an external service provider, Ms. Tam Kwai Heung (“**Ms. Tam**”) as its Company Secretary. On 1 March 2019, Ms. Tam resigned from her role as the Company Secretary. Ms. Ng Hoi Ying (“**Ms. Ng**”) has been appointed as the Company Secretary and in replacement of Ms. Tam. Ms. Ng possesses the necessary qualification and experience, and is capable of performing the functions of the Company Secretary. Mr. Wong Chi Kuen, executive Director of the Company is the primary contact person who Ms. Ng contacts.

For the year ended 31 March 2019, Ms. Tam and Ms. Ng undertook no less than 15 hours of relevant professional training to update her skill and knowledge. The biographies of Ms. Ng is set out in the section headed “Biographical Details of the Directors and Senior Management” of this annual report.

公司秘書

本公司之公司秘書(「**公司秘書**」)協助董事會確保董事會的政策及程序得到奉行。公司秘書亦負責向董事會提出有關企業管治事宜的建議。

本公司委聘一名外聘服務供應商，譚桂香女士(「**譚女士**」)出任其公司秘書。於二零一九年三月一日，譚女士辭任公司秘書職務。吳愷盈女士(「**吳女士**」)已獲委任為公司秘書並替代譚女士。吳女士具備所需資格及經驗，有能力履行公司秘書的職能。本公司執行董事黃志權先生為吳女士主要聯絡的人士。

截至二零一九年三月三十一日止年度，譚女士及吳女士已進行不少於15小時的相關專業培訓以更新她的技能及知識。吳女士之履歷載於本年報「董事及高級管理層履歷詳情」一節。

INDEPENDENT AUDITORS' REMUNERATION

During the year, the remuneration paid or payable to the external auditor of the Company, Deloitte Touche Tohmatsu, in respect of the audit and non-audit services were as follows:

獨立核數師酬金

於本年度，就審核及非審核服務支付或應付予本公司外聘核數師德勤•關黃陳方會計師行之酬金如下：

Services rendered	所提供的服務	Remuneration paid/payable 已付/應付酬金 HK\$'000 千港元
Audit services	審核服務	
— Statutory audit services	— 法定審核服務	1,410
Non-audit services	非審核服務	
— Review interim report	— 審閱中期報告	250
		<u>1,660</u>

SHAREHOLDERS' RIGHT

As one of the measures to safeguard Shareholders' interest and rights, separate resolutions are proposed at Shareholders' meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting. All resolutions put forward at Shareholders' meeting will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the website of the Stock Exchange and the Company's website after the relevant Shareholders' meeting.

Extraordinary general meeting may be convened by the Board on requisition of Shareholders holding not less than one-tenth of the paid up capital of the Company or by such Shareholders who made the requisition (the "Requisitionists") (as the case may be) pursuant to Article 64 of the memorandum and articles of association of the Company. Such requisition must state the object of business to be transacted at the meeting and must be signed by the Requisitionists and deposited at the registered office of the Company or the Company's principal place of business in Hong Kong. Shareholders should follow the requirements and procedures as set out in such article for convening an extraordinary general meeting. Shareholders may put forward proposals with general meeting of the Company by sending the same to the Company at the principal office of the Company in Hong Kong.

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. Shareholders may send their enquiries or requests in respect of their rights to the Company's principal place of business in Hong Kong.

股東權利

於股東大會上就各項重大議題(包括推選個別董事)提呈個別決議案以供股東考慮及表決，乃保障股東利益及權利的措施之一。根據上市規則，於股東大會上提呈的所有決議案將按投票方式表決，而投票表決結果將於相關股東大會結束後刊載於聯交所網站及本公司網站。

根據本公司組織章程大綱及細則第64條，股東特別大會可由董事會按持有不少於本公司繳足股本十分之一的股東所提出的呈請，或由提出呈請的股東(「呈請人」)(視情況而定)召開。有關呈請須列明大會上須予處理的事務，由呈請人簽署，並交回本公司註冊辦事處或本公司於香港的主要營業地點。股東須遵守有關細則所載召開股東特別大會的規定及程序。股東可於本公司股東大會上提呈動議，有關動議須送交本公司之香港主要辦事處。

股東可將彼等向董事會提出的任何查詢以書面形式郵寄至本公司。股東可將有關其權利的查詢或要求郵寄至本公司於香港的主要營業地點。

CORPORATE GOVERNANCE REPORT 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Directors acknowledge that they have overall responsibility for overseeing the Company's internal control, financial control and risk management system and shall monitor its effectiveness on an ongoing basis. A review of the effectiveness of the risk management and internal control systems has been conducted by the Board at least annually.

Aimed at providing reasonable assurance against material errors, losses or fraud, the Company has established a risk management procedures which comprised the following steps:

- Identify risks: Identify major and significant risks that could affect the achievement of goals of the Group;
- Risk assessment: Assess and evaluate the identified risk according to its likely impact and the likelihood of occurrence;
- Risk mitigation: Develop effective control activities to mitigate the risks.

Risk identification and assessment is performed or updated annually, and the results of risk assessment, evaluation and mitigation of each functions or operation are documented in the Risk Registry to communicate to the Board and Management for reviews.

The Group's risk management and internal control systems are, however, designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

A review on the internal control systems of the Company, including financial, operational and compliance controls and risk management functions has been carried out by an independent consultancy company with staff in possession of relevant expertise to conduct an independent review.

The Audit Committee reviewed the internal control review report issued by the independent consultancy company and the Company's risk management and internal control systems in respect of the year ended 31 March 2019 and considered that they are effective and adequate. The Board assessed the effectiveness of internal control systems by considering the internal control review report and reviews performed by the Audit Committee and concurred the same.

風險管理及內部監控

董事明白彼等有全盤責任監督本公司內部監控、財務監控及風險管理系統，並須持續監察其有效性。董事會至少每年對風險管理及內部監控系統的有效性進行審閱。

本公司著力提供合理保證，避免出現重大錯誤、損失或造假，為此已成立風險管理程序，包括以下步驟：

- 識別風險：識別可能影響達成本集團目標之主要及重大風險；
- 風險評估：根據已識別風險的預料影響及出現之可能性作出評估及評核；
- 紓緩風險：策劃有效的監管活動，務求紓緩風險。

每年進行或更新風險識別及評估，風險評估、評核的結果及各功能或營運之紓緩措施會詳細記錄在風險資料冊內，以供董事會及管理層審閱。

然而，本集團之風險管理及內部監控系統之設計旨在管理而非消除未能達成業務目標之風險，僅可就重大失實聲明或損失提供合理而非絕對保證。

獨立顧問公司內具有相關專業知識進行獨立審閱的員工，對本公司的內部監控系統(包括財務、營運及合規監控及風險管理職能)進行審閱。

審核委員會已審閱由獨立顧問公司發佈的內部監控審閱報告，以及本公司截至二零一九年三月三十一日止年度的風險管理和內部監控系統，並認為其屬有效及充份。董事會透過考慮內部監控審閱報告及審核委員會所進行的審閱(並同意有關審閱)，評估內部監控系統的有效性。

Under Code Provision C.2.5, the Group should have an internal audit function. The Company has no internal audit function because the Company has maintained an internal control system and its implementation has been considered effective by the Audit Committee and the Board. In addition, the Audit Committee has communicated with external auditors of the Company to understand if there is any material control deficiency. Nevertheless, the Company will review the need for one on an annual basis.

DISCLOSURE OF INSIDE INFORMATION

The Group has in place a policy on disclosure of inside information which sets out the procedures and internal controls for handling and dissemination of inside information.

The policy provides guidelines to the Directors, officers and all relevant employees of the Group to ensure proper safeguards exist to prevent the Company from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information.

Key procedures in place include:

- define the requirements of periodic financial and operational reporting to the Board and Company Secretary to enable them to assess inside information and make timely disclosures, if necessary;
- controls the access to inside information by employees on a need-to-know basis, and safeguarding the confidentiality of the inside information before it is properly disclosed to public;
- procedures of communicating with the Group's stakeholders, including shareholders, investors, analysts, etc. in ways which are in compliance with the Listing Rules.

The Group has also established and implemented procedures to handle enquiries from external parties related to the market rumours and other Group's affairs.

To avoid uneven dissemination of inside information, the dissemination of inside information of the Company shall be conducted by publishing the relevant information on the Stock Exchange's website and the Company's website.

根據企業管治守則條文C.2.5，本集團須設有內部審核職能。本公司並無內部審核職能，因為本公司設有內部監控系統，而其推行經審核委員會及董事會審閱後認為行之有效。此外，審核委員會已與本公司外部核數師溝通，以了解有否出現任何重大監控缺陷。儘管如此，本公司仍會每年檢討是否需要成立內部審核職能。

披露內幕消息

本集團備有內幕消息披露政策，列載處理及發放內幕消息的程序及內部監控。

政策為向董事、職員及本集團所有有關僱員提供指引，確保具恰當的保護措施，以免本公司違反法定披露要求。政策亦包括適當的內部監控及申報系統，以辨別及評估潛在的內幕消息。

已設有的主要步驟包括：

- 向董事會及公司秘書界定定期財務及經營申報的規定，致使彼等可評估內幕消息及(如有需要)作適時披露；
- 按須知基準控制僱員獲悉內幕消息的途徑，向公眾恰當披露時前確保內幕消息絕對保密；
- 與本集團持份者(包括股東、投資者、分析師等)溝通步驟，方式均遵從上市規則。

涉及市場傳言及其他本集團事務，本集團已設立及實行步驟，處理外部人士的查詢。

為免出現不公平發放內幕消息，本公司發放內幕消息時，會於聯交所網站及本公司網站刊載有關資料。

CORPORATE GOVERNANCE REPORT 企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company has adopted shareholders communication policy with objective of ensuring that the Shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company.

The Company has established several channels to communicate with the Shareholders as follows:

- (i) corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.time-interconnect.com;
- (ii) periodic announcements are made through the Stock Exchange and published on the respective websites of the Stock Exchange and the Company;
- (iii) corporate information is made available on the Company's website;
- (iv) annual and extraordinary general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management; and
- (v) the Hong Kong share registrar of the Company serves the Shareholders in respect of share registration, dividend payment and related matters.

The Company keeps on promoting investor relations and enhancing communication with the existing Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquires to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

During the year ended 31 March 2019, there is no significant change in the memorandum and articles of association of the Company.

與股東的溝通及投資者關係

本公司已採納股東溝通政策，目標乃確保股東及有意投資者可便利、平等及及時地獲得均衡及可理解的本公司資料。

本公司已設立以下多個途徑與股東溝通：

- (i) 企業通訊如年報、中期報告及通函均以印刷形式刊發，同時於聯交所網站 www.hkexnews.hk 及本公司網站 www.time-interconnect.com 可供瀏覽；
- (ii) 定期透過聯交所作出公告，並將公告分別刊載於聯交所及本公司的網站；
- (iii) 於本公司網站提供企業資料；
- (iv) 股東週年大會及股東特別大會為股東提供平台，向董事及高級管理層反映意見及交流觀點；及
- (v) 本公司的香港股份過戶登記處可為股東提供股份過戶登記、股息派付及相關事宜的服務。

本公司不斷促進與投資者的關係，並加強與現有股東及有意投資者的溝通。本公司歡迎投資者、權益持有人及公眾人士提供意見。向董事會或本公司作出的查詢可郵寄至本公司之香港主要營業地點。

截至二零一九年三月三十一日止年度，本公司的組織章程大綱及細則概無任何重大變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

The Group is committed to maintaining high standards of business practices in relation to environmental protection, social responsibility and related governance. With a view to uphold stakeholders' confidence and understanding in the Group's efforts in achieving environmental protection, social responsibility and corporate governance, the Group's measures and performance on sustainable development topics are disclosed in a transparent and open manner below.

Reporting Year

All information in the ESG Report reflects the performance of the Group in environmental management and social responsibility from 1 April 2018 to 31 March 2019 (the "Reporting Period"). The Group will continue releasing an ESG Report annually for public review, in order to improve the transparency and responsibility of information disclosure.

Reporting Scope

The ESG Report covers the environmental, social and governance performance (the "ESG performance") of the headquarter in Hong Kong and the production facilities in Huizhou. After the comprehensive completion of data collection system and the Group's deepening in its environmental, social and governance work, the Group is able to disclose various environmental, health and safety Key Performance Indicators ("KPIs") for all sites operated during the Reporting Period.

Reporting Standards

The ESG Report is prepared in accordance with the "Environmental, Social and Governance Reporting Guide" ("ESG Guide") of the Stock Exchange set out in the Appendix 27 of the Main Board Listing Rules. The ESG Report provides a simplified overview on the ESG performance of the Group. The information in the ESG Report is derived from the Group's official documents and statistics, as well as the integration and summary of monitoring, management and operational information provided by the Group.

緒言

本集團致力於環境保護、社會責任及相關管治方面維持高水準的業務慣例。為加強持份者對本集團在達成環境保護、社會責任及企業管治所作努力的信心及了解，有關可持續發展方面的措施及表現，將以透明及公開方式披露如下。

報告年度

環境、社會及管治報告中的所有資料均反映本集團於二零一八年四月一日至二零一九年三月三十一日(簡稱「報告期間」)在環境管理和社會責任方面的績效。本集團將繼續每年定期發佈《環境、社會及管治報告》，以供各界隨時查閱，從而持續提升信息披露的透明度和責任。

報告範圍

環境、社會及管治報告涵蓋香港總部及惠州生產設施的環境、社會及管治表現(「環境、社會及管治表現」)。於建立一個全面的資料收集系統，以及深化環境、社會及管治的工作後，本集團能夠披露於報告期間在所有經營地點的各種環境、健康及安全關鍵績效指標(「關鍵績效指標」)。

報告準則

環境、社會及管治報告是依循主板上市規則附錄二十七所載聯交所的「環境、社會及管治報告指引」(「環境、社會及管治指引」)而編製。環境、社會及管治報告以精簡的形式概述本集團的環境、社會及管治表現。環境、社會及管治報告中的資料來自本集團的正式文件和統計數據，以及根據本集團提供的監測、管理和營運資料整合匯報。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Materiality Analysis

Each year the Group conducts a materiality analysis to illustrate the topics it believes are of the greatest interest to its stakeholders and its business. The Group uses the outcomes of this assessment to identify material issues that enable the Group to determine the strategies, goals and actions.

The Group integrated a series of material issues based on media reports, business conditions, global standards and initiatives. In which, 17 issues were selected as 2019 material issues through internal discussions. These issues were prioritised according to their impact on stakeholders and the business.

The materiality outcomes are led by a group of top management as well as employees from relevant departments and considered the Group's policies, sales, cost, reputation, impact and regulations.

重要性分析

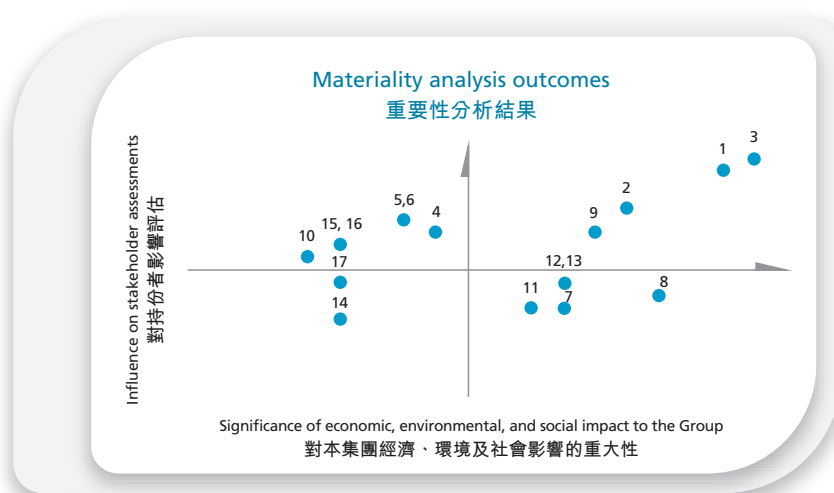
本集團每年進行重要性分析，就其認為對持份者及業務具重大利益關係的議題進行闡明。本集團使用該評估結果識別重要性議題以助本集團釐定策略、目標及行動計劃。

本集團根據媒體報導、業務情況、全球標準及倡議綜合多項重要性議題。在該系列議題中，17項議題透過內部討論被定為二零一九年重要性議題。本集團根據該等議題對持份者及業務的影響進行重要性排序。

重要性分析結果乃由高級管理層及相關部門僱員所組成的小組透過考慮本集團的政策、銷售、成本、聲譽、影響及制度所制定。

Figure 1: Materiality analysis outcomes

圖 1：重要性分析結果



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Category 類別	Interests and concerns 利益及關注
<p>• Economy 經濟</p> 	<ol style="list-style-type: none"> 1. Product safety and quality management 產品安全及質量管理 2. Business model and innovation 業務模式及創新 3. Intellectual property protection 知識產權保護
<p>• Society 社會</p> 	<ol style="list-style-type: none"> 4. Labour practices 勞工常規 5. Occupational health and safety 職業健康及安全 6. Human rights 人權 7. Supply chain sustainability support 供應鏈可持續性支持 8. Human capital 人力資本 9. Privacy, data security and freedom of expression 私隱、數據安全及言論自由 10. Ethical business practices 營商操守 11. Responsible sourcing and manufacturing 負責任採購及生產
<p>• Environment 環境</p> 	<ol style="list-style-type: none"> 12. Circular economy 循環經濟 13. Product stewardship 產品監管 14. Climate stewardship 氣候管理 15. Waste and hazardous materials in supply chain 供應鏈中的廢棄物及有害物料 16. Water and waste water management 用水及污水管理 17. Energy Management 能源管理

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

The Stock Exchange has set forth four principles for reporting in the ESG Guide: materiality, quantitative, balance and consistency, which should form the basis for preparing the ESG Report. As the Stock Exchange emphasises, stakeholder engagement is the method by which materiality is assessed. Through stakeholder engagement, companies can understand wide-ranging views and identify material environmental and social issues.

For the Group, stakeholders refer to groups and individuals materially influencing or affected by the Group's business. The Group's stakeholders include employees, management and Directors, as well as external stakeholders such as clients, business partners, investors, regulatory authorities and various types of community groups. In the past year, the Group communicated with the key stakeholders through a variety of methods. While preparing the ESG Report, the Group commissioned a professional consultancy firm to conduct the materiality analysis in the form of management interview. With expert advice, the Group identified the material aspects for the ESG report and these will in turn guide the formulation of the Group's sustainability roadmap.

持份者參與

聯交所已於環境、社會及管治報告指引載列四項匯報原則：重要性、量化、平衡及一致性。編製環境、社會及管治報告應以該等原則為基礎。誠如聯交所強調，評估重要性的方法在於持份者參與。透過持份者參與，公司可知悉眾多不同意見並識別重大的環境及社會議題。

就本集團而言，持份者指對本集團業務產生重大影響或受本集團業務重大影響的團體及個人。本集團的持份者包括僱員、管理層及董事以至外界持份者（如客戶、業務合作夥伴、投資者、監管機構及各類社區團體）。過去一年，本集團透過各種方式與主要持份者溝通。於編製環境、社會及管治報告時，本集團委託一家專業顧問公司，透過與管理層面談的方式進行重要性分析。根據專家意見，本集團識別對環境、社會及管治報告而言屬重要的事宜，並以此作為本集團制定可持續發展路線圖的指引。

Figure 2: Stakeholders and engagement methods

圖2：持份者及參與方式

Stakeholders 持份者	Interests and concerns 利益及關注	Engagement channels 參與渠道
Customers 客戶 	<ul style="list-style-type: none"> Protection of intellectual property 知識產權保護 Design capability 設計能力 Cost competitiveness 成本競爭 Product quality and safety 產品質量及安全 On-time delivery 準時交貨 Customer support 客戶支持 Environmentally responsible behaviour and ethical business operation 對環境負責的舉措及合乎道德的業務營運 	<ul style="list-style-type: none"> Email, direct dialogues, telephone or meetings as required in daily operations 日常營運中所需的電郵、直接對話、電話溝通或會議 Customer visits or meetings 客戶拜訪或會議 Customer service hotline 客戶服務熱線 On-site visits at factory 工廠實地參觀 On-site visits at customer office or factory 客戶辦公室或工廠實地參觀 Annual business review 年度業務回顧 Customer audits 客戶審核

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Interests and concerns 利益及關注	Engagement channels 參與渠道
Customers 客戶 	<ul style="list-style-type: none"> Financial performance 財務表現 Technical capability 技術能力 Production control 生產控制 Supply chain management 供應鏈管理 Inspection capability 檢驗能力 Document and record control 文件及記錄控制 Compliance and risk control 合規及風險控制 	<ul style="list-style-type: none"> Trade fairs and forums 行業展覽及論壇 Annual and interim reports 年度及中期報告 “Purchase Order Portal” platform 「採購訂單門戶」平台
Suppliers 供應商 	<ul style="list-style-type: none"> Mutual growth 共同增長 Explicit product specifications 明確產品規格 Payment as per contractual terms 根據合約條款付款 Financial position 財務狀況 Payment method 付款方式 Order volume 訂單量 Order seasonality 訂單季節性 Order profitability 訂單盈利性 	<ul style="list-style-type: none"> Email, direct dialogues, telephone, or meetings as required in daily operations 日常營運中所需的電郵、直接對話、電話溝通或會議 “Supplier Portal” platform 「供應商門戶」平台 Supplier service hotline 供應商服務熱線 On-site visits at factory 工廠實地參觀 On-site visits at supplier factory 供應商工廠實地參觀 Annual supplier assessment 供應商年度評估 Trade fairs and forums 行業展覽及論壇

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Interests and concerns 利益及關注	Engagement channels 參與渠道
<p>Employees (including senior management and Board of Directors)</p> <p>僱員 (包括高級管理層及董事會)</p> 	<ul style="list-style-type: none"> Compliance with applicable laws and regulations 遵守適用法律及法規 Respect for human rights 尊重人權 Fair treatment and equal opportunities 公平待遇及平等機會 Work condition and welfare 工作條件及福利 Career growth and personal development 職業成長及個人發展 Occupational safety and health 職業安全及健康 Work-life balance 工作與生活的平衡 Remuneration and benefits 薪酬及福利 Job satisfaction 工作滿意度 	<ul style="list-style-type: none"> Email, direct dialogues, telephone, notice board and meetings as required in daily operations 日常營運中所需的電郵、直接對話、電話溝通、告示板及會議 Weekly e-Newsletter 每週電子通訊 Social events with employees 與僱員參與社交活動 Occupational health and safety training and other in-house training 職業健康及安全培訓及其他內部培訓 New employees orientation 新僱員入職培訓 Performance appraisal 表現評核 Team building activities 團隊建設活動 Whistleblowing policy 舉報政策 Town hall meetings 員工大會 Human resources policies and practices 人力資源政策及慣例 Staff handbook 員工手冊
<p>Shareholders and Investors 股東及投資者</p> 	<ul style="list-style-type: none"> Operation in compliance with applicable laws and regulations 營運符合適用法律及法規 Return on investment and dividends 投資回報及股息 Business performance and financial results 業務表現及財務業績 Strategic plans and corporate sustainable development 策略規劃及企業可持續發展 	<ul style="list-style-type: none"> Annual General Meetings 股東週年大會 Annual and interim reports 年度及中期報告 Announcements and circulars 公告及通函 Investors enquiries channel via the Group's website and investors relationship company 透過本集團網站及投資者關係公司的投資者查詢渠道 Annual newsletters 年度通訊

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Interests and concerns 利益及關注	Engagement channels 參與渠道
Bank 銀行 	<ul style="list-style-type: none"> • Operation in compliance with applicable laws and regulations 符合適用法律及法規的營運 • Business growth 業務增長 • Strategic plans and corporate sustainable development 策略規劃及企業可持續發展 • Strong security structure 強效的安全架構 • Stable ownership structure 所有權架構的穩定 • Timely information on financial performance 財務表現的及時資訊 	<ul style="list-style-type: none"> • Email, direct dialogues, telephone and meetings as required in daily operations 日常營運中所需的電郵、直接對話、電話溝通及會議 • Bank service hotline 銀行服務熱線 • On-site visits at the Huizhou factory and/or Hong Kong head office 惠州工廠及／或香港總辦事處實地參觀 • Annual business reviews 年度業務回顧 • Annual and interim reports 年度及中期報告
Community 社區 	<ul style="list-style-type: none"> • Operation in compliance with applicable laws and regulations 符合適用法律及法規的營運 • Support to civil society 支持社會團體 • Environmental protection 環境保護 • Local community activities involvement 當地社區活動的參與 • Business ethics 商業道德 	<ul style="list-style-type: none"> • Email, direct dialogues, telephone and meetings 電郵、直接對話、電話溝通及會議 • Updated news and correspondences from media 來自媒體的最新新聞及通訊 • Donation and sponsorship 捐贈及贊助 • Participation in local community activities and volunteering work 參與當地社區活動及志願者工作 • ESG reports 環境、社會及管治報告

The business of the Group affects different stakeholders, and stakeholders have different expectations on the Group. The Group will maintain communication with stakeholders continuously, collect opinions of stakeholders through different forms more extensively, and make substantive analysis more comprehensively. At the same time, the Group will enhance the reporting principles of materiality, quantification, balance and consistency, in order to define content of the ESG Report and presentation of the information that is more in line with the expectations of stakeholders.

本集團的業務影響不同持份者，而持份者對本集團也有不同期望。本集團將與持份者持續溝通，並透過不同形式更廣泛地收集持份者的意見，令分析更實在和更全面。同時，本集團會加強重要性、量化、平衡及一致性的匯報原則，以更符合持份者期望的方式，界定環境、社會及管治報告的內容及資訊的呈列。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENT PROTECTION

Emissions

Emissions from vehicle usage and air travel

During the Group's operation, the usage of private cars and forklift generate the emissions of nitrogen oxides (NOx), sulphur oxides (SOx), and particulate matter (PM). Also, the business air travel by employees generates carbon dioxide (CO₂). The approximate amount of CO₂, NOx, SOx and PM produced from its operation in Hong Kong and the PRC are shown in the table below:

Figure 3: Types of cars and air emissions

Types of Cars	車輛類型	2019	2018
		Number of Cars 車輛數目	Number of Cars 車輛數目
Private Cars	私家車	8	6
Forklift	鏟車	1	1

Air Emissions	空氣排放物	2019	2018
		Volume (Tonnes) 量(噸)	Volume (Tonnes) 量(噸)
NOx	氮氧化物	0.02	0.02
SOx	硫氧化物	0.0005	0.0005
PM	顆粒物	0.002	0.001

Compared to the last financial year, the total amount of air emissions (NOx, SOx and PM) between 2018 and 2019 are nearly the same, although the total number of private cars has increased from 6 to 8. The emissions for both years remain at a reasonably low level.

In respect of reducing the NOx, SOx and PM emissions, the Group is committed to reducing and ensuring the efficient usage of private cars. The Group has implemented the following measures so as to achieve the environmental friendly approach: i) avoid peak hour traffic; ii) encourage the use of public transport; iii) encourage the use of bicycle; and iv) utilise the vehicle usage by carpooling with different staff.

During the Reporting Period, the Group was not aware of any material non-compliance with the environmental laws and regulations in respect of both emissions from the course of operation and vehicle usage.

環境保護

排放物

車輛使用及航空旅程產生的排放物

於本集團的營運過程中，使用私家車及鏟車產生氮氧化物、硫氧化物及顆粒物排放。此外，員工乘坐飛機公幹產生二氧化碳。下表所示為我們於香港及中國營運產生的二氧化碳、氮氧化物、硫氧化物及顆粒物概約量：

圖3：車輛及空氣排放物類型

與上一個財政年度相比，二零一八年與二零一九年之間的空氣排放物(氮氧化物、硫氧化物及顆粒物)總量幾乎相同。儘管私家車總數由6輛增加至8輛，但這兩個年度的排放物均維持於合理的低水平。

就減少氮氧化物、硫氧化物及顆粒物排放而言，本集團致力於減少及確保有效使用私家車。為滿足環保方針，本集團已實施以下措施：i) 避免於交通高峰時段用車；ii) 鼓勵使用公共交通；iii) 鼓勵使用自行車；及iv) 安排不同員工拼車以善用車輛。

於報告期間，本集團並無知悉於營運過程中及使用車輛時任何重大違反有關排放物的環境法律及法規的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Greenhouse Gas Emissions

During the course of operation, there are greenhouse gas emissions principally resulting from electricity consumed in the production facilities in Huizhou and air travel. In respect to the approximate indirect amount of CO₂ generated from its electrical usage and air travel, the figures are shown in the table below:

Figure 4: Greenhouse gas emissions

Greenhouse gas emissions	溫室氣體排放	2019 Volume (Tonnes) 量(噸)	2018 Volume (Tonnes) 量(噸)
CO ₂ emissions	二氧化碳排放		
Scope 2 — Energy indirect emissions	範疇2 — 能源間接排放		
— generated from the use of electricity in the production facilities in Huizhou	— 惠州的生產設施使用電力所產生	3,891	3,899
Scope 3 — Other indirect emissions	範疇3 — 其他間接排放		
— air travel	— 航空旅程	87	35
Total	總計	3,978	3,934

Compared to that of the last financial year, the total amount of CO₂ emissions between 2018 and 2019 are nearly the same that the CO₂ emissions in 2019 have increased by approximately 1%, mainly due to the increase in indirect emissions from air travel. The reason is that the Group has developed a closer partnership with customers this year, by having more face to face discussions and meetings, which lead the Group to gain several supplier awards from customers. For details, please refer to the section of “Product Responsibility”.

Noise Pollution

The Group engages licensed third party to perform annual inspection at the noise level to check whether the Group has complied with Classification of Occupational Hazards at Workplace Part 4: Occupational Exposure to Noise (GBZ/T229.4-2012). Various checking points have been set at different parts in the production facilities in Huizhou and all results are satisfactory.

The Group is always aware of its noise pollution to the community around as well as the health condition of its workers. The Group always commits to maintain communication with the community nearby about the noise issue. The Group provides appropriate protective gears (such as earplug and etc.) to its workers in order to protect their hearing.

溫室氣體排放

於營運過程中，溫室氣體排放的主要來源為惠州生產設施的耗電及航空旅程。有關電力使用及航空旅程所產生的二氧化碳的概約間接排放量的數據列示於下表：

圖4：溫室氣體排放

與上一個財政年度相比，二零一八年與二零一九年之間的二氧化碳排放總量幾乎相同，而二零一九年的二氧化碳排放量增加約1%主要由於來自航空旅程的間接排放增加所致。原因是本集團於本年度與客戶建立更緊密的合作關係，面對面商討及會議增加；亦因而本集團獲得客戶的多個供應商獎項。有關詳情，請參閱「產品責任」一節。

噪音污染

本集團委聘獲授權第三方對噪音水平進行年度檢測，以檢查本集團是否遵守《工作場所職業危害因素分級管理規定》第4部分：噪音職業危害(GBZ/T229.4-2012)。本集團亦於惠州生產設施不同部門設立多個檢測點，所有檢測結果令人滿意。

本集團一直清楚噪音污染對周圍社區以及本集團工人健康狀況的影響。本集團一直努力就噪音問題與附近社區保持溝通。本集團向工人提供合適的健康及安全裝備(例如耳塞等)，以保護工人的聽力。

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

Hazardous Waste and Non-Hazardous Waste Produced

For the process of manufacturing cable assembly products, different types of hazardous waste are generated. The Group's production process involved the following hazardous waste produced:

Figure 5: Hazardous waste emissions

Hazardous waste 有害廢棄物	2019 Volume 量	2018 Volume 量
Mineral oil contaminated waste rags 礦物油污染的廢棄布料	0.9708 (Tonnes) 0.9708 (噸)	0.0269 (Tonnes) 0.0269 (噸)
Organic solvents contaminated waste rags 有機溶劑污染的廢棄布料	0.1363 (Tonnes) 0.1363 (噸)	0.0097 (Tonnes) 0.0097 (噸)
Waste batteries 廢棄電池	0.0108 (Tonnes) 0.0108 (噸)	0.0033 (Tonnes) 0.0033 (噸)
Used containers for chemical materials 化學材料容器	4,899 (Barrels/Bottles) 4,899 (桶/瓶)	4,932 (Barrels/Bottles) 4,932 (桶/瓶)

Compared to the last financial year, the total amount of mineral oil contaminated waste rags, organic solvents contaminated waste rags and waste batteries for 2019 has been increased due to the acquisition of a new factory premises in December 2018. However, the total number of used containers for chemical materials remains at a reasonably low level.

Apart from that, the Group has also produced some non-hazardous waste during the course of production. The non-hazardous waste produced are as follows:

Figure 6-1: Non-hazardous waste emissions

Non-hazardous waste 無害廢棄物	2019 Volume (Tonnes) 量 (噸)	2018 Volume (Tonnes) 量 (噸)	2019 Intensity per total floor area of factory (Tonnes) 根據工廠總建築 面積計算的密度 (噸)
Cardboard 紙板箱	40.354	55.074	0.0009
Industrial waste 工業廢棄物	89.459	95.105	0.0019

有害廢棄物及無害廢棄物排放

生產電線裝配產品的過程會產生不同類別有害廢棄物。本集團的生產過程涉及以下有害廢棄物排放：

圖 5：有害廢棄物排放

與上一個財政年度相比，礦物油污染的廢棄布料、有機溶劑污染的廢棄布料及廢棄電池於二零一九年的總量有所增加，乃由於二零一八年十二月收購新工廠物業所致。然而，所使用的化學材料容器總數維持於合理低水平。

除此之外，本集團亦於生產過程中產生若干無害廢棄物。無害廢棄物排放如下：

圖 6-1：無害廢棄物排放

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

Compared to the last financial year, the total amount of non-hazardous waste produced for 2019 has decreased by approximately 13.6%, despite having a new factory premises during the financial year. The Group believes it is the contribution from the implementation of the waste monitoring procedures.

The Group is dedicated to proper management of the hazardous waste. Specific area is assigned for the temporary storage of hazardous waste for safety purpose. Licensed third party is engaged for the collection of the waste for proper handling.

Figure 6-2: Non-hazardous waste emissions

Non-hazardous waste	無害廢棄物	2019 Volume 量	2018 Volume 量	2019 Intensity per total floor area of factory 根據工廠總建築 面積計算的密度
Used A3 and A4 paper (reams)	已使用的A3及A4紙(令)	2,581	2,774	0.0552
Used toner cartridge (pieces)	已使用的墨粉盒(件)	535	628	0.0114
Used paper towel (boxes/rolls)	已使用的紙巾(盒/卷)	34,080	28,910	0.7290

Apart from reducing the hazardous waste produced during the course of production, the Group also strives to reduce the non-hazardous waste, such as the usage of papers, printing toners as well as paper towels. The increase in paper towels consumed during the Reporting Period was mainly due to purchase of paper towels in order to facilitate the commencement of operation for the new production facility.

Use of Resources

The Group adheres to the concept of energy conservation and emissions reduction for green production. The major resources used by the Group are principally attributed to electricity and water consumed in the production facilities in Huizhou. The Group aims to improve its energy utilisation efficiency to achieve low-carbon practices and emissions reduction throughout its production and operation, and strive to save the resources.

The Group records and analyses the monthly consumption rate of water regularly in the production facilities in Huizhou. After identifying the causes of high rates of water consumption, the Group will take remedial action to minimise water use. From the graph below, it shows the monthly water consumption in cubic meters of the production facilities in Huizhou:

與上一個財政年度相比，無害廢棄物於二零一九年的排放總量減少約13.6%，儘管於財政年度內有新工廠物業。本集團認為這是由於已實施的廢棄物監控程序帶來的貢獻。

本集團致力於適當管理有害廢棄物。本集團為確保安全於指定區域用作臨時存儲危險廢料。獲授權第三方負責收集廢棄物以進行適當處理。

圖6-2：無害廢棄物排放

除減少生產過程中產生的有害廢棄物外，本集團亦致力於減少無害廢棄物，如紙張、印刷墨粉及紙巾的使用。於報告期間紙巾消耗量增加，主要由於為協助新生產設施的運作採購紙巾所致。

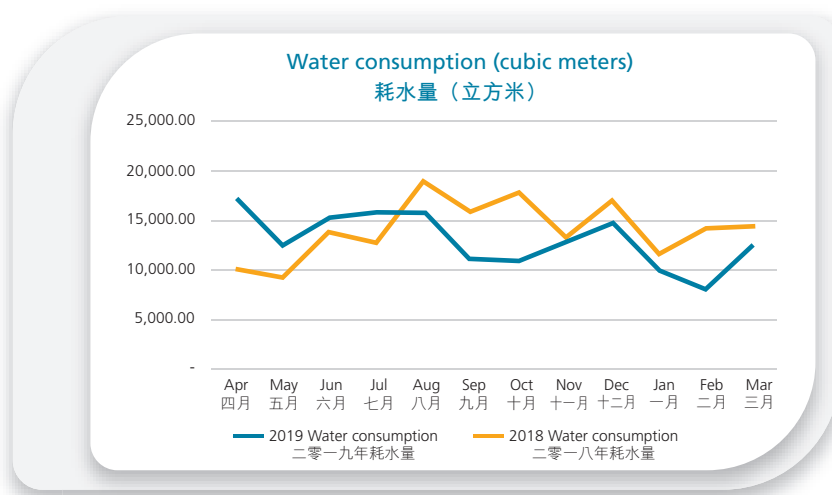
資源使用

本集團堅持節能減排的理念，實踐綠色生產。本集團使用的主要資源是惠州的生產設施所消耗的電力和水。本集團設定了提高能源使用效率的目標，在我們的生產和經營中實踐低碳工序和減排，努力節省資源。

本集團定期記錄及分析惠州的生產設施的每月耗水量。於識別高耗水量的原因後，本集團將採取補救行動，以減少用水。下表顯示惠州的生產設施的每月耗水量(立方米)：

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

Figure 7: Water consumption by month in cubic meters 圖7：每月耗水量(立方米)



The total water consumption in cubic meters by region during the Reporting Period is shown in the table below:

於報告期間，按地區劃分的總耗水量(立方米)載於下表：

Figure 8: Water consumption by region in cubic meters 圖8：按地區劃分的耗水量(立方米)

Region	地區	2019 Water consumption (cubic meters) 耗水量(立方米)	2018 Water consumption (cubic meters) 耗水量(立方米)	2019 Intensity per total floor area of factory (cubic meters) 根據工廠總建築面積計算的密度(立方米)
The PRC	中國	156,637	169,005	3.35

Compared to that of the last financial year, the total amount of water consumption for 2019 has decreased by approximately 7.3%, despite having a new factory premises during the year.

與上一個財政年度相比，總耗水量於二零一九年減少約7.3%，儘管於年內有新工廠物業。

The Group determines to maximise energy conservation throughout its production by promoting efficient use of power and adopting green technologies. For instance, the Group continues to upgrade equipment such as purchasing electrical appliances with high energy efficiency label, lighting and air-conditioning systems in order to increase energy efficiency. Air-conditioning systems can be adjusted to a specific temperature, which allow the users to set at a comfortable temperature and avoid power waste.

本集團決定通過推廣有效用電及採納綠色科技使生產過程盡力節約能源。例如，本集團持續為設備升級，如購買具有較高能效標籤的電器、燈具及空調，以提高能源效益。空調系統調校至特定溫度，讓使用者設定舒適的溫度，避免浪費用電。

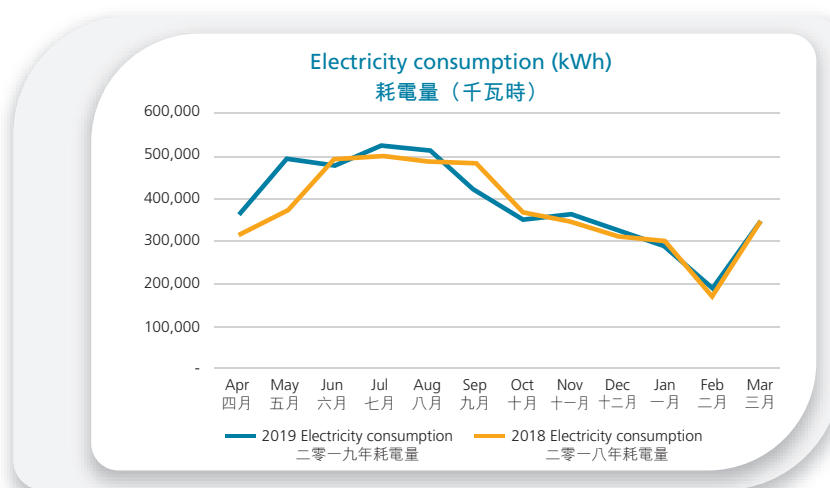
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

To identify energy saving opportunities, the Group measures and records the energy consumption level from time to time. The monthly electricity consumption in kilowatt hour (kWh) is shown below:

為識別節能契機，本集團不時檢測及記錄能源消耗水平。每月耗電量(千瓦時)載列如下：

Figure 9: Electricity consumption by month in kWh

圖 9：每月耗電量(千瓦時)



The total electricity consumption in kWh by region is shown in the table below:

按地區劃分的總耗電量(千瓦時)載於下表：

Figure 10: Electricity consumption by region in kWh

圖 10：按地區劃分的耗電量(千瓦時)

Region	地區	2019 Electricity consumption (kWh) 耗電量 (千瓦時)	2018 Electricity consumption (kWh) 耗電量 (千瓦時)	2019 Intensity per total floor area of factory (kWh) 根據工廠總建築面積計算的密度 (千瓦時)
The PRC	中國	4,650,410	4,493,400	99.48

Compared to that of the last financial year, the total amount of electricity consumption between 2018 and 2019 are nearly the same, the greenhouse gas emissions for both years remain at a reasonably low level.

與上一個財政年度相比，二零一八年與二零一九年之間的總耗電量幾乎相同，這兩個年度的溫室氣體排放均維持於合理低水平。

Apart from the use of electricity and water, the Group has also used various packaging materials for its operation. During the Reporting Period, the Group recorded the following packaging materials usage:

除用電及用水外，本集團亦於其營運過程中使用各種包裝材料。於報告期間，本集團記錄以下包裝材料用量：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 11: Packaging materials usage

圖 11：包裝材料用量

Packaging materials	包裝材料	2019	2018
		Volume (Pieces) 數量(件)	Volume (Pieces) 數量(件)
Paper carton	紙箱	952,193	1,459,899
Plastic bag	塑料袋	19,458,003	25,589,067
Cable reel	線軸	245,874	465,170
Total	總計	20,656,070	27,514,136

The Group is dedicated to consuming the least packaging materials as possible. It is the Group's practice to implement production planning in a timely basis so as to assess the approximate amount of packaging materials needed for the period.

本集團致力於盡量降低包裝材料使用量。本集團的慣例是適時實施生產計劃，以評估期間所需包裝材料的最少概約數量。

The Environment and Natural Resources

To develop a green approach, the Group has developed the following measures for its daily operation so as to minimise the impact brought to the environmental and natural resources consumption.

環境和自然資源

為推廣綠色作業，本集團已就日常營運制訂以下措施，以降低對環境的影響及自然資源消耗。

Water

- Replaced all flushing water pipes in the production facilities in Huizhou with the pipes of smaller diameter in order to save water
- Installed automatic water tap in the office of the production facilities in Huizhou

用水

- 更換惠州生產設施的所有沖洗水管為較小口徑的管道，以節約用水
- 在惠州的生產設施辦公室安裝自動水龍頭

Electricity

- A heat recovery system is adopted to recover the residual heat from the air compressor to heat up the water supply in dormitory
- The production facilities in Huizhou are using LED lighting fixtures
- Switch off computers, printers, machines and other electronic devices after office hours or when leaving the workplace to reduce power consumption
- Installing variable-speed drive (VSD) air compressor

用電

- 安裝熱回收系統，以回收空氣壓縮機的剩餘熱量，為宿舍供水加熱
- 於惠州的生產設施使用LED照明器材
- 在辦公時間外或離開工作場所時關閉電腦、打印機、機器及其他電子設備，以減少電力消耗
- 安裝變頻空氣壓縮機

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

Other practice

- Developed and implemented a management software to move forward to paperless operation in the production line
- Encourage video and phone conference to minimise the carbon footprint created by business-related travel
- Encourage duplex printing
- Reuse of single-side used paper

As a socially responsible enterprise, protecting nature and the environment has become an integral part of the Group's corporate culture and important value, the Group constantly looks for ways to maximise benefits with minimal resource consumption and environmental impact, and continue to strive for sustainable development. During the Reporting Period, the Group has been involved in the following programs in supporting the environment:

- Participated in Earth Hour 2019 Campaign organised by World Wide Fund Hong Kong ("WWFHK") on 30 March 2019 (See Figure 12)
- Awarded by the Federation of Hong Kong Industries and Bank of China (Hong Kong) Limited as EcoChallenger and 5 Years + EcoPioneer of the BOCHK Corporate Environmental Leadership Awards 2018 (See Figure 13)
- Subscribed as Silver Membership of WWFHK (See Figure 14) — partnering with WWFHK driving sustainable business practices
- Arranged a site visit to The Waste Electrical and Electronic Equipment Treatment and Recycling Facility (WEEE • PARK) to understand the operation of the related recycling industry (See Figure 15)
- Donated the used office supplies to Salvation Army on 25 May 2018
- Donated the used computers and printers to Fanling Environmental Resource Centre on 30 July 2018

其他常規

- 已制定及實施軟件管理，於生產線實施無紙化營運
- 鼓勵利用視象及電話會議，以降低業務相關差旅產生的碳足跡
- 鼓勵雙面打印
- 重用曾單面使用的紙張

作為一家肩負社會責任的企業，保護自然環境已成為本集團的企業文化及重要價值不可或缺的一部分，本集團不斷尋求降低資源消耗和環境影響的方法，並不斷努力實現可持續發展。於報告期間，本集團已參與下列支持環境的活動：

- 世界自然基金會香港分會(「世界自然基金會香港分會」)於二零一九年三月三十日籌辦的二零一九年「地球一小時」活動(見圖12)
- 獲香港工業總會及中國銀行(香港)頒發中銀香港企業環保領先大獎2018的環保優秀企業及5年+參與環保先驅獎章(見圖13)
- 捐贈世界自然基金會香港分會成為純銀會員(見圖14) — 與世界自然基金會香港分會合作推動可持續發展商業慣例
- 安排報廢電氣電子設備處理及回收站(WEEE • PARK)實地參觀，以了解有關回收行業的運營(見圖15)
- 於二零一八年五月二十五日向救世軍捐贈舊辦公用品
- 於二零一八年七月三十日向粉嶺環境資源中心捐贈舊電腦及打印機

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 12: Earth Hour 2019 Campaign
圖 12：二零一九年地球一小時活動

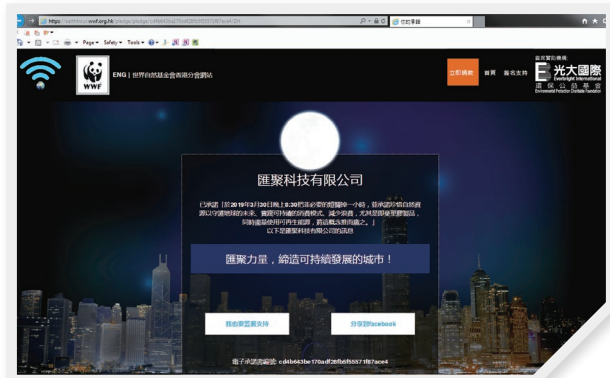


Figure 14: Silver Membership of WWFHK
圖 14：世界自然基金會香港分會的純銀會員



Apart from that, the Group has set up an environmental system management task force as part of its effort to develop an environmental management system that supports sustainable development, and has obtained the certification of ISO14001 Environmental Management Systems.

By the implementation of ISO14001 Environmental Management System, the Group has given careful consideration to minimise all significant impacts on the environment resources.

Figure 13: Certificate of EcoChallenger and 5 Years + EcoPioneer of the BOCHK Corporate Environmental Leadership Awards 2018
圖 13：中銀香港企業環保領先大獎 2018 的環保優秀企業及 5 年 + 參與環保先驅獎章證書



Figure 15: Site visit to WEEE • PARK
圖 15：實地探訪 WEEE • PARK



除此之外，本集團為貫徹可持續發展，致力於發展環境管理體系，因而成立環境體系管理小組，並取得了ISO14001環境管理體系專業認證。

通過實施ISO14001環境管理體系，本集團已詳細考慮所有降低對環境資源產生重大影響的方法。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL

Employment

The Group reckons that employees are the most valuable assets of an enterprise and also the cornerstone for sustaining corporate development. It is always the Group's initiative to provide a fair and competitive compensation package to attract and retain quality talents in the form of a basic salary, incentive bonus, mandatory and voluntary provident fund, and other fringe benefits. Remuneration and benefits are reviewed periodically. The Group also has a set of comprehensive human resources management policy to support human resources function. The policy includes compensation and benefits, working hours and holidays, recruitment and selection, performance management, promotion, staff development and training, employment termination. During the Reporting Period, 7 staff of the Group were awarded the Employee Children Scholarship Program.

The Group aims to refrain from any form of harassment and discrimination with respect to age, gender, race, nationality, religion, marital status or disability in the workplace. Hence, the ratio of number of male to female employees shows that the problem of gender inequality does not exist.

The Group has always strictly observed the relevant legislations in the PRC and Hong Kong regarding the equal employment opportunities, child labour and forced labour. The Group abides by the employment regulations, relevant policies and guidance of the relevant jurisdictions where it operates, including the "Employment Ordinance", and the "Employees' Compensation Ordinance" in Hong Kong; the "Labour Law of the People's Republic of China" and the "Labour Contract Law of the People's Republic of China" in the PRC.

The Group has its internal procedures to record employees' information in order to review employment practices regularly so as to avoid any non-compliance. Furthermore, the Group strictly complies with the internal recruitment process during recruitment to ensure no employment of child labour and forced labour in any form.

社會

僱傭

本集團認為僱員為企業最寶貴的資產，亦是維持企業發展的基石。本集團一直以基本薪金、獎勵金、強制性及自願性公積金，與其他附帶福利致力提供公平及具競爭力的薪酬方案以吸引及保留優秀人才。薪酬及福利會定期作出檢討。本集團亦有一套全面的人力資源管理政策以支持人力資源職能。該政策包括薪酬及福利、工作時間及假期、招聘及篩選、績效管理、晉升、員工發展及培訓、終止僱用。於報告期間，本集團七名員工獲授「員工子女獎學金」。

本集團旨在避免工作場所出現任何形式的騷擾及有關年齡、性別、種族、國家、宗教、婚姻狀況或殘疾的歧視。因此，男女僱員人數比例顯示性別不平等問題並不存在。

本集團一直嚴格遵守中國和香港有關平等就業機會、童工及強迫勞動的相關法律。本集團遵守營運所在的相關司法管轄區的僱傭規例、相關政策及指引，包括香港的《僱傭條例》及《僱員補償條例》；中國的《中華人民共和國勞動法》和《中華人民共和國勞動合同法》。

本集團已制訂內部程序，記錄員工的資料以定期檢討僱傭方式從而避免任何不合規的情況。此外，本集團於招聘過程中嚴格遵守內部招聘流程，確保不以任何形式僱用童工和強迫勞動。

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

The factory in Huizhou offers shuttle service that takes employees between the public transit hubs and their workplaces. The Hong Kong headquarters arranges shuttle to pick up employees from public transit hub in Tsuen Wan to work in the morning. The shuttle service helps attracting more new hires, and they can make friends with other colleagues and create a sense of belongings.

The Group also strives to establish harmonious labour relationships and create a happy working environment, promote a positive and healthy lifestyle, and lift the spirit of local workforce through establishing “Concentric Culture” with a Chinese slogan: “同心動心展決心 用心關心更開心”. To promote the corporate culture, the Group publishes WeChat weekly e-Newsletter: New Horizon (匯聚新象) to strengthen internal communication, and organises diversified employee activities, including internal basketball competition (See Figure 16); squid fishing at Sai Kung (See Figure 17) and prize draw from time to time. Also, Spring Festival Party, cycling at Hong Hua Hu (紅花湖) of Huizhou, karaoke competition and regular birthday parties have been organised at the factory in Huizhou this year. As such, the Hong Kong headquarters has been recognised as the Happy Company by the Hong Kong Productivity Council and the Promoting Happiness Index Foundation (See Figure 18). Moreover, the Hong Kong headquarters has joined the Good Employer Charter 2018 (See Figure 19) pledging to be an employee-oriented employer and adopted good human resource management practices relevant to the following aspects:

- Employment practices to care for employees
- Practices to promote work-family/work-life balance
- Employee benefits are better than statutory requirements
- Good communication with employees or their organisation(s)
- 關懷僱員的僱傭措施
- 促進工作與家庭／個人生活平衡的措施
- 優於法定的僱員福利
- 與僱員或其組織有良好溝通

惠州工廠提供接送服務，在公交站與其工作場所之間往返接送員工。香港總部安排專車早上從荃灣公共交通交匯處接送僱員上班。接送服務有助於吸引更多新招聘人員，且彼等可與其他同事聯誼及獲得歸屬感。

本集團亦致力於建立和諧的勞資關係及創建一個開心的工作環境，促進積極及健康的生活方式及透過口號「同心動心展決心 用心關心更開心」建立「同心文化」，以提升勞工精神。為了宣傳企業文化，本集團每週發佈微信電子時報《匯聚新象》，以增強內部溝通及組織多元化的員工活動，包括不時舉行的內部籃球比賽（見圖16）、西貢釣墨魚活動（見圖17）及抽獎活動。此外，本年度亦於惠州工廠組織了春節聯誼晚會、惠州紅花湖環湖騎行、卡拉OK比賽及定期生日派對。因此，香港總部獲香港生產力促進局與香港提升快樂指數基金頒發「開心工作間」證書（見圖18）。此外，香港總部已參與「好僱主約章2018」（見圖19），承諾成為以僱員為本的僱主並於以下方面採納良好的人力資源管理方式：

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

Figure 16: Internal basketball competition
圖 16：內部籃球比賽



Figure 17: Squid fishing at Sai Kung
圖 17：西貢釣墨魚活動



Figure 18: Certificate of Happy Company
圖 18：「開心工作間」證書



Figure 19: Good Employer Charter 2018
圖 19：好僱主約章 2018



During the Reporting Period, the Group was not aware of any material non-compliance with relevant standards, rules and regulations regarding operations and activities, labour practices.

於報告期間，本集團並不知悉任何重大違反有關營運及活動的相關標準、規則及法規以及勞工常規的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 20: Employment KPIs (employee)

圖 20：僱傭關鍵績效指標(僱員)

Total workforce structure as at 31 March 2019

於二零一九年三月三十一日的總體勞動力結構

Gender	性別	Age below 30 30歲以下	Age 30-50 30至50歲	Age over 50 50歲以上	Number of employees by gender 按性別劃分 的僱員人數	Total number of employees 僱員總人數	2019	2018
							Ratio of number of male to female employees 男女僱員 人數比率	Ratio of number of male to female employees 男女僱員 人數比率
Male	男性	415	366	24	805	2,033	0.66:1	0.7:1
Female	女性	434	769	25	1,228			
Total	總計	849	1,135	49	2,033			

Employee recruited in the Reporting Period

於報告期間招聘的僱員

Gender	性別	Age below 30 30歲以下	Age 30-50 30至50歲	Age over 50 50歲以上	Number of new recruits by gender 按性別劃分 新招聘人數	Total number of new recruits 新招聘 總人數	2019	2018
							Total number of new recruits 新招聘 總人數	Total number of new recruits 新招聘 總人數
Male	男性	568	226	10	804	1,761	2,201	
Female	女性	443	485	29	957			
Total	總計	1,011	711	39	1,761			

Employee turnover in the Reporting Period

於報告期間僱員流失率

Gender	性別	Age below 30 30歲以下	Age 30-50 30至50歲	Age over 50 50歲以上	Staff turnover by gender 按性別劃分 的員工 流失人數	2019 Total staff turnover 員工總 流失人數	2018 Total
							staff turnover 員工總 流失人數
Male	男性	630	243	4	877	1,896	1,938
Female	女性	483	510	26	1,019		
Total	總計	1,113	753	30	1,896		

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

Health and Safety

The Hong Kong headquarters of the Group has been equipped with fire-fighting facilities, e.g. fire extinguishers, smoke detectors and etc., and participated in the fire drill organised by the Hong Kong Science Park regularly.

The production facilities in Huizhou engage in manufacturing cable assembly products. The Group strongly believes that ensuring stable and safe production is the most important social responsibility to its stakeholders. Therefore, the Group has always regarded ensuring safe and stable production as one of the priorities in its corporate management. Sound management systems have been established in occupational health and safety in strict compliance with the regulations on occupational health and safety in the PRC. Moreover, fire drills are organised by the production facilities in Huizhou on a regular basis.

Daily operations are inspected by relevant department assigned by the Group, against the established risk assessment program that consists of a number of sequential steps such as risk identification, analysis, evaluation, treatment, monitoring and reviewing based on the existing controls and recommendations to reduce those risks which are not deemed to be under acceptable limits. Any non-compliance will also be identified and rectified on a timely basis.

Thus, it is a proof of guaranteeing the establishment of a healthy, safe and stable working environment effectively.

Every case of injury (if any) is required to be reported to the Human Resources Department and be assessed individually under the internal guidelines. The Group is pleased to report that the rate of accidents and injuries during the Reporting Period was extremely low with zero fatal accident.

During the Reporting Period, the Group was not aware of any material non-compliance with the health and safety laws and regulations.

健康與安全

本集團香港總部已配備消防設施(例如滅火器、煙霧警報器等)並參與香港科學園定期舉辦的消防演習。

惠州生產設施從事生產電線裝配產品。本集團堅信，維持一個安全與穩定的生產環境是本集團對其持份者最重要的企業社會責任。因此安全與穩定的生產環境是其企業管理的重要一環。本集團已建立了全面的職業健康安全管理體系，並嚴格遵守中國職業健康與安全的相關法規。此外，惠州生產設施定期舉行消防演習。

本集團已指定相關部門就已建立的風險評估計劃進行日常營運檢查，包括一系列連續的步驟，如基於現有控制及建議的風險識別、分析、評估、處理、監督及檢討等，以減少被視為不可接受限度內的風險。任何不合規情況將加以識別並及時糾正。

因此，這證明本集團已有效建立了一個健康、安全及穩定的工作環境。

每宗受傷個案(如有)都須向人力資源部匯報，並根據內部指引程序個別評估。報告期內本集團的意外及受傷比率極低，並無發生致命意外。

於報告期間，本集團並不知悉任何重大違反健康及安全法律法規的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 21: Health and safety KPIs (employee)

圖 21：健康及安全關鍵績效指標（僱員）

	2019	2018
Number of work injuries 工傷數字	Rate of work injury (per thousand employees) 工傷率(每千名僱員)	Rate of work injury (per thousand employees) 工傷率(每千名僱員)
5	2.5	*0.5

* The Group has adopted a different calculation method this year. Therefore, the figures for 2018 has been amended in order to be comparable.

* 本年度本集團採納不同計算方法，因此，對二零一八年數字加以修訂以作比較。

Development and Training

The Group recognises the importance of skilled and professionally trained employees to its business growth and future success. Therefore, the Group encourages them to participate in personal development and job-related training courses. During the Reporting Period, the Group formulated quality management and environment management training programs to update our staff with the most updated standard of ISO9001 and ISO14001, in order to maintain the highest standard of professionalism by our employees. These two programs included quality assurance training in production process, inspection assurance of materials received from supplier, health and safety precautions in using production equipment and machinery as well as customer relationship management.

In daily operation, the Group provides induction training for new employees and experienced employees act as mentors to guide new recruits. The Group believes such arrangement can be the best practice to facilitate communication and team spirit, also improve technical skills and managerial capability and encourage the learning and further development of employees at all levels.

To strengthen the team spirit and sense of belongings, the Group has organised a team building training for fresh-graduated employees and representatives of different departments that approximately 40 employees have participated in the training.

The Group also provides relevant training to develop and enhance our employees in all management aspects, e.g. time management, team building and motivation, meeting skills and etc., to well equip them to be the potential leaders and successors for our management team.

發展及培訓

本集團認為，具備熟練技能及經專業培訓之員工為帶領業務增長及未來成功的關鍵。因此，本集團鼓勵彼等參與個人發展及工作相關的培訓課程。於報告期間，本集團制定了質量管理及環境管理培訓計劃，讓員工了解最新的ISO9001及ISO14001標準，以維持僱員的最高專業水平。該兩個計劃包括生產過程的質量保證培訓、自供應商取得的原材料的檢測保證、使用生產設備及機器時的健康安全預防措施以及客戶關係管理。

於日常營運中，本集團向新僱員提供入職培訓及讓有經驗的僱員擔任導師，為新員工提供指導。本集團相信，有關安排將會是促進溝通及團隊精神、提高技術及管理能力和鼓勵僱員在所有層面學習及進一步發展的最好方法。

為加強團隊精神及歸屬感，本集團為應屆畢業生及不同部門代表組織了團建培訓，約40名僱員參與了此次培訓。

本集團亦提供有關培訓，於所有管理層面發展及提升僱員，如時間管理、團建及激勵、會議技巧等，以將其培養成潛在領導人及管理團隊接班人。

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

The Group will continue to intensify its efforts to promote staff training programs. It believes that by means of offering comprehensive training opportunities, it could help providing the necessary protection for talent reserves for corporate development. The Group annually evaluates the training needs of its employees to ensure that employees are offered with suitable and appropriate training according to their job nature and accountabilities.

本集團將繼續加大力度推廣員工培訓計劃。本集團相信，通過提供全面的培訓機會，有助於為企業發展提供必要的人才儲備保障。本集團每年評估其僱員的培訓需要，以確保根據僱員的工作性質及職位向彼等提供適當的培訓。

Figure 22: Development and training KPIs (employee)

圖 22：培訓及發展關鍵績效指標（僱員）

Trained staff in the Reporting Period

Gender	性別	Supervisors and general staff		Workers	Percentage of employees receiving training by gender	2019 Overall percentage of employees receiving training	2018 Overall percentage of employees receiving training
		Managers or above	主管及一般員工		按性別劃分的接受培訓的僱員所佔百分比	僱員所佔整體百分比	僱員所佔整體百分比
Male	男性	71%	90%	74%	75%	78%	78%
Female	女性	73%	91%	80%	80%		

於報告期間的已受訓員工

Average training hours in the Reporting Period

Gender	性別	Supervisors and general staff		Workers	Average training hours by gender	2019 Overall average training hours	2018 Overall average training hours
		Managers or above	主管及一般員工		按性別劃分的平均培訓時數	整體平均培訓時數	整體平均培訓時數
Male	男性	22 hours	38 hours	33 hours	33 hours	31 hours	15 hours
		22小時	38小時	33小時	33小時		
Female	女性	29 hours	28 hours	29 hours	29 hours	31小時	15小時
		29小時	28小時	29小時	29小時		

於報告期間的平均培訓時數

Labour Standards

The Group always respects and strictly complies with all applicable national laws and local regulations as well as relevant labour laws and regulations in the place where it operates, including the Policy of Employment of Children under the Employment Ordinance in Hong Kong. The Group has also developed rigorous and systematic measures for recruitment and selection, to prevent itself from illegally hiring child labour and ensure that the employment is in compliance with relevant laws and regulations.

勞工標準

本集團一向重視並嚴格遵守業務所在地所有適用的國家法律及地方法規，相關勞動法律法規（包括香港《僱傭條例》的僱用兒童政策），並已制訂一套嚴謹及有系統的招聘及篩選措施，以防止非法聘用童工，並確保僱用員工時遵循相關法律法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group arranges the employees' working hours in accordance with labour laws.

During the Reporting Period, the Group was not aware of any material non-compliance with the labour requirements set out in relevant laws and regulations.

Supply Chain Management

Optical fibres, copper wires and connectors are the major materials used by the production facilities in Huizhou in its cable manufacturing where they are mainly procured in the PRC.

The Group implements supplier management in accordance with internal guidance which governs the engagement of suppliers. Suppliers are chosen subjecting to screening and evaluation procedures, not only based on the quality and price, but also field visits and investigations are conducted to ensure suppliers capability in quality assurance, safety and environmental responsibility. The investigation reviews the production capacity, technology level, quality assurance capabilities, supply capacity, safety and environmental management qualifications, and social responsibility measures. Only the highly qualified suppliers complied with regulatory requirements are eligible for the selection of supplier by the Group. The Group also carries out regular assessment on suppliers' overall capabilities, assets position, nature of business, reputation in the industry, quality of products, goods delivery and compliance with laws and regulations.

The Group has obtained Quality Management System Certification (ISO9001) and Automotive Quality Management System (IATF16949) that are formulated by the International Organisation for Standardisation (ISO) and International Automotive Task Force (IATF) respectively. The Group strictly requires employees to comply with those quality management policies to provide continual improvement, emphasising defect prevention and the reduction of variation and waste in the supply chain.

As customers are becoming more concerned about environmental issues, and stress the importance of using environmentally friendly materials. As a corporate citizen, the Group will continue to communicate and stress those environmental issues to its suppliers. The Group aims at strengthening the cooperation with suppliers, coordinating with them in product trials, and work with them to produce socially responsible products.

集團根據勞動法對員工的工作時間作出了合理安排。

本集團於報告期內並無發生相關法律法規所規定有關勞工準則的重大不遵規事宜。

供應鏈管理

光纖、銅線及連接器為惠州生產設施在其生產電纜時所用的主要材料，主要在中國採購。

本集團根據內部指引實施供應商管理以規管供應商的委聘。供應商的選擇是根據品質和價格進行篩選和評估程序。此外，為確保供應商在品質保證、安全和環境責任等方面的能力，本集團會進行實地探訪及調查。有關調查將根據實際需要對供應商的生產能力、技術水平、品質保證能力、供應能力、安全和環境管理資格及社會責任措施進行審核。只有符合監管要求的高質量供應商才符合資格供本集團篩選。本集團亦對供應商的整體能力、擁有的資產、業務性質、行業聲譽、產品品質、貨物交付及遵守法律和法規情況進行定期評估。

本集團亦取得國際標準組織(ISO)及國際汽車工作組(IATF)分別制定的質量管理體系(ISO9001)及全球汽車品質管理系統標準(IATF16949)認證。本集團嚴格要求僱員遵守該等質量管理政策，以提供持續改進、著重於次品的防範、減少在供應鏈中的差異和浪費。

隨著客戶越來越關注環境問題並強調使用環保材料的重要性，作為良好企業公民，本集團將繼續向供應商傳達及要求重視該等環境問題。本集團旨在加強與供應商的合作、在產品測試中與彼等協調，共同合作生產對社會負責的產品。

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

Product Responsibility

The Group is committed to pursuing product and service of high quality by implementing stringent and comprehensive quality control procedures. The Group has implemented quality control manual throughout the production process from purchase of raw materials to product packaging for employees to follow. Raw materials are inspected to ensure the quality and it is in a good condition before putting into production so as to minimise possible disruptions during the operation.

The Group gains the market's recognition of its competitive advantages in terms of innovation, strong research and development capabilities, that lead the Group to be well recognised by garnering three supply chain awards — “Excellent Supply Performance Award” (See Figure 23), “Excellent Digital Collaboration Award” (See Figure 24) and “Excellence in Collaboration” (See Figure 25) from its major customers of telecommunication and medical markets with superior services delivered in the Reporting Period. Particularly, the Group has been awarded in the Excellent Supplier Award category at the China and Asia-Pacific Suppliers Conference of the medical customer, which is the first award obtained by the Group in the medical equipment industry, and the Group is also the only winner of the award for the supplier of wiring components.

產品責任

本集團致力於通過實施嚴格及全面的質量控制程序獲得高質量的產品及服務。本集團已制定及發佈從採購原材料到產品包裝整個生產流程的質量控制手冊，讓僱員遵循。本集團會檢測原材料以確保質量及保證投產前的良好狀況，以降低營運期間的可能中斷。

不論是創新還是強大的研發能力，本集團的競爭實力已獲得市場廣泛認可，並於報告期間憑藉其卓越服務而榮獲其電信及醫療市場主要客戶的三個供應鏈獎項—「優秀交付績效獎」（見圖23）、「數字化協同標杆」（見圖24）及「優秀合作獎」（Excellence in Collaboration）（見圖25）。尤其是，本集團於中國及亞太區醫療客戶供應商大會上所榮獲優秀的相關獎項，這是本集團於醫療設備行業獲得的首個獎項。本集團亦為佈線組件供應商獎的唯一獲獎者。

Figure 23: Supply chain award —
“Excellent Supply Performance Award”
圖 23：供應鏈獎—「優秀交付績效獎」



Figure 24: Supply chain award —
“Excellent Digital Collaboration Award”
圖 24：供應鏈獎—「數字化協同標杆」



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

Figure 25: Supply chain award — “Excellence in Collaboration”
圖 25：供應鏈獎—「優秀合作獎」(Excellence in Collaboration)



The Group has also obtained the ISO13485 Quality Management System — Medical Services that consistently meets customer requirements and regulatory requirements applicable to medical devices and related services. Annual testing has been performed by the licensed third party to ensure the production facilities in Huizhou have complied with the relevant requirements.

During the Reporting Period, the number of defective products produced by the Group was minimal and complaints by customers in respect of defective products were insignificant.

Anti-Corruption

The Group is committed to maintaining the integrity of its corporate culture. Staff members are not allowed to solicit or accept any advantages. The Group sets out the relevant policies in the employee handbook and guides employees to abide by the code of conduct. The code of conduct provides a clear definition of the provision and acceptance of interests, such as gifts and souvenirs, and ways to deal with conflicts of interest.

Directors and employees are required to make a declaration to the management through the reporting channels when actual or potential conflicts of interest arise. Employees cannot receive any gifts from any external parties (i.e. customers, suppliers, contractors, etc.) unless approval is obtained from the management.

本集團亦取得ISO13485醫療服務質量管理體系，提供持續符合客戶要求及適用於醫療器材及相關服務的監管規定。獲授權第三方已進行年度檢測，確保惠州生產設施已遵守相關規定。

於報告期間，本集團生產之次品數量極低，客戶對次品之投訴亦寥寥可數。

反貪污

本集團致力於維護廉正的企業文化。僱員不得索取及收受任何利益。本集團於員工手冊中載列相關政策並指引僱員遵守操守準則。操守準則明確界定了禮物及紀念品等利益的提供及接受以及如何處理利益衝突。

董事及僱員必須在發生實際或潛在利益衝突時通過報告途徑向管理層作出聲明。除非取得管理層批准，否則僱員不能收取外界（例如客戶、供應商、承包商等）任何禮物。

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

To show our unwavering commitment to anti-corruption, the Group has adopted an “Integrity and Honesty Management System”. Suppliers are required to sign an Undertaking of Integrity. The Group also regularly sends out the message to all its suppliers to reiterate its integrity and honesty business philosophy and secure their alignment with the Group for fair procurement.

The Group has whistleblowing procedures in effect, encouraging employees and all other stakeholders to report directly to the Chairman of the Company’s Audit Committee about any misconduct and dishonest behaviour, such as bribery, fraud and other offences. Furthermore, the Group has specified in the Employees’ Handbook that the Group is entitled to terminate the employment contract with any employee who is bribed with money, gifts or commission, etc., and reserves the right to take further legal actions against such person.

During the Reporting Period, the Group has complied with the relevant laws and regulations regarding anti-corruption and money-laundering and has no concluded legal case regarding corrupted practices brought against the issuer or its employees.

Community Investment

The Group is committed to creating sustainable prosperity that brings long-term social and economic benefits for all stakeholders, particularly to maintain the relationship with interest groups which are relevant to business operation. The Group has been proactively collaborating with non-governmental organisations to launch philanthropy activities in the communities and cities where its production facilities are operating, and encouraging employees to participate in in-house and external community activities. During the Reporting Period, the Group has been awarded by Community Investment and Inclusion Fund as “Social Capital Builder”. It recognises the Group’s achievements in fulfilling social responsibility by promoting social capital (See Figure 26).

為堅決履行反貪污承諾，本集團採納「廉潔誠信管理制度」。供應商須簽署廉潔誠信承諾書。本集團亦定期向全體供應商發送消息重申我們廉潔誠信的業務理念，確保他們與本集團看齊，實現公平採購。

本集團建立了舉報程序，鼓勵員工及所有其他持份者直接向本公司審核委員會主席報告任何不當行為和不誠實活動，例如貪污、舞弊，以及其他犯罪行為。另外，本集團於員工手冊中明確指出，如果員工收受金錢、禮品或佣金等賄賂，本集團有權與該員工終止僱傭合約並保留權利作出進一步法律追究行動。

於報告期間，本集團已遵守反貪污及反洗黑錢相關法例及法規，且並無就對發行人或其僱員提出並已審結的貪污訴訟案件。

社區投資

本集團致力創造可持續繁榮為所有持份者帶來長期社會及經濟利益，尤其是維持與業務營運相關的利益團體的關係。本集團一直積極與非政府組織合作，於我們生產設施所在社區及城市開展慈善活動，並鼓勵僱員參加內部及外界社區活動。於報告期間，本集團獲社區投資共享基金頒發「社會資本動力獎」。該獎項乃認同本集團透過促進社會資本履行社會責任方面的成就(見圖26)。

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

Figure 26: Social Capital Builder Award
圖 26：社會資本動力獎



Other than that, the Group has also obtained the following awards:

除此之外，本集團亦獲得以下獎項：

- | | |
|---|---|
| i) the "10 Years + Caring Company" by The Hong Kong Council of Social Service (see Figure 27); | i) 香港社會服務聯會頒發的「10年+商界展關懷」標誌(見圖 27)； |
| ii) "The 9th Hong Kong Outstanding Corporate Citizenship Logo" by Hong Kong Productivity Council (see Figure 28); | ii) 香港生產力促進局頒發「第九屆香港傑出企業公民嘉許標誌」(見圖 28)； |
| iii) the "Industry Cares" Award presented by the Federation of Hong Kong Industries (see Figure 29); | iii) 香港工業總會頒發的「工業獻愛心」獎(見圖 29)； |
| iv) the "Better World Company" presented by the Junior Chamber International Hong Kong (see Figure 30); and | iv) 國際青年商會香港總會嘉許為「環球愛心企業」(見圖 30)；及 |
| v) the "Meritorious Family-Friendly Employers — Special Mention (Gold)" by Family Council (see Figure 31). | v) 家庭議會頒發的「優秀家庭友善僱主 — 特別嘉許(金獎)」(見圖 31)。 |

These awards recognise the efforts of the Group regarding social responsibilities.

該等獎項是對本集團致力履行社會責任的認可。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 27: 10 Years + Caring Company
圖 27：10年+商界展關懷



Figure 29: Industry Cares
圖 29：工業獻愛心

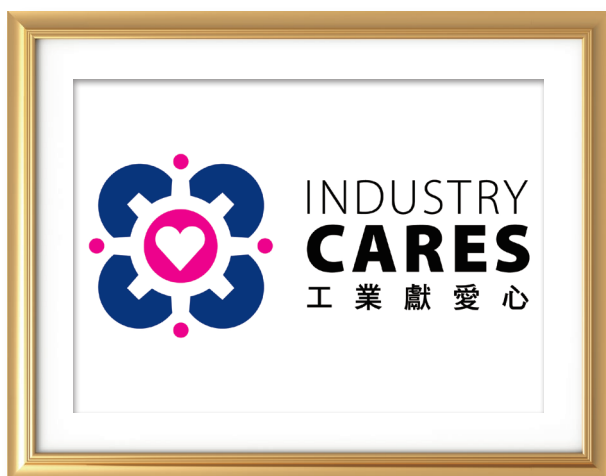


Figure 28: The 9th Hong Kong Outstanding Corporate Citizenship Logo under the enterprise category

圖 28：第九屆香港傑出企業公民嘉許標誌 — 企業組別



Figure 30: Better World Company
圖 30：環球愛心企業



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

Figure 31: The Meritorious Family-Friendly Employers Award — Special Mention (Gold)
圖 31：優秀家庭友善僱主 — 特別嘉許(金獎)



In addition, the Group has also participated in various charity activities, including joining the “Elderly Raffle Ticket 2018” and volunteer work “CFSC 企業社區關懷日 2018 中秋•共樂” about community caring in Mid-Autumn Festival organised by Christian Family Service Centre (Figure 32), the Pin Campaign — “World Sight Day 2018” organised by ORBIS Hong Kong and “Lai See Appeal 2019” organised by the Salvation Army in Hong Kong; a walkathon for those students living in poverty and welfare home visit in Huizhou.

此外，本集團亦參與了多個慈善活動，包括參加基督教家庭服務中心組織的「敬老護老愛心券2018」慈善活動及「CFSC 企業社區關懷日 2018 中秋•共樂」的志願者工作(圖 32)、奧比斯香港組織的襟章日活動—「世界視覺日 2018」、香港救世軍組織的「愛心利是2019」、在惠州為貧困學生組織步行籌款及愛心家訪活動。

Figure 32: Volunteer work about community caring in Mid-Autumn Festival organised by Christian Family Service Centre

圖 32：基督教家庭服務中心組織的有關中秋節社區關懷的志願者工作



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

Efforts performed by the Group have been acknowledged to help in promoting strategic partnerships among business and social service partners, increasing the awareness and inspiring corporate social responsibility through caring for the community, employees and the environment.

對本集團致力推動商業及社會服務夥伴的戰略性合作，透過關懷社區、僱員及環境增強意識和激勵企業社會責任等努力已獲肯定。

Moreover, the Group has established the Sustainability Policy committing to working on environmental protection, social responsibility and corporate governance.

此外，本集團已制訂可持續發展政策，旨在處理環保、社會責任及企業管治事宜。

Meanwhile, the Group is laying the groundwork to integrate the United Nations Sustainable Development Goals (“SDGs”) into the Group’s sustainability strategy.

同時，本集團已作出準備，將聯合國可持續發展目標與本集團可持續發展策略結合。

SUSTAINABLE DEVELOPMENT GOALS


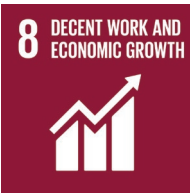



Although the SDGs are not legally binding, the Group has identified 5 key SDGs that are highly relevant to its business operation and put substantial efforts that contribute to resolving the related issues.


雖然可持續發展目標並無法律約束力，本集團已辨識與其商業運作最為適切的5項關鍵可持續發展目標，並致力協助解決相關議題。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Goal 目標	Potential impact 潛在影響	The Group's status 本集團狀況	Future direction 未來方向
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> — Offer training program and/or other tuition fee subsidy to all employees and encourage lifelong learning — 向全體僱員提供培訓課程及／或其他進修課程津貼，並鼓勵終身學習 	<ul style="list-style-type: none"> — The Group provides tuition fee subsidy for employees and scholarship program for all applicable employee's children. Apart from that, the Group also advocates the culture of lifelong learning. Not only workshops for mutual learning, but also hiring external training consultants to conduct training programs. — 本集團為僱員提供進修課程津貼及為所有合適僱員的子女提供獎學金計劃。此外，本集團亦提倡終身學習的文化，除組織內部工作坊以助相互學習，亦外聘導師舉行培訓課程。 	<ul style="list-style-type: none"> — Encourage and support employees taking initiative to strengthen their professional expertise — 鼓勵及支持僱員自發提升其專業知識
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> — Offer career opportunities and assist in the economic development of local communities — 提供就業機會，並協助當地社區的經濟發展 	<ul style="list-style-type: none"> — A committee has been established in the factory of Huizhou which allows employees to have opportunities to reflect their interests in respect to remuneration, benefits and working conditions — 惠州工廠已設立委員會，讓僱員有機會反映彼等於薪酬、福利及工作環境方面的權益 	<ul style="list-style-type: none"> — Strengthen internal promotion on workplace health and safety, environmental protection, and business integrity — 加強有關工作間健康與安全、環境保護，及誠信經營的內部推廣
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> — Ensure the sustainable use and effective management of resources — 確保資源的可持續使用及有效管理 	<ul style="list-style-type: none"> — The Group has already developed the Sustainability Policy and internal monitoring mechanism which supports green manufacturing and apply innovative production technology. A set of procedures has also been established for handling production waste and air pollutants emissions in order to minimise the impact to the environment — 本集團已制訂可持續發展政策及支持綠色生產及應用創新生產技術的內部監控機制。處理生產廢物及空氣污染排放物的一系列程序已訂立，旨在減輕對環境的影響 	<ul style="list-style-type: none"> — Facilitate employee participation in the promotion of sustainable development through various means — 透過不同渠道，鼓勵僱員參與，以推動可持續發展

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

Goal 目標	Potential impact 潛在影響	The Group's status 本集團狀況	Future direction 未來方向
	<ul style="list-style-type: none"> — Monitor and reduce the CO₂ and waste water emissions generated from the use of resources and product manufacturing — 監督及減少在利用資源及產品生產過程中產生的二氧化碳及污水排放 	<ul style="list-style-type: none"> — An internal monitoring program has been established to closely monitor the emissions of both hazardous and non-hazardous waste — 已制定內部監督計劃，密切監督有害及無害廢棄物的排放 — The Group has implemented various energy conservation measures in order to minimise the emissions of greenhouse gas, including using variable-speed drive (VSD) air compressor, heat recovering system, LED lighting, and adjusting the air-conditioning systems to a specific temperature to allow the users to set at a comfortable temperature without power waste — 本集團已實施多項節能措施，以減少溫室氣體的排放，包括使用變頻空壓機、餘熱回收系統、LED照明，並調節空調系統至特定溫度以讓使用者設定於不浪費能源的舒適溫度 — The Group has implemented paperless operation in the production line already. — 本集團已在其生產線實施無紙化辦公。 	<ul style="list-style-type: none"> — Explore other means to contribute more to the environment and strive to facilitate the building of a healthy and sustainable society in the future — 尋求其他途徑以加強對環境及將來致力建立健康及可持續社會的貢獻

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告


Goal 目標	Potential impact 潛在影響	The Group's status 本集團狀況	Future direction 未來方向
	<ul style="list-style-type: none"> Partner with non-profit organisations to contribute to the local community 與非營利機構合作為當地社區作出貢獻 	<ul style="list-style-type: none"> Partnering with non-profit organisations helps to close the gap between the Group and the community. The Group has sponsored several non-profit organisations to organise various events, including: <ul style="list-style-type: none"> 與非營利機構合作有助拉近本集團與社區的距離。本集團已贊助若干非營利機構籌辦的多個活動，包括： <ul style="list-style-type: none"> a) “World Sight Day” campaign organised by Orbis; <ul style="list-style-type: none"> a) 奧比斯組織的「世界視覺日」； b) Purchasing tickets of “Care of the Elderly Charity Ticket Campaign” organised by the Care for The Elderly Association Limited through Christian Family Service Centre <ul style="list-style-type: none"> b) 透過基督教家庭服務中心購買敬老護老愛心會的「敬老護老愛心券」 c) Participating walkathon for students living in poverty organised by a local non-profit organisation in Huizhou <ul style="list-style-type: none"> c) 參與惠州當地一家非營利機構為貧困學生組織的步行籌款活動 	<ul style="list-style-type: none"> Expand cooperation with non-profit organisations in social investment programs and create shared value 擴大與非營利機構於社區投資項目的合作，並創造共享價值

Figure 33: Environmental performance indicators

圖 33：環境績效指標

Aspect A1: Emissions

層面 A1：排放物

Performance indicator 績效指標	2019 Data 數據	2018 Data 數據	HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Emissions 排放量			
Total NOx emissions (g) 氮氧化物排放總量(克)	20,613.31	18,773.31	KPI A1.1 關鍵績效指標 A1.1
Total PM emissions (g) 顆粒物排放總量(克)	1,517.71	1,382.24	KPI A1.1 關鍵績效指標 A1.1
Total SOx emissions (g) 硫氧化物排放總量(克)	531.02	506.43	KPI A1.1 關鍵績效指標 A1.1
Total CO ₂ generated equivalent emissions (ton) 總二氧化碳當量排放(噸)	3,977.90	3,933.79	KPI A1.2 關鍵績效指標 A1.2

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

				HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	
Hazardous waste 有害廢棄物	Mineral oil contaminated waste rags, organic solvents contaminated waste rags and waste batteries (ton) 礦物油污染的廢棄布料、有機溶劑污染的廢棄布料及廢棄電池(噸)	1,1179	0,0399	KPI A1.3 關鍵績效指標 A1.3
	Used containers for chemical materials (barrels/bottles) 化學材料容器(桶/瓶)	4,899	4,932	KPI A1.3 關鍵績效指標 A1.3
	Non-hazardous waste 無害廢棄物			
	Used A3 and A4 paper (reams) 已使用的A3及A4紙(令)	2,581	2,774	KPI A1.4 關鍵績效指標 A1.4
	Used toner cartridge (pieces) 已使用的墨粉盒(件)	535	628	KPI A1.4 關鍵績效指標 A1.4
	Used paper towel (boxes/rolls) 已使用的紙巾(盒/卷)	34,080	28,910	KPI A1.4 關鍵績效指標 A1.4
	Cardboard (kg) 紙板箱(公斤)	40,354	55,074	KPI A1.4 關鍵績效指標 A1.4
	Industrial waste (kg) 工業廢棄物(公斤)	89,458.5	95,105	KPI A1.4 關鍵績效指標 A1.4

Aspect A2: Use of resources

層面 A2：資源使用

				HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治報告 指引關鍵績效指標
Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	
Electricity 電	Total electricity consumption (kWh) 耗電總量(千瓦時)	4,650,410	4,493,400	KPI A2.1 關鍵績效指標 A2.1
Water 水	Total water consumption (cubic meters) 耗水總量(立方米)	156,637	169,005	KPI A2.2 關鍵績效指標 A2.2
Packaging materials 包裝材料	Total packaging materials (pieces) 包裝材料總量(件)	20,656,070	27,514,136	KPI A2.5 關鍵績效指標 A2.5

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Figure 34: Social performance indicators

圖 34：社會績效指標

Aspect B1: Employment

層面 B1：僱傭

Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Number of employees as at 31 March 於三月三十一日的 僱員人數	Gender: 性別：			KPI B1.1 關鍵績效指標 B1.1
	— Male employees (person) 男性僱員(人)	805	878	
	— Female employees (person) 女性僱員(人)	1,228	1,290	
	Staff grading 僱員職級			KPI B1.1 關鍵績效指標 B1.1
	— Workers (person) 工人(人)	1,699	1,873	
	— Supervisors and general staff (person) 主管及一般員工(人)	270	248	
	— Managers or above (person) 經理或以上(人)	64	47	
	Age Group 年齡組別			KPI B1.1 關鍵績效指標 B1.1
	— Below 30 years old (person) 30歲以下(人)	849	1,026	
	— Between 30 to 50 years old (person) 30至50歲(人)	1,135	1,115	
	— Over 50 years old (person) 50歲以上(人)	49	27	
	Geographical region 地區			KPI B1.1 關鍵績效指標 B1.1
	— Hong Kong (person) 香港(人)	32	8	
	— The PRC (person) 中國(人)	2,001	2,160	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Employee turnover 僱員流失率	Gender 性別			KPI B1.2 關鍵績效指標B1.2
	— Male employees (person) 男性僱員(人)	877	883	
	— Female employees (person) 女性僱員(人)	1,019	1,055	
	Age 年齡			KPI B1.2 關鍵績效指標B1.2
	— Below 30 years old (person) 30歲以下(人)	1,113	1,259	
	— Between 30 to 50 years old (person) 30至50歲(人)	753	663	
— Over 50 years old (person) 50歲以上(人)	30	16		

Aspect B2: Health and safety

層面 B2：健康與安全

Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Number of work injuries (person) 工傷數字(人)		5	1	KPI B2.1 關鍵績效指標B2.1
Rate of work injury (per hundred employees) 工傷率(每百名僱員)		2.5	0.5*	KPI B2.1 關鍵績效指標B2.1

* The Group has adopted a different calculation method this year. Therefore, the figures for 2018 has been amended in order to be comparable.

* 本集團本年度已採納不同計算方法。因此，為具備可比性二零一八年數據已經修訂。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect B3: Development and training

層面 B3：發展及培訓

Performance indicator 績效指標		2019 Data 數據	2018 Data 數據	HKEx ESG Reporting Guide KPI 聯交所環境、 社會及管治 報告指引 關鍵績效指標
Percentage of employees trained 受訓員工百分比	Gender 性別			KPI B3.1 關鍵績效指標 B3.1
	— Male employees (percentage) 男性僱員(百分比)	75%	80%	
	— Female employees (percentage) 女性僱員(百分比)	80%	76%	
	Employee category 僱員類別			KPI B3.1 關鍵績效指標 B3.1
	— Workers (percentage) 工人(百分比)	77%	77%	
	— Supervisors and general staff (percentage) 主管及一般員工(百分比)	90%	88%	
	— Managers or above (percentage) 經理或以上(百分比)	71%	81%	
Average training hours completed per employee 每名僱員完成受訓的平均時數	Gender 性別			KPI B3.2 關鍵績效指標 B3.2
	— Male employees (hours) 男性僱員(時數)	33	16	
	— Female employees (hours) 女性僱員(時數)	29	15	
	Employee category 僱員類別			KPI B3.2 關鍵績效指標 B3.2
	— Workers (hours) 工人(時數)	31	15	
	— Supervisors and general staff (hours) 主管及一般員工(時數)	34	22	
	— Managers or above (hours) 經理或以上(時數)	24	29	

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

**TO THE MEMBERS OF
TIME INTERCONNECT TECHNOLOGY LIMITED**
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Time Interconnect Technology Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 113 to 207, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致匯聚科技有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於113至207頁的匯聚科技有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此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與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)真實而中肯地反映了貴集團於二零一九年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Key audit matter

關鍵審計事項

Impairment assessment of trade receivables

貿易應收款項的減值評估

We identified impairment assessment of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of management judgement and estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables at the end of the reporting period.

由於貿易應收款項對 貴集團綜合財務狀況的重要性及管理層於評估 貴集團於報告期末貿易應收款項之預期信貸虧損(「預期信貸虧損」)時涉及判斷及估計，故我們將貿易應收款項的減值評估認定為關鍵審計事項。

As set out in note 17 to the consolidated financial statements, as at 31 March 2019, the Group's trade receivables amounted to HK\$159,827,000 which represented approximately 18% of total assets of the Group and out of these trade receivables, HK\$15,306,000 and HK\$420,000 were past due and past due over 90 days, respectively.

如綜合財務報表附註17所載，於二零一九年三月三十一日，貴集團的貿易應收款項為159,827,000港元，佔 貴集團資產總值的約18%，於該等貿易應收款項中，其中15,306,000港元已逾期及420,000港元逾期超過90日。

關鍵審計事項

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

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to evaluating the impairment assessment of trade receivables included:

我們就評估貿易應收款項的減值評估的程序包括：

- Obtaining an understanding of how the management estimates the loss allowance for trade receivables;
- 獲得對管理層估算貿易應收款項虧損撥備的方法的了解；
- Testing the integrity of information used by management, including trade receivables ageing analysis as at 31 March 2019, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices;
- 透過將分析中的個別項目與相關銷售發票進行比較，以抽樣基準測試管理層所用資料的完整性，包括於二零一九年三月三十一日的貿易應收款項的賬齡分析；

KEY AUDIT MATTERS (continued)

Key audit matter
關鍵審計事項

Impairment assessment of trade receivables (continued)
貿易應收款項的減值評估(續)

As disclosed in note 35 to the consolidated financial statements, the management of the Group assessed the trade receivables' financial background and the historical settlement records, including the past due dates and default rates of each trade receivable and forward-looking information that is reasonable, supportable and available without undue costs or effort. Each trade receivable is assigned a risk grading under internal credit ratings to calculate the ECL. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information.

如綜合財務報表附註35所披露，貴集團管理層評估貿易應收款項的財務背景及過往還款記錄，包括各項貿易應收款項的逾期日期及違約率以及毋須花費不必要成本或努力即可獲得的合理並有證據支持的前瞻性資料。各項貿易應收款項根據內部信貸評級獲分配風險等級以計算預期信貸虧損。估計虧損率乃根據過往觀察所得違約率除以應收款項預期年期計算得出，並就前瞻性資料調整。

As disclosed in note 35 to the consolidated financial statements, the Group has not recognised any impairment of trade receivables as at 31 March 2019 as amounts involved are insignificant.

如綜合財務報表附註35所披露，由於所涉及金額並不重大，故貴集團並無就於二零一九年三月三十一日的貿易應收款項確認任何減值。

關鍵審計事項(續)

How our audit addressed the key audit matter
我們的審計如何對關鍵審計事項進行處理

- Challenging management's basis and judgement in determining credit loss allowance on trade receivables as at 31 March 2019, including the assessment of internal credit rating, basis of estimated loss rates applied in individual trade debtors (with reference to historical default rates and forward-looking information); and
- 質疑管理層於釐定二零一九年三月三十一日的貿易應收款項的信貸虧損撥備時的基礎及判斷，包括內部信貸評級評估及應用於個別應收賬項的估計虧損率的基礎(經參考過往違約率及前瞻性資料)；及
- Evaluating the disclosures regarding the impairment assessment of trade receivables in note 35 to the consolidated financial statements.
- 評估於綜合財務報表附註35中有關貿易應收款項的減值評估的披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

Key audit matter

關鍵審計事項

Assessment of the net realisable value of inventories

存貨可變現淨值的評估

We identified the assessment of net realisable value of inventories as a key audit matter due to the significance of the balance to the consolidated statement of financial position and the use of judgment and estimates by the management in the determination of net realisable value.

我們已識別存貨的可變現淨值評估為關鍵審計事項，是由於結餘對綜合財務狀況表的重要性以及在釐定可變現淨值過程時管理層使用判斷及估計。

As disclosed in note 4 to the consolidated financial statements, the management estimates the net realisable value with reference to the ageing analysis of inventories and recent or subsequent usages or sales of the inventories. 如綜合財務報表附註4所披露，管理層經參考存貨賬齡分析以及近期或其後的使用或銷售估計存貨可變現淨值。

The Group has inventories of HK\$186,623,000 which represent approximately 30% and 21% of the Group's current assets and total assets at 31 March 2019 respectively. As disclosed in notes 4 and 9 to the consolidated financial statements, a write off of HK\$3,005,000 was recognised in profit or loss during the year.

貴集團的存貨為186,623,000港元，於二零一九年三月三十一日分別約佔 貴集團流動資產及資產總值的30%及21%。如綜合財務報表附註4及9所披露，年內，於損益確認撇銷3,005,000港元。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to the assessment of the net realisable value of inventories included:

我們有關存貨的可變現淨值評估的處理程序包括：

- Obtaining an understanding of the management's process for identifying slow-moving and obsolete inventories and determining net realisable value of inventories;
- 獲得對管理層識別滯銷及過時存貨及釐定存貨的可變現淨值的過程的了解；
- Testing the accuracy of the ageing analysis of inventories, on a sample basis, to the goods receipt documents;
- 以抽樣基準及根據收貨文件，測試存貨之賬齡分析的準確性；
- Evaluating the reasonableness of the allowance for slow-moving and obsolete inventories determined with reference to the net realisable value by checking, on a sample basis, recent or subsequent usages or sales of the inventories; and
- 評估經參考透過按抽樣基準檢查存貨近期或其後的用途或銷售得出的可變現淨值而釐定滯銷及過時的存貨撥備之合理性；及
- Comparing the actual selling prices of finished goods subsequent to year end, on a sample basis, to their carrying amounts to check whether the finished goods are stated at the lower of cost and net realisable value.
- 按抽樣基準將製成品於年末後的實際售價與其賬面值進行比較，核查製成品是否按成本與可變現淨值中的較低者列賬。

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

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

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

董事及治理層就綜合財務報表須承擔的責任

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

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

治理層須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們商定的業務約定條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

INDEPENDENT AUDITOR'S REPORT 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 those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審計綜合財務報表承擔的責任 (續)

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

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

(continued)

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

The engagement partner on the audit resulting in the independent auditor's report is Tsang Chi Wai.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

21 June 2019

核數師就審計綜合財務報表承擔的責任 (續)

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

出具本獨立核數師報告的審計專案合夥人是曾志偉。

德勤•關黃陳方會計師行

執業會計師

香港

二零一九年六月二十一日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 MARCH 2019 截至二零一九年三月三十一日止年度

		Notes	2019 HK\$'000 千港元	2018 HK\$'000 千港元
		附註		
Revenue	收益	5	1,314,389	1,238,374
Cost of goods sold	售出貨品成本		(1,035,041)	(965,379)
Gross profit	毛利		279,348	272,995
Other income	其他收入	6	4,844	1,622
Other gains and losses	其他收益及虧損	7	(9,786)	10,161
Distribution and selling expenses	分銷及銷售開支		(23,227)	(20,157)
Administrative expenses	行政開支		(57,878)	(34,389)
Research and development expenses	研發開支		(45,672)	(40,909)
Finance costs	融資成本	8	(1,649)	(2,323)
Listing expenses	上市開支		-	(24,415)
Imputed financial guarantee income	推算財務擔保收入		-	8,429
Profit before taxation	除稅前溢利	9	145,980	171,014
Taxation	稅項	11	(23,046)	(38,894)
Profit for the year	年內溢利		122,934	132,120
Other comprehensive (expense) income	其他全面(開支)收益			
<i>Item that may be reclassified</i>	其後可能重新分類至損益			
<i>subsequently to profit or loss:</i>	的項目:			
Exchange differences arising on	海外業務匯率換算時出現			
translating foreign operations	的匯兌差額		(4,712)	13,592
Total comprehensive income for the year	年內全面收益總額		118,222	145,712
Earnings per share	每股盈利	12		
— Basic (HK cents)	— 基本(港仙)		6.68	8.68
— Diluted (HK cents)	— 攤薄(港仙)		6.68	N/A 不適用

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 MARCH 2019 於二零一九年三月三十一日

		Notes 附註	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	175,152	110,059
Prepaid lease payments	預付租賃付款	15	83,355	–
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及設備已付按金		2,315	1,607
Rental deposits	租賃按金		1,064	998
			261,886	112,664
Current assets	流動資產			
Inventories	存貨	16	186,623	195,273
Trade and other receivables	貿易及其他應收款項	17	197,755	277,325
Contract assets	合約資產	18	1,644	–
Prepaid lease payments	預付租賃付款	15	2,017	–
Tax recoverable	可收回稅項		583	–
Pledged bank deposits	已抵押銀行存款	19	16,260	18,021
Bank balances and cash	銀行結餘及現金	19	223,808	279,623
			628,690	770,242
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	20	286,084	364,684
Contract liabilities	合約負債	21	80	–
Tax payable	應付稅項		5,284	17,504
Unsecured bank borrowings	無抵押銀行借款	22	49,233	41,525
			340,681	423,713
Net current assets	流動資產淨值		288,009	346,529
Total assets less current liabilities	資產總值減流動負債		549,895	459,193
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	23	817	471
			549,078	458,722
Capital and reserves	資本及儲備			
Share capital	股本	24	18,400	18,400
Reserves	儲備		530,678	440,322
Total equity	權益總額		549,078	458,722

The consolidated financial statements on pages 113 to 207 were approved and authorised for issue by the Board of Directors on 21 June 2019 and are signed on its behalf by:

第113至207頁的綜合財務報表已獲董事會於二零一九年六月二十一日批准及授權刊發，並由下列人士代為簽署：

Cua Tin Yin Simon
柯天然
Executive Director
執行董事

Wong Chi Kuen
黃志權
Executive Director
執行董事

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	Share premium	PRC statutory reserve	Special reserve	Capital reserve	Share options reserve	Translation reserve	Accumulated profits	Total
		股本	股份溢價	中國法定儲備	特別儲備	資本儲備	購股權儲備	匯兌儲備	累計溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a)	(Note b)	(Note c)				
				(附註a)	(附註b)	(附註c)				
At 1 April 2017	於二零一七年四月一日	2,000	-	2,872	-	1,783	-	(644)	115,251	121,262
Profit for the year	年內溢利	-	-	-	-	-	-	-	132,120	132,120
Exchange differences on translating foreign operations and other comprehensive income for the year	海外業務匯率換算時出現的匯兌差額及年內其他全面收益	-	-	-	-	-	-	13,592	-	13,592
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	-	13,592	132,120	145,712
Effect of group reorganisation and issue of shares of a subsidiary	集團重組及一家附屬公司發行股份的影響	(1,923)	-	-	42,423	-	-	-	-	40,500
Effect of group reorganisation	集團重組的影響	(77)	146,680	-	(146,603)	-	-	-	-	-
Capitalisation issue	資本化發行	15,180	(15,180)	-	-	-	-	-	-	-
Issue of shares upon the Listing	於上市後發行股份	3,220	157,780	-	-	-	-	-	-	161,000
Capital contribution from ultimate holding company	來自最終控股公司的注資	-	-	-	-	7,324	-	-	-	7,324
Expenses incurred in connection with the issue of shares	就發行股份產生的開支	-	(17,359)	-	-	-	-	-	-	(17,359)
Early termination of financial guarantee contract (Note d)	提早終止財務擔保合約(附註d)	-	-	-	-	-	-	-	283	283
At 31 March 2018	於二零一八年三月三十一日	18,400	271,921	2,872	(104,180)	9,107	-	12,948	247,654	458,722
Adjustments due to adopting new standards (Note 2)	採納新準則導致之調整(附註2)	-	-	-	-	-	-	-	5,127	5,127
At 1 April 2018 (restated)	於二零一八年四月一日(重列)	18,400	271,921	2,872	(104,180)	9,107	-	12,948	252,781	463,849
Profit for the year	年內溢利	-	-	-	-	-	-	-	122,934	122,934
Exchange differences on translating foreign operations and other comprehensive expense for the year	海外業務匯率換算時出現的匯兌差額及年內其他全面開支	-	-	-	-	-	-	(4,712)	-	(4,712)
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	-	-	-	(4,712)	122,934	118,222
Dividends paid (Note 13)	已付股息(附註13)	-	-	-	-	-	-	-	(36,800)	(36,800)
Recognition of equity-settled share-based payments	按權益結算以股份為基礎的款項之確認	-	-	-	-	-	3,807	-	-	3,807
At 31 March 2019	於二零一九年三月三十一日	18,400	271,921	2,872	(104,180)	9,107	3,807	8,236	338,915	549,078

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

Notes:

- (a) The People's Republic of China ("PRC") statutory reserve is non-distributable and the transfer to this reserve is determined according to the relevant laws in the PRC and by the board of directors of the PRC subsidiary in accordance with the Articles of Association of the subsidiary. It can be used to make up for previous year's losses or convert into additional capital of the PRC subsidiaries of the Company.
- (b) The special reserve represents the difference between the net asset value of Time Interconnect Limited ("Time Interconnect HK") at the date of which it was acquired by Time Interconnect Investment Limited ("Time Investment") and the share capital of Time Interconnect HK pursuant to the group reorganisation in 2017.
- (c) The amounts represent (i) deemed capital contribution arising from waiver of current account by a fellow subsidiary, (ii) the cash reimbursed for partial listing expenses by the ultimate holding company upon public offer and placing.
- (d) The Group provided financial guarantees to banks to secure certain general banking facilities granted to ultimate holding company, the Group and certain fellow subsidiaries, the fair value of the financial guarantees was recognised as deemed distribution to the shareholders at initial recognition. During the year ended 31 March 2018, the Group early terminated a financial guarantee contract and a banking facility. The fair value of unamortised financial guarantee liability of HK\$283,000 the date of termination was credited to accumulated profits. The details of recognition and derecognition of the financial guarantees are set out in note 28.

附註：

- (a) 中華人民共和國(「中國」)法定儲備不可用作分派，而轉撥至此儲備的款項須按照中國相關法律及由中國附屬公司董事會根據該附屬公司的組織章程細則釐定。中國法定儲備可用於彌補上年度的虧損或轉撥為本公司中國附屬公司的額外資本。
- (b) 特別儲備為根據二零一七年集團重組，匯聚工業有限公司(「匯聚工業香港」)於被Time Interconnect Investment Limited(「Time Investment」)收購日期之資產淨值與匯聚工業香港之股本之差額。
- (c) 該金額指(i)受一家同系附屬公司豁免的往來賬目產生的視作資本出資，(ii)補償最終控股公司於公開發售及配售時作出的部分上市開支的現金。
- (d) 本集團向銀行提供財務擔保以擔保授予最終控股公司、本集團及若干同系附屬公司的若干一般銀行融資，財務擔保的公平值於初次確認時確認為視作向股東分派。於截至二零一八年三月三十一日止年度，本集團提早終止一份財務擔保合約及一項銀行融資。為數283,000港元的未攤銷財務擔保責任的公平值於終止日期計入累計溢利。確認及不再確認為財務擔保之詳情載於附註28。

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 HK\$'000 千港元	2018 HK\$'000 千港元
	Note 附註			
Cash flows from operating activities	經營活動產生的現金流量			
Profit before taxation	除稅前溢利		145,980	171,014
Adjustments for:	調整：			
Interest income	利息收入		(1,344)	(495)
Imputed financial guarantee income	推算財務擔保收入		-	(8,429)
Interest expense	利息開支		1,649	2,323
Depreciation of property, plant and equipment	物業、廠房及設備折舊		19,611	11,276
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備的收益		-	(442)
Write off of inventories	存貨撇銷		3,005	2,628
Release of prepaid lease payments	解除預付租賃付款		506	-
Share-based payments	以股份為基礎的付款		3,807	-
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量		173,214	177,875
Decrease (increase) in inventories	存貨減少(增加)		14,639	(58,490)
Decrease (increase) in trade and other receivables, rental deposits	貿易及其他應收款項以及租賃 按金減少(增加)		74,494	(31,743)
Decrease in contract assets	合約資產減少		12,429	-
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加		(103,289)	105,627
Decrease in contract liabilities	合約負債減少		(6)	-
Cash generated from operations	經營產生的現金		171,481	193,269
Hong Kong Profits Tax paid	已付香港利得稅		(22,491)	(7,761)
PRC Enterprise Income Tax paid	已付中國企業所得稅		(13,429)	(13,827)
Net cash generated from operating activities	經營活動產生的現金淨額		135,561	171,681
Cash flows from investing activities	投資活動產生的現金流量			
Acquisition of a subsidiary	收購一家附屬公司	31	(166,826)	-
Placement of pledged bank deposits	存放已抵押銀行存款		(35,393)	(33,442)
Purchase of property, plant and equipment	購買物業、廠房及設備		(13,320)	(9,777)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付 按金		(2,420)	(1,495)
Release of pledged bank deposits	解除已抵押銀行存款		36,013	25,079
Interest received	已收利息		1,344	495
Proceeds from disposal of property, plant and equipment	來自出售物業、廠房及設備的 所得款項		-	499
Net cash used in investing activities	投資活動所耗的現金淨額		(180,602)	(18,641)

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 HK\$'000 千港元	2018 HK\$'000 千港元
Cash flows from financing activities	融資活動產生的現金流量		
Bank borrowings raised	已籌集銀行借款	165,542	295,918
Repayment of bank borrowings	償還銀行借款	(157,834)	(333,545)
Dividend paid	已付股息	(36,800)	–
Interest paid	已付利息	(1,649)	(2,323)
Repayment to ultimate holding company	還款予最終控股公司	–	(93,819)
Expense on issue of shares	發行股份的開支	–	(17,359)
Proceeds from issue of shares	發行股份所得款項	–	161,000
Issue of shares of a subsidiary	一家附屬公司發行股份	–	40,500
Advance from ultimate holding company	來自最終控股公司的墊款	–	28,479
Capital contribution from ultimate holding company	來自最終控股公司的注資	–	7,324
Net cash (used in) from financing activities	融資活動(所耗)產生的現金淨額	(30,741)	86,175
Net (decrease) increase in cash and cash equivalents	現金及現金等價物的淨(減少)增加	(75,782)	239,215
Effect of foreign exchange rate changes	匯率變動的影響	19,967	(2,415)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	279,623	42,823
Cash and cash equivalents at end of the year, represented by bank balances and cash	年末現金及現金等價物 指銀行結餘及現金	223,808	279,623

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

Time Interconnect Technology Limited (the “Company”) is a limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The immediate holding company of the Company is Time Interconnect Holdings Limited (“Time Holdings”) which was incorporated in the British Virgin Islands (“BVI”). The ultimate holding company is Linkz Industries Limited, which was incorporated in Hong Kong. Its ultimate controlling shareholder is Mr. Lo Chung Wai Paul, who is also the non-executive director of the Company.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 33.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) while the functional currency of the Company is United States dollars (“US\$”). The reason for selecting HK\$ as the Company’s presentation currency is that the directors of the Company consider that it is more relevant to the users of the consolidated financial statements as the Company listed its shares on the Stock Exchange.

1. 一般資料

匯聚科技有限公司(「本公司」)為於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司的直接控股公司為Time Interconnect Holdings Limited(「Time Holdings」)，該公司於英屬處女群島(「英屬處女群島」)註冊成立。最終控股公司為領先工業有限公司，該公司於香港註冊成立。最終控股股東為羅仲煒先生，其亦為本公司之非執行董事。

本公司為一間投資控股公司。其主要附屬公司之主要業務載於附註33。

綜合財務報表以港元(「港元」)呈列，而本公司的功能貨幣為美元(「美元」)。選擇港元作為本公司呈列貨幣的原因為本公司董事認為對綜合財務報表的使用者更為相關，因為本公司將其股份於聯交所上市。

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

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

The Company and its subsidiaries (collectively referred to as the “Group”) have applied the following new and amendments to HKFRSs and interpretation issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) -Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 “Financial Instruments” with HKFRS 4 “Insurance Contracts”
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本年度強制生效的新訂及經修訂香港財務報告準則

本公司及其附屬公司(統稱「本集團」)於本年度首次應用以下由香港會計師公會(「香港會計師公會」)頒佈的新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收益及相關修訂
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及墊付代價
香港財務報告準則第2號修訂本	以股份為基礎之付款交易之分類及計量
香港財務報告準則第4號修訂本	採用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「金融工具」
香港會計準則第28號修訂本	作為香港財務報告準則於二零一四年至二零一六年週期的年度改進的一部分
香港會計準則第40號修訂本	轉讓投資物業

除下文所述者外，本年度應用新訂及經修訂香港財務報告準則及詮釋並未對本集團本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載之披露有重大影響。

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

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers”

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 April 2018. Any difference at the date of initial application is recognised in the opening accumulated profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 April 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 and HKAS 11 and the related interpretations.

The Group recognises revenue from sales of cable assembly products.

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in notes 5 and 3 respectively.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響已於二零一八年四月一日首次應用當日確認。於首次應用當日之任何差異於期初累計溢利(或適用的其他權益部分)確認，但並無重列可資比較資料。此外，根據香港財務報告準則第15號之過渡性條文，本集團僅選擇對二零一八年四月一日尚未完成之合約追溯應用該準則。因此，由於可資比較資料已根據香港會計準則第18號及香港會計準則第11號及相關詮釋編製，故若干可資比較資料未必可予比較。

本集團自銷售電線組件產品確認收益。

本集團應用香港財務報告準則第15號所導致的履約責任及會計政策的資料分別披露於附註5及3。

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15

The following table summarises the impact of transition to HKFRS 15 on accumulated profits at 1 April 2018:

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號之影響概述

下表概述於二零一八年四月一日過渡至香港財務報告準則第15號對累計溢利的影響：

			Impact of adopting HKFRS 15 at 1 April 2018
			於二零一八年 四月一日採用 香港財務報告準則 第15號的影響
		Note 附註	HK\$'000 千港元
			Increase (decrease) 增加(減少)
Accumulated profits	累計溢利		
Revenue from sales of cable assembly products recognised over time	隨時間確認的銷售電線組件產品 收益	(a)	14,073
Recognition of contract costs charged	確認的合約費用	(a)	(7,933)
Tax impact	稅項影響	(a)	(1,013)
Impact at 1 April 2018	於二零一八年四月一日的影響		<u>5,127</u>

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2018. Line items that were not affected by the changes have not been included.

Impacts on assets, liabilities and reserve as at 1 April 2018

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號之影響概述(續)

下列為於二零一八年四月一日對綜合財務狀況表確認的金額作出之調整。未有受變動影響的項目並無包括在內。

於二零一八年四月一日資產、負債及儲備的影響

			Carrying amount previously reported at 31 March 2018	Impacts of adopting HKFRS 15	Carrying amount under HKFRS 15 at 1 April 2018
			先前於二零一八年三月三十一日呈報的賬面值	採用香港財務報告準則第15號的影響	於二零一八年四月一日香港財務報告準則第15號下的賬面值
		Notes	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元
					(Restated) (重列)
Inventories	存貨	(a)	195,273	(7,933)	187,340
Contract assets	合約資產	(a)	–	14,073	14,073
Trade and other payables	貿易及其他應付款項	(b)	364,684	(86)	364,598
Contract liabilities	合約負債	(b)	–	86	86
Deferred tax liabilities	遞延稅項負債	(a)	471	1,013	1,484
Accumulated profits	累計溢利	(a)	247,654	5,127	252,781

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

The following table summarises the impact of applying HKFRS 15 on the Group’s consolidated statement of financial position as at 31 March 2019, consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows for the year ended 31 March 2019 for each of the line items affected. Line items that were not affected by the changes have not been included.

Impact on consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2019

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號之影響概述(續)

下表概述應用香港財務報告準則第15號對本集團於二零一九年三月三十一日的綜合財務狀況表、截至二零一九年三月三十一日止年度的綜合損益及其他全面收益表以及綜合現金流量表中各項目的影響。未有受變動影響的項目並無包括在內。

截至二零一九年三月三十一日止年度對綜合損益及其他全面收益表的影響

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

			As reported	Adjustments	Amounts without application of HKFRS 15
		Notes	所呈報	調整	未應用香港財務報告準則第15號
		附註	HK\$'000	HK\$'000	時的金額
			千港元	千港元	HK\$'000
					千港元
Revenue	收益	(a)	1,314,389	(1,644)	1,312,745
Cost of goods sold	貨品銷售成本	(a)	1,035,041	(865)	1,034,176
Taxation	稅項	(a)	23,046	(160)	22,886
Profit for the year	年內溢利	(a)	122,934	(619)	122,315
Total comprehensive income for the year	年內全面收益總額	(a)	118,222	(619)	117,603

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

Impact on the consolidated statement of financial position as at 31 March 2019

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號之影響概述(續)

於二零一九年三月三十一日對綜合財務狀況表的影響

			As reported	Adjustments	Amounts without application of HKFRS 15
		Notes	所呈報	調整	未應用
		附註	HK\$'000	HK\$'000	香港財務報告準則第15號
			千港元	千港元	時的金額
					HK\$'000
					千港元
Inventories	存貨	(a)	186,623	865	187,488
Contract assets	合約資產	(a)	1,644	(1,644)	-
Trade and other payables	貿易及其他應付款項	(b)	286,084	80	286,164
Contract liabilities	合約負債	(b)	80	(80)	-
Deferred tax liabilities	遞延稅項負債	(a)	817	(160)	657
Accumulated profits	累計溢利	(a)	338,915	(619)	338,296

Impacts on the consolidated statement of cash flows for the year ended 31 March 2019

截至二零一九年三月三十一日止年度對綜合現金流量表的影響

			As reported	Adjustments	Amounts without application of HKFRS 15
		Notes	所呈報	調整	未應用
		附註	HK\$'000	HK\$'000	香港財務報告準則第15號
			千港元	千港元	時的金額
					HK\$'000
					千港元
Operating activities	經營活動				
Profit before taxation	除稅前溢利	(a), (b)	145,980	5,361	151,341
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	(a), (b)	173,214	5,361	178,575
Decrease in inventories	存貨減少	(a), (b)	14,639	7,068	21,707
Decrease in contract assets	合約資產減少	(a), (b)	12,429	(12,429)	-
Decrease in trade and other payables	貿易及其他應付款項減少	(a), (b)	(103,289)	(6)	(103,295)
Decrease in contract liabilities	合約負債減少	(a), (b)	(6)	6	-

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

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

(continued)

HKFRS 15 “Revenue from Contracts with Customers” (continued)

Summary of effects arising from initial application of HKFRS 15 (continued)

Notes:

- (a) The Group’s contracts with certain customers for manufacturing of cable assembly products are tailor-made based on customers’ specification with no alternative use to the Group. Taking into account the contract terms, the legal and regulatory environment, certain of the contracts provide the Group enforceable right to payment for performance completed to date and hence should be recognised over time upon application of HKFRS 15. As at 1 April 2018, HK\$7,933,000, HK\$1,013,000 and HK\$5,127,000 have been adjusted from inventories, deferred tax liabilities and opening accumulated profits respectively with corresponding adjustment of HK\$14,073,000 to contract assets.

As at 31 March 2019, HK\$865,000, HK\$160,000 and HK\$619,000 would have been adjusted to inventories, deferred tax liabilities and accumulated profits, respectively with corresponding adjustment of HK\$1,644,000 to contract assets, and HK\$1,644,000, HK\$865,000, HK\$160,000 and HK\$619,000 would have been adjusted from revenue, cost of sales, taxation, profit for the year and total comprehensive income for the year respectively for the year ended 31 March 2019 without the application of HKFRS 15.

- (b) As at 1 April 2018, advances from customers of HK\$86,000 in respect of purchase orders of goods placed with the Group previously included in the trade and other payables were reclassified to contract liabilities as the Group has obligations to transfer goods or services to its customers for which the Group has received consideration from the customers.

As at 31 March 2019, advances from customers of HK\$80,000 included in trade and other payables would have been reclassified from contract liabilities without the application of HKFRS 15.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號「來自客戶合約之收益」(續)

初始應用香港財務報告準則第15號之影響概述(續)

附註：

- (a) 本集團與若干客戶訂立的電線組件產品製造合約乃根據客戶的規格而量身訂造，除本集團外並無其他用途。考慮到合約條款、法律及規管環境，就部分合約而言，本集團可強制執行其權利收回累計至今已完履約部份之款項，因此，於採用香港財務報告準則第15號後，收益隨時間確認。於二零一八年四月一日，7,933,000港元、1,013,000港元及5,127,000港元已分別自存貨、遞延稅項負債及期初累計溢利中調整，而14,073,000港元亦相應調整為合約資產。

於二零一九年三月三十一日，865,000港元、160,000港元及619,000港元早已分別調整為存貨、遞延稅項負債及累計溢利，而1,644,000港元亦相應調整為合約資產，截至二零一九年三月三十一日止年度，如未應用香港財務報告準則第15號，1,644,000港元、865,000港元、160,000港元及619,000港元早已分別自收益、銷售成本、稅項、年內溢利及年內全面收益總額中調整。

- (b) 於二零一八年四月一日，就向本集團作出的採購訂單而言，來自客戶的墊款86,000港元(先前包括於貿易及其他應付款項)已重新分類為合約負債，乃由於本集團已自客戶收取代價，並有義務向彼等提供商品或服務。

於二零一九年三月三十一日，來自客戶的墊款80,000港元(包括於貿易及其他應付款項)會在無應用香港財務報告準則第15號的情況下自合約負債中重新分類。

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

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

(continued)

HKFRS 9 “Financial Instruments” and the related amendments

In the current year, the Group has applied HKFRS 9 and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The difference between carrying amounts as at 31 March 2018 and the carrying amounts as at 1 April 2018 are recognised in the opening accumulated profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

Summary of effects arising from initial application of HKFRS 9

(a) Classification and measurement

The directors of the Company reviewed and assessed the Group’s financial assets and financial liabilities as at 1 April 2018 based on the facts and circumstances that existed at that date. All financial assets previously classified as loans and receivables are now classified as financial assets at amortised cost. There is no material impact on the measurement on the Group’s financial assets as at 1 April 2018.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號「金融工具」及相關修訂

於本年度，本集團已應用香港財務報告準則第9號及其他香港財務報告準則的相關相應修訂。香港財務報告準則第9號引入有關下列各項的新規定：1) 金融資產及金融負債的分類及計量，2) 金融資產的預期信貸虧損(「預期信貸虧損」)及3) 一般對沖會計處理。

本集團已根據香港財務報告準則第9號所載的過渡性條文應用香港財務報告準則第9號，即對於二零一八年四月一日(初始應用日期)尚未取消確認的工具追溯應用分類及計量規定(包括預期信貸虧損模式項下減值)，且未有對於二零一八年四月一日已經取消確認的工具應用該等規定。二零一八年三月三十一日的賬面值與二零一八年四月一日的賬面值之間的差異於期初累計溢利及其他權益部分中確認，並無重列可資比較資料。

由於可資比較資料乃按照香港會計準則第39號「金融工具：確認及計量」編製，因此，若干可資比較資料可能無法用作比較。

應用香港財務報告準則第9號所引致的會計政策於附註3披露。

初始應用香港財務報告準則第9號之影響概述

(a) 分類及計量

本公司董事根據於二零一八年四月一日存在之事實及情況，審閱及評估本集團於當日之金融資產及金融負債。先前分類為貸款及應收款項的所有金融資產現時分類為按攤銷成本計量的金融資產。於二零一八年四月一日對本集團之金融資產之計量概無重大影響。

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

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

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

(continued)

HKFRS 9 “Financial Instruments” and the related amendments (continued)

Summary of effects arising from initial application of HKFRS 9 (continued)

(b) Impairment under ECL model

As at 1 April 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed in note 3.

The Group has applied the HKFRS 9 simplified approach to measure ECL using a lifetime ECL for trade receivables, trade receivable from a fellow subsidiary and contract assets. To measure the ECL, the Group assessed individually for trade receivables, trade receivable from a fellow subsidiary and contract assets. ECL for other financial assets at amortised cost, including other receivables, pledged bank deposits and bank balances, are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

As at 1 April 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. No additional impairment allowance was recognised at 1 April 2018.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第9號「金融工具」及相關修訂(續)

初始應用香港財務報告準則第9號之影響概述(續)

(b) 預期信貸虧損模式項下減值

於二零一八年四月一日，本公司董事根據香港財務報告準則第9號的規定，使用無需付出過多成本或努力即可得的合理可靠的資料以審閱及評估本集團的現有金融資產是否減值。評估結果及其影響詳述於附註3。

本集團已應用香港財務報告準則第9號的簡化方式就貿易應收款項、應收同系附屬公司的貿易款項及合約資產使用全期預期信貸虧損計量預期信貸虧損。為計量預期信貸虧損，本集團就貿易應收款項、應收同系附屬公司的貿易款項及合約資產進行個別評估。由於信貸風險自初始確認以來並無大幅增加，故按攤銷成本計量的其他金融資產(包括其他應收款項、已抵押銀行存款及銀行結餘)的預期信貸虧損已根據12個月預期信貸虧損(「12個月預期信貸虧損」)基準進行評估。

於二零一八年四月一日，本公司董事根據香港財務報告準則第9號的規定，使用無需付出過多成本或努力即可得的合理可靠的資料以審閱及評估本集團的現有金融資產是否減值。於二零一八年四月一日，並無額外減值撥備獲確認。

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

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ²
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ¹
Amendments to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹

¹ Effective for annual periods beginning on or after 1 January 2019.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ 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.

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早採用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則及詮釋：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ²
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 ¹
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的年度改進 ¹
香港財務報告準則第3號修訂本	業務的定義 ⁴
香港財務報告準則第9號修訂本	提早還款特性及負補償 ¹
香港財務報告準則第10號及香港會計準則第28號修訂本	投資者與其聯營公司或合營企業之間之資產出售或注資 ³
香港會計準則第1號及香港會計準則第8號修訂本	重要的定義 ⁵
香港會計準則第19號修訂本	計劃修訂、縮減或結算 ¹
香港會計準則第28號修訂本	於聯營公司及合營企業的長期權益 ¹

¹ 於二零一九年一月一日或之後開始的年度期間生效。

² 於二零二一年一月一日或之後開始的年度期間生效。

³ 於待定期或之後開始的年度期間生效。

⁴ 適用於收購日期為二零二零年一月一日或之後開始的首個年度期間開始當日或之後進行的業務合併及資產收購。

⁵ 於二零二零年一月一日或之後開始的年度期間生效。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

Except for the new HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs and interpretation will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

除下文所述新訂香港財務報告準則外，本公司董事預期應用所有其他新訂香港財務報告準則及香港財務報告準則修訂本及詮釋將不會於可見將來對綜合財務報表造成重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入綜合模式。於香港財務報告準則第16號生效後，其將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號按客戶是否控制所識別資產以區分租賃及服務合約。此外，香港財務報告準則第16號要求根據香港財務報告準則第15號的規定就相關資產轉讓是否予以計為銷售釐定銷售及回租交易。香港財務報告準則第16號亦包括有關轉租及租賃修改的規定。

事項承租人會計處理中移除對經營租賃及融資租賃的區分，並以承租人須就所有租賃確認使用權資產及相應負債的模式取代，惟短期租賃及低價值資產租賃除外。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

HKFRS 16 "Leases" (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group, and upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

使用權資產初步按成本計量，其後按成本(受若干例外情況所規限)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按該日尚未支付的租賃付款現值計量。其後，租賃負債就利息及租賃付款以及(其中包括)租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將前期預付租賃付款呈列為有關自用租賃土地的投資現金流量，而其他經營租賃付款則呈列為經營現金流量。應用香港財務報告準則第16號，有關租賃負債的租賃付款將分配至本集團將呈列為融資現金流量的本金及利息部分，而前期預付租賃付款將繼續按合適的性質以投資或經營現金流量呈列。

根據香港會計準則第17號，本集團已就本集團為承租人的租賃土地確認預付租賃付款。應用香港財務報告準則第16號可能導致該等資產分類的潛在變動，其分類視乎本集團是否將使用權資產分開呈列或於相應有關資產(倘擁有)的同一項目內呈列。

除亦適用於出租人的若干規定外，香港財務報告準則第16號大致保留香港會計準則第17號的出租人會計處理方法的規定，及繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求更詳盡的披露資料。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

HKFRS 16 “Leases” (continued)

As at 31 March 2019, the Group has non-cancellable operating lease commitments of HK\$58,535,000 as disclosed in note 26. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of HK\$1,064,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) -Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) -Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening accumulated profits without restating comparative information.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

誠如附註26所披露，本集團於二零一九年三月三十一日擁有不可撤銷經營租賃承擔58,535,000港元。初步評估表明，該等安排符合租賃的定義。應用香港財務報告準則第16號時，本集團將就所有該等租賃確認使用權資產及相應負債，除非其符合低價值或短期租賃。

此外，本集團目前認為已支付的可退還租賃按金1,064,000港元為香港會計準則第17號適用的租賃權利及責任。根據香港財務報告準則第16號的租賃付款定義，該等按金並非與使用相關資產的權利相關的付款，因此，該等按金的賬面值可能會調整為攤銷成本。調整已支付的可退還租賃按金將被視為額外租賃付款並計入使用權資產的賬面值，而調整已收取的可退還租賃按金則被視為預付租賃付款。

應用新規定或會導致上述計量、呈列及披露變化。本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號並未識別為包括租賃之合約應用該準則。因此，本集團將不會重新評估合約是否為或包括於初始應用日期前已存在之租賃。此外，本集團(作為承租人)擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認初始應用對年初累計溢利的累計影響，而並無重列比較資料。

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

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgements. The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 April 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis and in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號修訂本「重要的定義」

修訂本透過就作出重要判斷提供額外指引及闡釋，完善重要性的定義。該等修訂本亦統一所有香港財務報告準則的定義，並將於本集團於二零二零年四月一日開始的年度期間強制生效。預期應用有關修訂本對本集團財務狀況及表現不會有重大影響，惟可能會影響綜合財務報表的呈列及披露。

3. 主要會計政策

綜合財務報表乃按照歷史成本法及以下與香港會計師公會頒佈之香港財務報告準則相符之會計政策編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

歷史成本一般根據為交換貨品及服務而付出代價之公平值計算。

公平值是於計量日市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否可直接觀察或使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮之資產或負債特點。綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟於香港財務報告準則第2號「以股份為基礎付款」範圍內之以股份為基礎之付款交易、於香港會計準則第17號「租賃」範圍內之租賃交易及與公平值類似但並非公平值之計量(如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」所用之使用價值)除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 主要會計政策(續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量之輸入數據對其整體重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體有能力於計量日評估的完全相同之資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為不包括第一級報價的資產或負債之可直接或間接觀察之輸入數據；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下：

綜合基準

綜合財務報表包括本公司及其所控制的實體(其附屬公司)之財務報表。倘屬以下情況，則本公司獲得控制權：

- 對被投資方擁有權力；
- 通過對被投資方之參與面臨可變回報之風險或取得可變回報之權利；及
- 有能力行使其權力以影響其回報。

倘有事實及情況顯示上列三項控制權條件之其中一項或多項有變，本集團會重新評估其是否控制被投資方。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party. The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period.

3. 主要會計政策 (續)

綜合基準 (續)

當本集團取得附屬公司之控制權，便將該附屬公司綜合入賬；當本集團失去附屬公司之控制權，便停止將該附屬公司綜合入賬。具體而言，年內收購或出售之附屬公司之收入及支出會於本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團對該附屬公司之控制權終止當日為止。

如有需要，附屬公司之財務報表會作出調整，以使其會計政策符合本集團的會計政策。

所有有關本集團各成員公司間之交易的集團內部公司間資產及負債、權益、收入、開支及現金流量會於綜合賬目時全數抵銷。

涉及受共同控制實體業務合併之合併會計法

綜合財務報表包括發生共同控制合併的合併實體或業務的財務報表項目，猶如自該等合併實體或業務首次受控制方控制日期起已進行合併。合併實體或業務的淨資產乃按控制方認為的現有賬面值綜合入賬。並無就收購方於被收購方可識別資產、負債及或然負債的公平淨值中的權益超出於共同控制合併時的成本的部分(以控制方持續擁有權益為限)確認任何商譽。

綜合損益及其他全面收益表包括自最早呈列日期起或自該等合併實體或業務首次受共同控制之日起(以期間較短者為準)合併各實體或業務的業績。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

3. 主要會計政策(續)

來自客戶合約的收益(根據附註2過渡應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於完成履約責任之時(或就此)確認收益，即於特定履約責任相關貨品或服務的「控制權」移交客戶時。

履約責任指特定的商品或服務(或一組商品或服務)或一系列大致相同的特定商品或服務。

如符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全履行相關履約責任的進展情況而隨時間確認：

- 本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生令本集團有替代用途的資產，且本集團對迄今已完成履約具有可強制執行的收取款項權利。

否則，收益於客戶取得特指商品或服務之控制權時確認。

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即只需待時間過去代價即須到期支付。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

A point in time revenue recognition

The revenue of the Group is recognised at a point in time except for revenue from certain sales, which are recognised over time. Under the transfer-of-control approach in HKFRS 15, revenue from certain sales of goods to the Group's customers in connection with the production of cable assembly products are recognised when the goods are physically passed to the customers, which is the point of time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods upon customer acceptance.

Over time revenue recognition

For certain sales of goods of the Group's customers in connection with the production of cable assembly products, revenue is recognised over the time when the performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date based on contract terms.

Input method

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's effects or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

3. 主要會計政策 (續)

來自客戶合約的收益(根據附註2過渡應用香港財務報告準則第15號後)(續)

合約負債指本集團就已向客戶收取的代價(或代價到期的金額)而承擔向該客戶轉讓貨品或服務的責任。

有關同一合約之合約資產及合約負債按淨額基準入賬及呈列。

收入確認之時間點

本集團之收益於某一時間點確認，惟自若干銷售產生的收益(隨時間確認)除外。根據香港財務報告準則第15號下的控制權轉移方法，來自向涉及生產電線組件產品的本集團客戶作出的若干銷售所帶來的收益於貨品實際轉讓予客戶時(當客戶有能力管理商品的使用並獲得該貨品的絕大部分剩餘利益的某個時間點)確認。

隨時間確認收益

就涉及生產電線組件產品的本集團客戶的若干銷售而言，根據合約條款當在履約過程中沒有設置對本集團而言有另類用途之資產，而本集團可強制執行其權利收回累計至今已完成履約部份之款項，收益隨時間確認。

投入法

完全履行履約責任的進度乃根據投入法計量，即根據本集團為履行履約責任的付出或投入相比履行有關履約責任的總預期投入而計算得出的已確認收益，有關方法最能說明本集團於轉讓商品或服務控制權的履約情況。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (prior to 1 April 2018)

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services rendered in the normal course of business, net of returns, discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Service income is recognised when services are provided.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Property, plant and equipment

Property, plant and equipment held for use in production of services, or for administrative purpose are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of assets less their residual values over their estimated useful lives, using the straight-line method or reducing balance method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

收益確認(二零一八年四月一日之前)

收益按已收或應收代價的公平值計量，乃指於日常業務過程中所售出貨品及所提供服務的應收款項，扣除退貨、折讓及銷售相關稅項。

收益於收益金額能夠可靠地計量時、當未來經濟利益很有可能流入本集團時及當本集團各項活動達至具體標準時確認(如下文所述)。

銷售貨品收益乃於貨品已交付及擁有權已轉移時確認。

服務收入於提供服務時確認。

利息收入以時間基準參照未償還本金並按適用的實際利率計算，實際利率乃將估計日後現金收入按金融資產的預期使用年期準確折現至該資產於初始確認時的賬面淨額的利率。

物業、廠房及設備

持有用於提供生產服務或行政目的的物業、廠房及設備按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

折舊乃按直線法或餘額遞減法於其估計可使用年期內確認，以撇銷該資產項目成本減其剩餘價值。於各報告期末檢討估計可使用年期、剩餘價值及折舊方法，而任何估計變動的影響按預期基準入賬。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時解除確認。物業、廠房及設備項目在出售或報廢時產生的任何收益或虧損，乃釐定為出售所得款項與有關資產賬面值的差額，並於損益中確認。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策 (續)

租賃

倘租賃條款將擁有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人

經營租賃付款於租賃期按直線法確認為開支。

租賃土地及樓宇

當本集團就同時包括租賃土地及樓宇部分之物業權益付款時，本集團會根據各部分所有權所附之絕大部分風險及回報是否已轉移至本集團之評估，分別將各部分分類為融資或經營租賃，除非兩個部分毫無疑問為經營租賃，於該情況下整項物業將入賬列為經營租賃。具體而言，全部代價(包括任何一次性預付款項)於初始確認時將按租賃權益相關的公平值，按比例在土地部分與樓宇部分間分配。

倘相關付款能可靠分配，則以經營租賃入賬之租賃土地權益於綜合財務狀況表中呈列為「預付租賃付款」，並於租期內以直線法攤銷。

政府補助

政府補助直至可合理確保本集團將遵守補助所附帶的條件及收取補助時方予以確認。

政府補助乃作為已發生的支出或虧損補償、或是以給予本集團即時財務援助為目的而發放，無未來相關成本，並在應收期間內於損益中確認。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

3. 主要會計政策(續)

研發開支

研究活動開支於其產生期間確認為開支。

開發活動(或內部項目開發階段)所產生之內部產生無形資產於及僅於展示以下各項後確認：

- 完成無形資產的技術可行性，使其將可供使用或出售；
- 完成並使用或出售無形資產之意向；
- 使用或出售無形資產之能力；
- 無形資產將產生可能之未來經濟利益之方式；
- 取得足夠技術、財務及其他資源以完成開發及使用或出售無形資產之可能性；及
- 可靠計算於無形資產開發期間其所應佔開支之能力。

內部產生無形資產初始確認之金額為自無形資產首次符合上述確認標準當日起所產生開支之總和。倘無內部產生無形資產可予確認，則開發開支於其產生期間於損益內確認。

於初始確認後，內部產生無形資產按與分開收購之無形資產所採用之相同基準，以成本減累計攤銷及累計減值虧損(如有)呈報。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 April 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 主要會計政策 (續)

存貨

存貨乃按成本與可變現淨值兩者中的較低者列賬。存貨成本乃採用先進先出法釐定。可變現淨值指存貨的估計售價減所有估計完工成本及成功出售所需的成本。

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方時確認。所有日常買賣之金融資產於交易日確認及取消確認。日常買賣指須根據市場規則或慣例訂立之時限內交收資產之金融資產買賣。

金融資產及金融負債最初按公平值計量，惟自二零一八年四月一日起初步根據香港財務報告準則第15號計量之來自客戶合約所產生之貿易應收款項除外。因收購或發行金融資產及金融負債而直接產生的交易成本於初始確認時於該項金融資產或金融負債的公平值中計入或扣除(如適用)。

實際利息法乃計算金融資產或金融負債的攤銷成本以及相關期間利息收入及利息開支分配的方法。實際利率乃於初始確認時按金融資產或金融負債的預計年期或適用的較短期間準確折現估計未來現金收入及付款(包括構成實際利率不可或缺部分的全部已付或已收費用、交易成本及其他溢價或折讓)至賬面淨額的利率。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss (“FVTPL”), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” applies.

3. 主要會計政策(續)

金融工具(續)

金融資產

金融資產的分類及其後計量(根據附註2過渡應用香港財務報告準則第9號後)

符合下列條件的金融資產其後按攤銷成本計量：

- 於目標為收取合約現金流量的業務模式持有的金融資產；及
- 合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償本金的利息的付款。

符合下列條件的金融資產其後按公平值計入其他全面收益(「公平值計入其他全面收益」)計量：

- 於藉收取合約現金流量及出售達到目標的業務模式內持有的金融資產；及
- 合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償本金的利息的付款。

所有其他金融資產其後按公平值計入損益(「公平值計入損益」)，惟倘權益投資並非持作買賣用途或獲收購公司根據香港財務報告準則第3號「業務合併」於業務合併中確認為或有代價，於首次應用／初始確認本集團金融資產當日可作出不可撤回選擇，於其他綜合收益呈列股本投資之其後公平值變動。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(根據附註2過渡應用香港財務報告準則第9號後)(續)

在下列情況下，金融資產則被分類為持作買賣：

- 收購之目的主要是在不久將來出售；或
- 於初始確認時構成本集團共同管理之已識別金融工具組合之一部分，並且具有最近實際短期獲利模式；或
- 其為非指定之衍生工具及可有效作為對沖工具。

此外，本集團可不可撤回地指定金融資產(按規定應以攤銷成本計量或以公平值計入其他全面收益)為以公平值計入損益，前提是此舉可消除或大幅減少會計錯配。

攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入運用實際利率法確認。利息收入透過應用實際利率於金融資產的總賬面值計算，其後已信貸減值的金融資產除外。就其後已信貸減值的金融資產而言，利息收入自下一報告期間起透過應用實際利率於金融資產的攤銷成本確認。倘已信貸減值的金融工具的信貸風險有所改善，繼而令金融資產不再信貸減值，利息收入則自釐定該資產並無信貸減值後的報告期間初起透過應用實際利率於金融資產的總賬面值確認。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables, pledged bank deposit, bank balances) and contract assets. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables, trade receivable from a fellow subsidiary and contract assets. The ECL on these assets is assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) *Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(根據附註2過渡應用香港財務報告準則第9號後)

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易及其他應收款項、已抵押銀行存款、銀行結餘)及合約資產確認預期信貸虧損的虧損撥備。預期信貸虧損的金額於各報告日期更新,以反映自初始確認後信貸風險的變化。

存續期預期信貸虧損指將相關工具的預期使用期內所有可能的違約事件產生之預期信貸虧損。相反,12個月預期信貸虧損指預期於報告日期後12個月內可能發生的違約事件導致之存續期預期信貸虧損部分。評估乃根據本集團的歷史信貸虧損經驗進行,並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況及對未來狀況預測的評估作出調整。

本集團始終就貿易應收款項、來自一家同系附屬公司的貿易應收款項及合約資產確認存續期預期信貸虧損。該等資產的預期信貸虧損進行獨立評估。

對於所有其他工具,本集團計量的虧損撥備等於12個月預期信貸虧損,除非自初始確認後信貸風險顯著增加,本集團確認存續期預期信貸虧損。是否應確認存續期預期信貸虧損的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加程度。

(i) *信貸風險大幅增加*

於評估信貸風險自初始確認以來有否大幅增加時,本集團比較金融工具於報告日期出現違約的風險與該金融工具於初始確認日期出現違約的風險。作此評估時,本集團會考慮合理並有理據支持的定量及定性資料,包括過往經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(根據附註2過渡應用香港財務報告準則第9號後)(續)

(i) 信貸風險大幅增加(續)

尤其是，評估信貸風險有否大幅增加時會考慮下列資料：

- 金融工具外界(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加，債務人的信貸違約掉期價大幅上升；
- 業務、財務或經濟狀況的現有或預測不利變動，預期將導致債務人履行其債務責任的能力大幅下降；
- 債務人經營業績的實際或預期重大惡化；
- 債務人監管、經濟或技術環境的實際或預期重大不利變動，導致債務人履行其債務責任的能力大幅下降。

不論上述評估結果，本集團假定，如合約付款逾期未付超過30天，則信貸風險自初始確認以來已大幅增加，惟本集團擁有合理並有證據支持的資料顯示情況並非如此，則作別論。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(根據附註2過渡應用香港財務報告準則第9號後)(續)

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，倘內部生成或自外部來源獲得的資料顯示債務人不太可能向其債權人(包括本集團)悉數付款，則發生違約事件。

儘管以上所述，本集團認為，倘金融資產逾期超過90天時則發生違約，除非本集團有合理可靠的資料證明較寬鬆的違約標準屬更合適則當別論。

(iii) 信貸減值的金融資產

當發生一項或多項對金融資產估計未來現金流量有不利影響的違約事件時，金融資產出現信貸減值。金融資產信貸減值的證據包括以下可觀察事件：

- (a) 發行人或借款人出現重大財政困難；
- (b) 違約，例如拖賬或逾期事項；
- (c) 借款人的放款人因與借款人出現財務困難有關之經濟或合約理由而給予借款人在其他情況下放款人不予考慮之優惠條件；
- (d) 借款人有可能破產或進行其他財務重組；或
- (e) 由於財務困難致使金融資產的活躍市場消失。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- nature of financial instruments;
- past-due status;
- nature, size and industry of debtors; and
- external credit ratings where available.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(根據附註2過渡應用香港財務報告準則第9號後)(續)

(iv) 撇銷政策

倘有資料顯示交易對手方陷入嚴重財務困難且無實際可收回之期望(如交易對手方已進行清盤或進入破產程序,或如屬貿易應收款項,該款項已逾期超過一年)(以較早發生者為準),本集團則撇銷金融資產。經考慮法律意見(如適用)後,已撇銷之金融資產仍可能受制於本集團收回程序下之執法活動。撇銷構成取消確認事件。其後的任何收回均在損益確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量依據為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率的依據是過往數據,並按前瞻性資料調整。預期信貸風險的估計反映不偏不倚及概率加權金額,以各自發生違約的風險為權重釐定。

一般而言,預期信貸虧損為根據合約應付本集團的所有訂約現金流量與本集團預計收取的現金流量(按於初始確認時釐定的實際利率貼現)之間的差額。

倘預期信貸虧損按整體基準計量或迎合個別工具層面證據未必存在之情況,則金融工具按以下基準歸類:

- 金融工具之性質
- 逾期狀況;
- 債務人之性質、規模及行業;及
- 外部信貸評級(如有)。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)

(v) Measurement and recognition of ECL (continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 April 2018)

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(根據附註2過渡應用香港財務報告準則第9號後)(續)

(v) 預期信貸虧損的計量及確認(續)

管理層定期檢討分組，以確保各組之組成具有類似之信貸風險特徵。

利息收入根據金融資產的賬面值總額計算，惟金融資產為信貸減值的情況除外，於此情況下，利息收入根據金融資產的攤銷成本計算。

本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟貿易應收款項除外，其相應調整乃透過虧損撥備賬確認。

金融資產的分類及其後計量(於二零一八年四月一日應用香港財務報告準則第9號前)

金融資產分類為貸款及應收款項。分類取決於金融資產的性質及目的，並於初始確認時釐定。

貸款及應收款項為於活躍市場並無報價的固定或可予釐定付款的非衍生金融資產。於初始確認後，貸款及應收款項(包括貿易及其他應收款項、已抵押銀行存款以及銀行結餘及現金)採用實際利息法，以攤銷成本減任何減值計量(見下文有關金融資產減值虧損的會計政策)。

利息收入乃應用實際利率確認，惟倘確認利息並不重大的短期應收款項除外。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018)

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimate future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值(於二零一八年四月一日應用香港財務報告準則第9號前)

金融資產於各報告期末評估是否有減值跡象。當有客觀證據顯示於金融資產初始確認後發生的一項或多項事件而導致估計未來現金流量受到影響，有關金融資產將被視為出現減值。

減值的客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，如未償還或拖欠支付利息或本金付款；或
- 借款人有可能陷入破產或財務重組。

就若干類別的金融資產(如貿易應收款項)而言，評估為非個別減值的資產亦按整體基準進行減值評估。應收款項組合出現減值的客觀證據包括本集團過往收款記錄、組合內超過平均信貸期的延期付款數目上升，以及國家或地區經濟狀況出現可觀察的變動導致應收款項未能償還。

就按攤銷成本列賬的金融資產而言，已確認減值虧損金額為資產賬面值與估計未來現金流的現值(以該金融資產的原實際利率折算)之間的差額。

金融資產的賬面值透過所有金融資產的減值虧損直接予以調減，惟貿易應收款項則除外，貿易應收款項的賬面值透過使用撥備賬予以調減。撥備賬的賬面值變動乃於損益確認。倘貿易應收款項被認為不可收回，則於撥備賬內撇銷。其後收回的先前已撇銷數額計入損益。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018) (continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date of the impairment loss is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by group entities are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and other payables and unsecured bank borrowings are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(於二零一八年四月一日應用香港財務報告準則第9號前)(續)

就按攤銷成本計量的金融資產而言，倘減值虧損額於隨後期間減少，且該減少與於確認減值虧損後所發生的事件存在客觀聯繫，則先前確認的減值虧損會於損益中撥回，惟於減值虧損被撥回當日該資產的賬面值不得超過倘無確認減值的已攤銷成本。

金融負債及權益工具

分類為債務或權益

債務及權益工具乃根據合約安排的實際性質及金融負債與權益工具的定義而被分類為金融負債或權益。

權益工具

權益工具乃證明本集團的資產於扣除所有負債後的剩餘權益的任何合約。集團實體發行的權益工具於收到所得款項時予以確認(扣除直接發行成本)。

實際利息法

實際利息法乃計算金融負債的攤銷成本以及相關期間利息開支分配的方法。實際利率乃於初始確認時按金融負債的預計年期或適用的較短期間準確折現估計未來現金付款(包括構成實際利率不可或缺部分的全部已付或已收費用及貼息、交易成本及其他溢價或折扣)至賬面淨額的利率。

利息開支按實際利息法確認。

金融負債

金融負債(包括貿易及其他應付款項及無抵押銀行借款)於其後採用實際利息法按攤銷成本計量。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

(Continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKFRS 9 (since 1 January 2018)/HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (before application of HKFRS 9 on 1 January 2018); and
- (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

財務擔保合約

財務擔保合約乃規定發行人在當某債務人未能按照某債務工具之條款在到期時付款而出現虧損時向持有人作出具體償付之合約。

本集團發行之財務擔保合約最初以其公平值計量，而倘非指定為按公平值計入損益，其後按以下列兩項之較高者計量：

- (i) 根據香港財務報告準則第9號(自二零一八年一月一日起)/香港會計準則第37號「撥備、或然負債及或然資產」(於二零一八年一月一日應用香港財務報告準則第9號前)釐定合約項下責任之金額；及
- (ii) 初始確認之金額減去於擔保期間確認之累計攤銷(如適用)的金額。

取消確認

本集團僅於資產收取現金流量的合約權利屆滿時，或向另一實體轉讓金融資產及資產擁有權絕大部分風險及回報時取消確認金融資產。

於取消確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價的總和間的差額，會於損益確認。

本集團只有在其責任獲免除、取消或屆滿時，方會取消確認金融負債。獲取消確認的金融負債的賬面值與已付及應付代價間的差額於損益確認。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generated unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generated unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generated unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generated unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策(續)

有形資產減值

於報告期末，本集團審閱其有形資產的賬面值，以確定有否任何跡象顯示該等資產蒙受減值虧損。倘存在任何有關跡象，則會估計有關資產的可收回金額，以決定減值虧損(如有)的程度。

有形資產的可收回金額個別估計。倘不可能個別估計可收回金額，本集團估計該資產所屬的現金產生單位的可收回金額。倘可識別合理一致的分配基準，公司資產亦會被分配至個別現金產生單位，否則會被分配至可識別合理一致的分配基準的最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值的較高者。評估使用價值時，估計未來現金流量按稅前折現率折現至其現值。該折現率反映現時市場對貨幣時間值及未調整未來現金流量估計的資產(或現金產生單位)特定風險的評估。

倘估計資產的可收回金額低於其賬面值，則資產(或現金產生單位)賬面值扣減至其可收回金額。減值虧損即時於損益確認。

倘若減值虧損於其後撥回，資產(或現金產生單位)之賬面值將調升至其經修訂之估計可收回金額，但增加後之賬面值不得超過倘若該資產(或現金產生單位)在過往年度並無確認減值虧損時原應確認之賬面值。減值虧損之撥回即時於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 MARCH 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment arrangements

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the date of grant. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 25.

The fair value of the equity-settled share-based payments determined at the date of grant without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)

以股份為基礎的付款安排

按權益結算以股份為基礎的付款交易

授予僱員的購股權

向僱員及其他提供類似服務的人士作出的按權益結算以股份為基礎的付款乃於授出日期按權益工具的公平值計量。有關釐定按權益結算以股份為基礎的付款交易的公平值之詳情載列於附註 25。

於授出日期釐定的按權益結算以股份為基礎的付款之公平值(不考慮所有非市場歸屬條件)乃根據本集團對最終歸屬股權工具的估計,於歸屬期內按直線法列支,並在權益(購股權儲備)內計入相應增額。於各報告期末,本集團會根據所有相關非市場歸屬條件的評估修訂預期歸屬股權工具的估計數目。修訂原有估計的影響(如有)將於損益內確認,令累計開支反應經修訂的估計,並相應調整購股權儲備。

於行使購股權之時,之前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日後失效或於屆滿日期仍未獲行使,之前在購股權儲備確認之款項將被轉撥至累計溢利。

外幣

於編製個別集團實體的財務報表時,以該實體功能貨幣以外的貨幣(外幣)進行的交易按交易日期現行的匯率以相關功能貨幣(即該實體經營所在主要經濟環境的貨幣)列賬。於報告期末,以外幣計算的貨幣項目,採用該日現行的匯率重新換算。以外幣按歷史成本計算的非貨幣項目則毋須重新換算。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits costs

Payments to government-managed retirement benefits schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

3. 主要會計政策(續)

外幣(續)

於結算及重新換算貨幣項目所產生的匯兌差額，於其產生期間在損益確認。

為呈列綜合財務報表，本集團海外營運的資產及負債均以各報告期末的現行匯率換算為本集團的呈列貨幣(即港元)，而收入及開支項目則以年度平均匯率進行換算。所產生的匯兌差額(如有)於其他全面收益確認並累計計入匯兌儲備項下的權益(按適用情況歸屬於非控股權益)。

借貸成本

收購、建造或生產合資格資產(指需要一段頗長時期籌備方能達致其擬定用途或出售)直接應佔的借貸成本計入該等資產的成本，直至該等資產已大致上可作其擬定用途或出售。

所有其他借貸成本於產生期間於損益確認。

退休福利成本

國家管理的退休福利計劃及強制性公積金計劃的付款乃於僱員已提供服務而有權享有該供款時確認。

短期僱員福利

短期僱員福利於僱員提供服務時就預計將支付福利的未折現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金)確認負債。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策 (續)

稅項

所得稅開支指當期應付稅項及遞延稅項之總和。

當期應付稅項乃根據年內的應課稅溢利計量。應課稅溢利與綜合損益及其他全面收益表中呈報的除稅前溢利不同，乃由於不包括其他年度的應課稅收入或可扣稅支出，且不包括毋須課稅及不可扣稅的項目。本集團當期稅項負債以報告期末已實施或實質上已實施之稅率計算。

遞延稅項根據綜合財務報表中資產及負債的賬面值與其用於計量應課稅溢利的相應稅基之間的暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。倘於可能有應課稅溢利可動用抵銷該等可扣稅的暫時差額時，則一般就所有可扣稅的暫時差額確認遞延稅項資產。如暫時差額源自對應課稅溢利及會計溢利皆無影響交易中其他資產及負債的初始確認，該等資產及負債將不予確認。

遞延稅項負債乃按於附屬公司之投資相關之應課稅暫時差額而確認，惟當本集團可控制暫時差額之撥回及暫時差額可能不會在可見將來撥回則除外。與該等投資有關可扣稅暫時差額產生之遞延稅項資產僅於可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回之情況方予以確認。

遞延稅項資產的賬面值於各報告期末進行審閱，並調減至不再可能具備足夠的應課稅溢利以收回該項資產的全部或任何部分為止。

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債乃以報告期末已實施或實質上已實施的稅率(及稅法)為基礎，根據於償還負債或變現資產期間預期適用的稅率計量。

遞延稅項負債及資產的計量反映倘按本集團預期於報告期末收回或結算其資產及負債賬面值計算的稅項後果。

當期及遞延稅項於損益確認，惟在其與其他全面收益或直接於權益內確認的項目有關的情況下，當期及遞延稅項亦會分別於其他全面收益或直接於權益內確認。

4. 估計不明朗因素之主要來源及關鍵會計判斷

於應用本集團之會計政策(於附註3陳述)時，本公司董事需對未能透過其他來源直接確定之資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他被視為相關之因素。實際結果可能有別於該等估計。

估計及相關假設乃按持續基準被審閱。如對會計估計之修訂僅影響進行修訂之期間，則於修訂估計的期間確認修訂，或如修訂同時影響目前及未來期間，則於修訂及未來期間確認。

應用會計政策的關鍵判斷

以下為董事於應用本集團會計政策過程中作出的關鍵判斷(涉及估計者(見下文)除外)，該等判斷對綜合財務報表內確認的金額造成非常重大影響。

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. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

(continued)

Critical judgement in applying accounting policies

(continued)

Deferred tax in respect of temporary differences attributable to the undistributed profits of subsidiaries in the People's Republic of China (the "PRC")

During the year ended 31 March 2019 and 2018, no deferred tax has been provided for the undistributed profits in the PRC subsidiaries amounting to HK\$156,423,000 (2018: HK\$103,054,000) as the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

Key sources of estimation uncertainty

The key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is described below.

Impairment assessment of trade receivables

The management of the Group estimates the amount of lifetime ECL of trade receivables based on individual assessment, after considering the financial background and the historical settlement records, including the past due dates and default rates of each trade receivable. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information. At every reporting date, the default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables is disclosed in note 35.

As at 31 March 2019 and 1 April 2018, the carrying amount of trade receivables is HK\$159,827,000 and HK\$234,264,000. Details of trade receivables are set out in note 17. No loss allowance was recognised for both years.

4. 估計不明朗因素之主要來源及關鍵會計判斷(續)

應用會計政策的關鍵判斷(續)

就中華人民共和國(「中國」)附屬公司未分派溢利應佔暫時差額的遞延稅項

截至二零一九年及二零一八年三月三十一日止年度，並無就中國附屬公司為數156,423,000港元(二零一八年：103,054,000港元)的未分派溢利做出遞延稅項撥備，乃由於本集團可控制暫時差額的撥回時間，且該等差額可能無法於可預見未來撥回。

估計不明朗因素之主要來源

以下為有關未來之主要假設及於報告期末之估計不明朗因素之其他主要來源，而該等來源會造成在下一個財政年度對資產及負債的賬面值作出重大調整的重大風險。

貿易應收款項的減值評估

本集團管理層經考慮財務背景及過往結算記錄(包括各項貿易應收款項的逾期日期及違約率)後，根據個別評估估計貿易應收款項的存續期預期信貸虧損金額。估計虧損率乃根據債務人於預期年期的過往可觀察違約率估計，並按前瞻性資料調整。於各報告日期，已重新評估違約率及考慮前瞻性資料的變動。

預期信貸虧損撥備對估計的變動敏感。有關預期信貸虧損及本集團貿易應收款項的資料於附註35披露。

於二零一九年三月三十一日及二零一八年四月一日，貿易應收款項的賬面值為159,827,000港元及234,264,000港元。貿易應收款項的詳情載於附註17。於兩個年度概無確認虧損撥備。

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. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

(continued)

Key sources of estimation uncertainty (continued)

Assessment of the net realisable value of inventories

Inventories are stated at the lower of cost and net realisable values. The management of the Group is required to exercise judgement in estimating the net realisable value with reference to the ageing analysis of inventories and recent or subsequent usages or sales of inventories. Where the expectation on net realisable value is lower than the cost for certain items, a write down of inventories may arise.

The carrying amount of inventories is HK\$186,623,000 (2018: HK\$195,273,000) for the year ended 31 March 2019. During the year ended 31 March 2019, obsolete inventories of HK\$3,005,000 (2018: HK\$2,628,000) are written off.

Estimated useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment as disclosed in note 14. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions.

Management will increase the depreciation charge where useful lives are expected to be shorter than estimated, or it will write-off or write-down obsolete assets that have been abandoned or sold. Change in these estimations may have a material impact on the results of the Group.

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable by the Group in respect of the manufacturing and sales of cable assembly products during the years ended 31 March 2019 and 2018. For the purposes of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive officer of the Company) reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies as set out in note 3. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

4. 估計不明朗因素之主要來源及關鍵會計判斷(續)

估計不明朗因素之主要來源(續)

存貨可變現淨值的評估

存貨以成本及可變現淨值的較低者列賬。經參考存貨賬齡分析及存貨近期或其後的使用或銷售，本集團管理層估計可變現淨值時須行使判斷。倘若預計可變現淨值低於若干項目的成本，可能出現存貨撇減。

於截至二零一九年三月三十一日止年度，存貨的賬面值為186,623,000港元(二零一八年：195,273,000港元)。截至二零一九年三月三十一日止年度，陳舊存貨撇銷為3,005,000港元(二零一八年：2,628,000港元)。

物業、廠房及設備之估計可使用年期

本集團管理層釐定其物業、廠房及設備之估計可使用年期及相關折舊開支(於附註14披露)。此等估計乃根據性質及功能相近之物業、廠房及設備之實際可使用年期之過往經驗為基礎。

倘預期可使用年期少於先前估計之年期，管理層將增加折舊開支；管理層亦將已棄置或出售之陳舊資產予以撇銷或撇減。此等估計之變動可能對本集團之業績產生重大影響。

5. 收益及分部資料

收益指本集團於截至二零一九年及二零一八年三月三十一日止年度內就電線組件產品的製造及銷售已收及應收款項的公平值。就資源分配及業績評估而言，主要經營決策者(即本公司行政總裁)審閱本集團的整體業績及財務狀況(按與附註3所載相同會計政策基準編製)。因此，本集團僅有單一經營分部，且並無呈列此單一分部的進一步分析。

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

5. REVENUE AND SEGMENT INFORMATION

(continued)

The revenue of the Group derives from manufacturing and sales of cable assembly products. The Group's revenue is fixed price and short term contracts.

The revenue of the Group is recognised at a point in time except for revenue from certain sales, which are recognised over time. Under the transfer-of-control approach in HKFRS 15, revenue from sales of goods to the Group's customers in connection with the production of cable assembly products are recognised when the goods are physically passed to the customers, which is the point of time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods upon customer acceptance. For certain sales, revenue is recognised over time when the performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Revenue from its major products

The following is an analysis of the Group's revenue from its major products:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Optical fibres	光纖	584,149	685,576
Copper	銅	730,240	552,798
		1,314,389	1,238,374

		2019 HK\$'000 千港元
Over time	隨時間	410,254
Point in time	於某一時間點	904,135
		1,314,389

5. 收益及分部資料(續)

本集團收益來自電線組件產品的製造及銷售。本集團收益為固定價格及短期合約。

本集團之收益於某一時間點確認，惟自若干銷售產生的收益(隨時間確認)除外。根據香港財務報告準則第15號下的控制權轉移方法，來自向涉及生產電線組件產品的本集團客戶作出的銷售所帶來的收益於貨品實際轉讓予客戶時(當客戶驗收後有能力管理商品的使用並獲得該貨品的絕大部分剩餘利益的某個時間點)確認。就若干銷售而言，當在履約過程中沒有設置對本集團而言有另類用途之資產，而本集團可強制執行其權利收回累計至今已完履約部份之款項，收益隨時間確認。

所有銷售合約乃於一年或以下的期間進行。按照香港財務報告準則第15號所允許，並無披露分配至該等未達成合約的交易價格。

主要產品所得收益

本集團自其主要產品所得收益的分析如下：

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

5. REVENUE AND SEGMENT INFORMATION

(continued)

Geographical Information

Information about the Group's revenue from external customers presented based on the geographical location of the base of the customers is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
People's Republic of China (the "PRC")	中華人民共和國(「中國」)	785,241	610,956
The United States of America	美國	287,002	370,871
Netherlands	荷蘭	178,274	142,809
Hong Kong	香港	24,133	32,072
Others	其他	39,739	81,666
		1,314,389	1,238,374

Information about the Group's non-current assets (excluding rental deposits) is presented based on the geographical location of the assets:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
PRC	中國	256,739	108,411
Hong Kong	香港	4,083	3,255
		260,822	111,666

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Customer A	客戶 A	410,254	487,680
Customer B	客戶 B	545,727	457,088

5. 收益及分部資料(續)

地理資料

有關本集團按照客戶基礎的地理位置呈列來自外部客戶的收益資料如下：

有關本集團的非流動資產(不包括租賃按金)的資料按資產的地理位置呈列：

有關主要客戶的資料

於相應年度之收益貢獻佔本集團總收益10%以上的客戶如下：

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

6. OTHER INCOME

6. 其他收入

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Bank interest income	銀行利息收入	1,344	495
Bad debt recovery	壞賬收回	483	–
Government grants (Note)	政府補助(附註)	1,133	532
Compensation from insurance	保險補償金	1,831	–
Compensation from customers	客戶補償金	–	502
Others	其他	53	93
		4,844	1,622

Note: Government grants represent export and other incentive payments received by the Group from relevant government departments. There are no unfulfilled conditions attached to these grants.

附註：政府補助指本集團從相關政府部門收取的出口及其他獎勵款項。有關補助並無未履行的附加條件。

7. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Net foreign exchange (loss) gain	外匯(虧損)收益淨額	(9,786)	9,719
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	–	442
		(9,786)	10,161

8. FINANCE COSTS

8. 融資成本

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Interest on bank borrowings	銀行借款利息	1,649	2,323

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. PROFIT BEFORE TAXATION

9. 除稅前溢利

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利經扣除以下達致：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,611	11,276
Less: included in cost of goods sold	減：包含於售出貨品成本內	(14,205)	(7,237)
Less: included in research and development expenses	減：包含於研發開支	(2,038)	(2,087)
		3,368	1,952
Directors' emoluments (note 10)	董事酬金(附註10)	10,590	6,121
Other staff costs	其他員工成本	174,665	136,057
Retirement benefits schemes contributions for other staff	其他員工的退休福利計劃供款	13,677	14,570
Share-based payment for other staff	其他員工以股份為基礎的付款	2,625	-
Total staff costs	員工成本總額	201,557	156,748
Less: included in cost of goods sold	減：包含於售出貨品成本內	(136,129)	(115,413)
Less: included in research and development expenses	減：包含於研發開支內	(25,386)	(19,294)
		40,042	22,041
Auditor's remuneration	核數師酬金	1,542	1,505
Cost of inventories recognised as expense	確認為開支的存貨成本	1,035,041	965,379
Release of prepaid lease payments	解除預付租賃付款	506	-
Research and development expenses	研發開支	45,672	40,909
Written off of inventories	存貨撇銷	3,005	2,628

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

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(A) Directors' emoluments

Mr. Cua Tin Yin Simon and Mr. Wong Chi Kuen were appointed as directors of the Company on 15 June 2017 and re-designated as executive directors of the Company on 10 July 2017. Mr. Paul Lo was appointed as a director of the Company on 15 June 2017 and re-designated as a non-executive director of the Company on 10 July 2017. The independent non-executive directors were appointed by the Company on 24 January 2018. The emoluments paid or payable to these directors of the Company (including emoluments for services as employee/director of the group entities prior to becoming directors of the Company) are as follows:

10. 董事、總裁及僱員酬金

(A) 董事酬金

柯天然先生及黃志權先生於二零一七年六月十五日獲委任為本公司董事，並於二零一七年七月十日調任為本公司執行董事。羅仲煒先生於二零一七年六月十五日獲委任為本公司董事，並於二零一七年七月十日調任為本公司非執行董事。獨立非執行董事於二零一八年一月二十四日獲本公司委任。已付或應付本公司董事之酬金(包括彼等成為本公司董事前擔任集團實體的僱員/董事的服務酬金)載列如下：

		Fees	Salaries and allowances	Performance related incentive payment	Equity-settled share option expenses	Retirement benefit schemes contributions	Total
		袍金	薪金及津貼	表現相關獎金	按權益結算的購股權開支	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
For the year ended	截至二零一九年						
31 March 2019	三月三十一日止年度						
<i>Executive directors:</i>	<i>執行董事：</i>						
Mr. Cua Tin Yin Simon	柯天然先生	-	2,600	2,288	454	120	5,462
Mr. Wong Chi Kuen	黃志權先生	-	2,080	1,144	412	96	3,732
<i>Non-executive director:</i>	<i>非執行董事：</i>						
Mr. Paul Lo	羅仲煒先生	360	-	-	79	-	439
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>						
Mr. Ho Hin Shun	何顯信先生	240	-	-	79	-	319
Mr. Luk Wai Shing	陸偉成先生	240	-	-	79	-	319
Mr. Chan Chung Shun Eric	陳忠信先生	240	-	-	79	-	319
		1,080	4,680	3,432	1,182	216	10,590

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

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(A) Directors' emoluments (continued)

		Fees	Salaries and allowances	Performance related incentive payment	Equity-settled share option expenses	Retirement benefit schemes contributions	Total
		袍金	薪金及津貼	表現相關獎金	按權益結算的購股權開支	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
For the year ended	截至二零一八年						
31 March 2018	三月三十一日止年度						
<i>Executive directors:</i>	<i>執行董事:</i>						
Mr. Cua Tin Yin Simon	柯天然先生	-	1,200	2,288	-	55	3,543
Mr. Wong Chi Kuen	黃志權先生	-	1,167	1,144	-	54	2,365
<i>Non-executive director:</i>	<i>非執行董事:</i>						
Mr. Paul Lo	羅仲煒先生	120	-	-	-	-	120
<i>Independent non-executive directors:</i>	<i>獨立非執行董事:</i>						
Mr. Ho Hin Shun	何顯信先生	31	-	-	-	-	31
Mr. Luk Wai Shing	陸偉成先生	31	-	-	-	-	31
Mr. Chan Chung Shun Eric	陳忠信先生	31	-	-	-	-	31
		213	2,367	3,432	-	109	6,121

Mr. Cua Tin Yin Simon was also appointed as the chief executive officer of the Company on 10 July 2017.

The executive directors' emoluments shown above were for their services in connection with the management of affairs of the Group. The emoluments of non-executive director and independent non-executive directors shown above were for their services as directors of the Company.

The performance related incentive payment is determined with reference to the operating results and individual performance.

11. 董事、總裁及僱員酬金 (續)

(A) 董事酬金 (續)

柯天然先生亦於二零一七年七月十日獲委任為本公司行政總裁。

上述所列執行董事酬金乃為其管理本集團事務有關之服務薪酬。上文所示非執行董事及獨立非執行董事的薪酬為彼等擔任本公司董事的服務酬金。

表現相關獎金參考經營業績及個人表現而釐定。

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

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(B) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, 2 (2018: 2) were directors and the chief executives of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining 3 (2018: 3) individuals were as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	3,651	1,933
Performance related bonus	表現相關花紅	1,240	1,020
Equity-settled share option expenses	按權益結算的購股權開支	457	-
Retirement benefits schemes contributions	退休福利計劃供款	152	145
		5,500	3,098

The performance related bonus is determined with reference to the operating results and individual performance.

The number of the five highest paid employees who are not the directors nor the chief executives of the Company whose emoluments fell within the following bands are as follows:

		Number of individuals 人數	
		2019	2018
Nil to HK\$1,000,000	零至 1,000,000 港元	-	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	-	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	2	-
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	-
		3	3

10. 董事、總裁及僱員酬金(續)

(B) 僱員酬金

本集團五名最高薪酬人士中，兩名(二零一八年：兩名)為本公司董事及總裁(彼等之薪酬包含於上述披露中)。其餘三名(二零一八年：三名)人士的酬金如下：

表現相關花紅乃參考經營業績及個人表現而釐定。

非本公司董事或總裁的五名最高薪酬僱員，其酬金介乎下列範疇內：

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

10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

(B) Employees' emoluments (continued)

No emoluments were paid by the Group to the directors of the Company and the chief executives of the Group or the five highest paid individuals (including directors, chief executives and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company nor the chief executives of the Group waived any emoluments during the year.

11. TAXATION

Current tax	即期稅項
Hong Kong Profits Tax	香港利得稅
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)
Overprovision of tax in prior years:	於過往年度稅項超額撥備：
PRC EIT	中國企業所得稅
Deferred taxation (credit) charge (note 23)	遞延稅項(抵免)支出 (附註23)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

10. 董事、總裁及僱員酬金(續)

(B) 僱員酬金(續)

本集團並無向本公司董事及本集團總裁或五名最高薪人士(包括董事、總裁及僱員)支付任何酬金作為加入本集團或在加入本集團時的獎勵或離職補償。於本年度，概無本公司董事或本集團總裁放棄任何薪酬。

11. 稅項

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
	11,658	16,291
	15,817	22,403
	27,475	38,694
	(3,762)	—
	(667)	200
	23,046	38,894

於兩個年度，香港利得稅按估計應課稅溢利的16.5%計算。

根據中國企業所得稅法(「企業所得稅法」)及其實施細則，中國附屬公司的稅率為25%。

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

11. TAXATION (continued)

According to relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2008 onwards, enterprises engaging in research and development activities are entitled to claim an additional 75% for the year ended 31 December 2017 of their research and development expense so incurred as tax deductible expenses when determining their assessable profits for that year ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits for the year ended.

Taxation for the year can be reconciled to the profit before taxation per consolidated statement of profit or loss and other comprehensive income as follows:

11. 稅項(續)

根據中國國家稅務局頒佈的自二零零八年起生效的相關法律及法規，從事研發活動的企業於釐定年度應課稅溢利時，有權要求將其截至二零一七年十二月三十一日止年度產生的研發開支的額外75%列作可扣稅開支(「超額抵扣」)。本集團已就本集團實體可要求的超額抵扣作出最佳估計，以確定截至有關日期止年度的應課稅溢利。

年度稅項可與綜合損益及其他全面收益表的除稅前溢利對賬如下：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Profit before taxation	除稅前溢利	145,980	171,014
Tax charge of Hong Kong Profits Tax at 16.5%	按16.5%稅率計算的香港利得稅支出	24,087	28,217
Tax effect of expenses not deductible for tax purposes	就稅務目的不可扣稅開支的稅務影響	1,243	4,748
Tax effect of income not taxable for tax purposes	就稅務目的毋須課稅收入的稅務影響	(142)	(1,392)
Tax effect of utilisation of tax losses not recognised	動用並無確認的稅項虧損的稅務影響	(13)	-
Effect of different tax rates of subsidiaries in jurisdictions other than Hong Kong	香港以外司法權區的附屬公司之不同稅率的稅務影響	7,159	7,458
Overprovision in respect of prior years	過往年度超額撥備	(3,762)	-
Super Deduction for research and development expenses	研發開支的超額抵扣	(5,554)	-
Others	其他	28	(137)
Taxation for the year	年度稅項	23,046	38,894

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

12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

12. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按下列數據計算：

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Earnings for the purposes of calculating basic earnings per share (profit for the year)	用以計算每股基本盈利的盈利 (年內溢利)	122,934	132,120
Earnings for the purposes of calculating diluted earnings per share	用以計算每股攤薄盈利的盈利	122,934	N/A 不適用
		Number of shares 股份數目	
		2019 '000 千股	2018 '000 千股
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的 普通股加權平均股份數目	1,840,000	1,522,407
Effect of dilutive potential ordinary shares: – Share options	潛在攤薄普通股的影響： – 購股權	1,143	N/A 不適用
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	用以計算每股攤薄盈利的普通股 加權平均股份數目	1,841,143	N/A 不適用

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

12. EARNINGS PER SHARE (Continued)

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the year ended 31 March 2018 had been determined on the assumption that the group reorganisation and the capitalisation issue (as defined in note 24) had been effective from 1 April 2017.

No diluted earnings per share for the year ended 31 March 2018 was presented as there were no potential ordinary shares in issue for 2018.

12. 每股盈利(續)

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之普通股加權平均股份數目乃基於假設集團重組及資本化發行(定義見附註24)自二零一七年四月一日起已生效。

由於於二零一八年概無潛在已發行普通股，故截至二零一八年三月三十一日止年度概無呈列每股攤薄盈利。

13. DIVIDENDS

13. 股息

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Dividends recognised as distribution during the year:	於年內確認為分派的股息：		
2018 final dividend – HK1 cent per ordinary share	二零一八年末期股息 — 每股普通股 1 港仙	18,400	—
2019 interim dividend – HK1 cent per ordinary share	二零一九年中期股息 — 每股普通股 1 港仙	18,400	—
		36,800	—

On 21 June 2019, a final dividend of HK2 cents per ordinary share in respect of the year ended 31 March 2019, totalling HK\$36,800,000 has been proposed by the board of directors of the Company. The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

於二零一九年六月二十一日，本公司董事會建議就截至二零一九年三月三十一日止年度派發末期股息每股普通股2港仙，總額為36,800,000港元。末期股息須待本公司股東於應屆股東週年大會上批准。

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

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Building	Leasehold improvements	Plant and machinery	Tools and moulds	Furniture, fixtures and equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	廠房及機器	工具及模具	傢俬、裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本							
At 1 April 2017	於二零一七年四月一日	-	87,571	35,333	12,787	17,538	2,031	155,260
Currency realignment	貨幣調整	-	9,295	3,613	1,410	2,145	160	16,623
Additions	添置	-	849	3,385	861	5,057	1,170	11,322
Disposals/write off	出售/撇銷	-	(9,795)	-	-	(357)	(791)	(10,943)
At 31 March 2018	於二零一八年三月三十一日	-	87,920	42,331	15,058	24,383	2,570	172,262
Currency realignment	貨幣調整	1,261	(5,579)	(2,481)	(958)	(1,583)	(108)	(9,448)
Additions	添置	-	727	3,783	777	9,168	1,307	15,762
Acquisition of a subsidiary (note 31)	收購一家附屬公司 (附註31)	74,437	-	-	-	-	-	74,437
At 31 March 2019	於二零一九年三月三十一日	75,698	83,068	43,633	14,877	31,968	3,769	253,013
ACCUMULATED DEPRECIATION	累計折舊							
At 1 April 2017	於二零一七年四月一日	-	29,309	9,863	5,387	9,394	1,499	55,452
Currency realignment	貨幣調整	-	3,411	1,104	648	1,099	99	6,361
Provided for the year	年度撥備	-	5,870	1,857	1,235	2,049	265	11,276
Eliminated on disposals/write off	出售/撇銷時撇除	-	(9,795)	-	-	(321)	(770)	(10,886)
At 31 March 2018	於二零一八年三月三十一日	-	28,795	12,824	7,270	12,221	1,093	62,203
Currency realignment	貨幣調整	-	(1,873)	(758)	(466)	(790)	(66)	(3,953)
Provided for the year	年度撥備	445	11,792	1,961	1,304	3,615	494	19,611
At 31 March 2019	於二零一九年三月三十一日	445	38,714	14,027	8,108	15,046	1,521	77,861
CARRYING VALUES	賬面值							
At 31 March 2019	於二零一九年三月三十一日	75,253	44,354	29,606	6,769	16,922	2,248	175,152
At 31 March 2018	於二零一八年三月三十一日	-	59,125	29,507	7,788	12,162	1,477	110,059

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

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation is provided to write off the cost of items of property, plant and equipment, using straight-line method or reducing balance method over the following useful lives:

Straight-line method:

Building	Over remaining term of lease
Leasehold improvements	Over the shorter of the term of the lease or 10 years (2018: 15 years)
Tools and moulds	5–10 years
Furniture, fixtures and equipment	5–10 years
Motor vehicles	5 years

Reducing balance method:

Plant and machinery	10–15 years
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Note: During the year ended 31 March 2019, the directors of the Company reviewed the estimated useful life of the leasehold improvements and considered the average original estimated useful life of the leasehold improvements have been changed from 15 years to 10 years. The effect of change in estimated useful life of the leasehold improvements are accounted for on a prospective basis and is recognised as additional depreciation expense of approximately HK\$5,843,000 in the current year.

15. PREPAID LEASE PAYMENTS

		HK\$'000 千港元
Land use rights situated in PRC	位於中國的土地使用權	
At 1 April 2018	於二零一八年四月一日	–
Currency realignment	貨幣調整	1,433
Acquisition of a subsidiary (note 31)	收購一家附屬公司(附註31)	84,445
Released to profit or loss	撥至損益	(506)
At 31 March 2019	於二零一九年三月三十一日	85,372
Analysed for reporting purposes as:	就呈報目的作出的分析:	
Non-current assets	非流動資產	83,355
Current assets	流動資產	2,017
		85,372

The prepaid lease payments are amortised using straight-line method over the remaining term of lease.

14. 物業、廠房及設備(續)

就物業、廠房及設備項目按照以下可使用年期以直線法或餘額遞減法撇銷其成本計提折舊:

直線法:

樓宇	餘下租期
租賃物業裝修	租期或10年(二零一八年: 15年)(以較短者為準)
工具及模具	5至10年
傢俬、裝置及設備	5至10年
汽車	5年

餘額遞減法:

廠房及機器	10至15年
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附註: 截至二零一九年三月三十一日止年度, 本公司董事審閱租賃物業裝修的估計可使用年期, 並認為租賃物業裝修原本的平均估計可使用年期已由15年變為10年。本年度, 租賃物業裝修的估計可使用年期變動的影響按前瞻性基準入賬並確認為額外折舊開支約5,843,000港元。

15. 預付租賃付款

預付租賃付款於餘下租期使用直線法攤銷。

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

16. INVENTORIES

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原材料	90,283	81,746
Work in progress	在製品	15,612	29,849
Finished goods	製成品	80,728	83,678
		186,623	195,273

16. 存貨

17. TRADE AND OTHER RECEIVABLES

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	貿易應收款項	159,827	234,264
Trade receivable from a fellow subsidiary	應收同系附屬公司的貿易款項	800	3,428
Bills receivables	應收票據	3,575	-
Trade and bills receivables	貿易應收款項及應收票據	164,202	237,692
Value added tax receivables	應收增值稅	29,014	35,680
Other receivables	其他應收款項	472	623
Deposits and prepayments	按金及預付款項	4,067	3,330
Deposits, prepayments and other receivables	按金、預付款項及其他應收款	33,553	39,633
Trade and other receivables	貿易及其他應收款項	197,755	277,325

17. 貿易及其他應收款項

The Group allows an average credit period of ranging from 30 days to 120 days to its trade customers. Before accepting any new customers, the Group will internally assess the credit quality of the potential customers and define appropriate credit limits. The ageing analysis of trade and bills receivables, based on invoice date which approximates revenue recognition date, at the end of the reporting period is as follows:

本集團給予其貿易客戶之平均信貸期介乎30日至120日。在接納任何新客戶之前，本集團將對潛在客戶之信貸質素作內部評估，並釐訂合適信貸限額。貿易應收款項及應收票據於報告期末按發票日期（與收益確認日期相若）進行之賬齡分析如下：

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
0-30 days	0至30日	108,740	127,914
31-60 days	31至60日	21,661	37,658
61-90 days	61至90日	23,887	55,370
91-180 days	91至180日	9,914	16,750
		164,202	237,692

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

17. TRADE AND OTHER RECEIVABLES (continued)

At 31 March 2019, included in the Group's trade receivable balances are trade receivables of HK\$15,306,000 which are past due at the end of the reporting period. An amount of HK\$420,000 has been past due 90 days or more and is not considered as in default based on financial information available in the market, creditability and good repayment records of those customers. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables for the year ended 31 March 2019 are set out in note 35.

Before the application of HKFRS 9 on 1 April 2018, in determining the recoverability of the trade receivables, the Group monitors change in the credit quality of the trade receivables since the credit was granted and up to the end of the reporting period. The trade receivables that are past due but not impaired at the end of the reporting period were either subsequently settled or had no historical default of payments and the directors of the Company believe that no impairment is required.

At 31 March 2018, included in the Group's trade receivable balances are trade receivables of HK\$20,879,000 which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

17. 貿易及其他應收款項(續)

於二零一九年三月三十一日，包含於本集團之貿易應收款項結餘的15,306,000港元貿易應收款項於報告期末已逾期。為數420,000港元的款項已逾期90天或以上，根據於市場上可得的財務資料、信譽及該等客戶的良好還款記錄，該款項不視為違約。本集團概無就該等結餘持有任何抵押品。

截至二零一九年三月三十一日止年度貿易及其他應收款項的減值評估詳情載於附註35。

於二零一八年四月一日應用香港財務報告準則第9號前，於釐定貿易應收款項的可收回性時，本集團監察自授出信貸起至報告期末的貿易應收款項的信貸質素變動。於報告期末，已逾期但未減值之貿易應收款項其後已清償或無拖欠過往付款，故本公司董事認為毋須作出減值。

於二零一八年三月三十一日，包含於本集團之貿易應收款項結餘的20,879,000港元貿易應收款項於報告期末已逾期，而本集團並無就其減值虧損作出撥備。本集團概無就該等結餘持有任何抵押品。

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

17. TRADE AND OTHER RECEIVABLES (continued)

The following is an ageing analysis of trade receivables, which are past due but not impaired:

		2018 HK\$'000 千港元
Overdue by:	逾期：	
0–30 days	0至30日	17,683
31–60 days	31至60日	3,023
61–90 days	61至90日	173
		<u>20,879</u>

Included in trade and other receivables are the following amounts denominated in currencies other than functional currencies of the respective group entities:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Euro	歐元	<u>1,219</u>	1,794

18. CONTRACT ASSETS

The contract assets from sales of cable assembly to a customer primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are transferred to trade receivables before the date of report when the rights become unconditional.

The significant decrease in the current year is the result of the decrease in purchase order from the customer as at year ended 31 March 2019.

17. 貿易及其他應收款項(續)

以下為已逾期但並未減值之貿易應收款項之賬齡分析：

		2018 HK\$'000 千港元
Overdue by:	逾期：	
0–30 days	0至30日	17,683
31–60 days	31至60日	3,023
61–90 days	61至90日	173
		<u>20,879</u>

除有關集團實體之功能貨幣外，貿易及其他應收款項包括以下貨幣列值之金額：

18. 合約資產

向客戶銷售電線組件的合約資產主要指本集團收取已竣工而尚未收款的工程代價的權利，原因是該等權利乃以本集團未來表現為條件。合約資產於該等權利成為無條件時，於報告日期前轉撥至貿易應收款項。

本年度合約資產大幅減少乃由於截至二零一九年三月三十一日止年度客戶採購訂單減少所致。

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

19. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

At 31 March 2019, pledged bank deposits represent deposits placed in a bank to secure general banking facilities granted to the Group and carry fixed interest rate of 0.3% (2018: 0.3%) per annum.

At 31 March 2019, bank balances carry interest at prevailing market rates ranging from 0.01% to 2.10% (2018: 0.01% to 1.15%) per annum.

Included in bank balances and cash are the following amounts denominated in currencies other than functional currencies of the respective group entities:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Renminbi ("RMB")	人民幣(「人民幣」)	410	2,922
HK\$	港元	40,038	190,778
Euro	歐元	432	3,052
Japanese Yen ("JPY")	日圓(「日圓」)	1	1

20. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項	201,519	267,141
Trade payables to fellow subsidiaries	應付同系附屬公司的貿易款項	239	1,069
Bills payables	應付票據	54,201	60,071
Trade and bills payables	貿易應付款項及應付票據	255,959	328,281
Other payables	其他應付款項	5,667	6,294
Rental payable to a related company (Note)	應付一家關聯公司的租金(附註)	41	-
Salaries and staff related costs payables	薪金及員工相關成本應付款項	15,740	23,722
Accrued charges	應計費用	8,677	6,387
Accruals and other payables	應計款項及其他應付款項	30,125	36,403
Trade and other payables	貿易及其他應付款項	286,084	364,684

Note: Mr. Paul Lo, a non-executive director of the Company is the controlling shareholder of the related company.

The average credit period of trade payables ranges from 30 days to 120 days.

19. 已抵押銀行存款／銀行結餘及現金

於二零一九年三月三十一日，已抵押銀行存款指存放於銀行以獲取授予本集團之一般銀行信貸之存款，並按年息0.3%（二零一八年：0.3%）之固定利率計息。

於二零一九年三月三十一日，銀行結餘按年息介乎0.01%至2.10%（二零一八年：0.01%至1.15%）之現行市場利率計息。

除有關集團實體之功能貨幣外，銀行結餘及現金包括以下貨幣列值之金額：

20. 貿易及其他應付款項

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Trade payables	201,519	267,141
Trade payables to fellow subsidiaries	239	1,069
Bills payables	54,201	60,071
Trade and bills payables	255,959	328,281
Other payables	5,667	6,294
Rental payable to a related company (Note)	41	-
Salaries and staff related costs payables	15,740	23,722
Accrued charges	8,677	6,387
Accruals and other payables	30,125	36,403
Trade and other payables	286,084	364,684

附註：本公司非執行董事羅仲煒先生為該關聯公司的控股股東。

貿易應付款項的平均信貸期介乎30日至120日。

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

20. TRADE AND OTHER PAYABLES (Continued)

The ageing analysis of trade and bills payables based on invoice date at the end of the reporting period is as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
0-30 days	0至30日	113,586	143,803
31-60 days	31至60日	33,448	43,978
61-90 days	61至90日	53,821	53,179
91-180 days	91至180日	54,852	84,396
181 days to 1 year	181日至一年	-	2,858
Over 1 year	一年以上	252	67
		255,959	328,281

Included in trade and other payables are the following amounts denominated in currencies other than functional currencies of the respective group entities:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
HK\$	港元	21	770
JPY	日圓	130	1,406
Euro	歐元	2,295	1,582

21. CONTRACT LIABILITIES

The amounts represent deposits received from customers in relation to their purchase orders placed with the Group. At 31 March 2019, the deposits received from customers are contract liabilities and the Group does not expect to refund any of the deposits.

The Group applied the limited retrospective method of transition to HKFRS 15 with comparative figure not restated and hence the contract liabilities as at 31 March 2018, which was of the same nature, are not restated but are presented in the same line item.

The contract liabilities as at 1 April 2018 after the adjustments from the application of HKFRS 15 is disclosed in note 2.

The contract liabilities at 1 April 2018 were fully recognised as revenue in the current year ended 31 March 2019. When the Group receives a deposit before commencement of the production activity, this will give rise to contract liabilities at the inception of a contract.

20. 貿易及其他應付款項(續)

貿易應付款項及應付票據於各報告期末按發票日期進行之賬齡分析如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
0-30 days	113,586	143,803
31-60 days	33,448	43,978
61-90 days	53,821	53,179
91-180 days	54,852	84,396
181 days to 1 year	-	2,858
Over 1 year	252	67
	255,959	328,281

除有關集團實體之功能貨幣外，貿易及其他應付款項包括以下貨幣列值之金額：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
HK\$	21	770
JPY	130	1,406
Euro	2,295	1,582

21. 合約負債

該金額指就客戶向本集團作出的採購訂單而言向客戶收取的按金。於二零一九年三月三十一日，已收客戶按金為合約負債且本集團預期不會退還任何該等按金。

本集團採用有限追溯法過渡至香港財務報告準則第15號，比較資料並不作重列。因此，於二零一八年三月三十一日屬相同性質之合約負債並不作重列，而被列為相同項目。

經應用香港財務報告準則第15號作出調整後之於二零一八年四月一日之合約負債乃於附註2披露。

於二零一八年四月一日之合約負債於截至二零一九年三月三十一日止本年度悉數確認為收益。倘本集團於生產活動開始前收到按金，將導致合約開始時產生合約負債。

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

22. UNSECURED BANK BORROWINGS

22. 無抵押銀行借款

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
Import/export trade borrowings	進／出口貿易借款	49,233	41,525
Carrying amount repayable based on the scheduled repayment dates set out in the loan agreements:	根據貸款協議所載計劃償還日期應償還的賬面值：		
Within one year	一年內	49,233	41,525

The unsecured bank borrowings are carried variable-rate. The interest is ranging from Hong Kong Interbank Offered Rate ("HIBOR") plus 1.75% to 2.25% (2018: HIBOR plus 1.75% to 2.25%) per annum.

無抵押銀行借款按浮動利率計息。利率介乎香港銀行同業拆息（「香港銀行同業拆息」）加年息1.75%至2.25%（二零一八年：香港銀行同業拆息加年息1.75%至2.25%）。

The unsecured bank borrowings contain a repayable on demand clause.

無抵押銀行借款載有須於要求時還款之條款。

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings as at the end of the reporting period is as follows:

於報告期末，本集團的借款之實際利率（亦相當於合約利率）範圍如下：

		2019	2018
Effective interest rate:	實際利率：		
Variable-rate borrowings	浮動利率借款	2.44% to 4.36%	2.72% to 3.54%

Included in unsecured bank borrowings are the following amounts denominated in currency other than functional currency of the respective group entity:

除有關集團實體之功能貨幣外，無抵押銀行借款包括以下貨幣列值之金額：

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	49,233	41,525

Details of bank borrowings guaranteed by related parties are set out in note 30(b).

由關聯方擔保之銀行借款之詳情載列於附註30(b)。

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

23. DEFERRED TAX LIABILITIES

The followings are the major deferred tax liabilities recognised and movements thereon during the year:

		Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Other timing difference 其他 時間性差異 HK\$'000 千港元 (Note) (附註)	Total 總額 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	271	-	271
Charge to profit or loss (note 11)	自損益扣除(附註11)	200	-	200
At 31 March 2018	於二零一八年 三月三十一日	471	-	471
Adjustments (note 2)	調整(附註2)	-	1,013	1,013
At 1 April 2018	於二零一八年四月一日	471	1,013	1,484
Charge (credit) to profit or loss (note 11)	自損益扣除(計入) (附註11)	186	(853)	(667)
At 31 March 2019	於二零一九年 三月三十一日	657	160	817

Note: The amount represents the tax effect of timing difference of revenue recognition due to change in accounting standards in 2019.

At the year ended 31 March 2019, the Group has unused tax losses of HK\$1,410,000 (31 March 2018: HK\$1,488,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiary from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiary amounting to HK\$156,423,000 (2018: HK\$103,054,000) for the year ended 31 March 2019, as the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

23. 遞延稅項負債

以下為於年內所確認的主要遞延稅項負債及其變動：

	Accelerated tax depreciation 加速 稅項折舊 HK\$'000 千港元	Other timing difference 其他 時間性差異 HK\$'000 千港元 (Note) (附註)	Total 總額 HK\$'000 千港元
At 1 April 2017	271	-	271
Charge to profit or loss (note 11)	200	-	200
At 31 March 2018	471	-	471
Adjustments (note 2)	-	1,013	1,013
At 1 April 2018	471	1,013	1,484
Charge (credit) to profit or loss (note 11)	186	(853)	(667)
At 31 March 2019	657	160	817

附註：該金額指由於二零一九年會計政策變化而導致的收益確認時間性差異的稅務影響。

於截至二零一九年三月三十一日止年度，本集團可用作抵銷未來溢利之尚未動用稅項虧損為1,410,000港元(二零一八年三月三十一日：1,488,000港元)。由於未來溢利來源的不可預計性，並無就該等虧損確認遞延稅項資產。未動用稅項虧損可無限期結轉。

根據中國企業所得稅法，就中國附屬公司於二零零八年一月一日之後所得溢利派發的股息須繳納預扣稅。就中國附屬公司於截至二零一九年三月三十一日止年度為156,423,000港元(二零一八年：103,054,000港元)之累計溢利應佔暫時差額，並無於綜合財務報表作出遞延稅項撥備，原因是本集團能夠控制暫時差額撥回的時間且該暫時差額可能於可預見將來不會撥回。

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

24. SHARE CAPITAL

The share capital as at 1 April 2017 represented the share capital of Time Interconnect HK.

The share capital as at 31 March 2018 and 2019 represents the share capital of the Company. The followings are the movements of the share capital of the Company:

24. 股本

於二零一七年四月一日之股本指匯聚工業香港的股本。

於二零一八年及二零一九年三月三十一日之股本指本公司的股本。以下為本公司之股本變動：

		Number of share 股數	Amount 金額	
			HK\$	HK\$'000
			港元	千港元
Ordinary shares of HK\$0.01 each	每股面值0.01 港元 普通股			
Authorised:	法定：			
At 15 June 2017 (date of incorporation) (Note a)	於二零一七年六月 十五日(註冊成立日 期)(附註a)	38,000,000	380,000	380
Increased on 24 January 2018 (Note c)	於二零一八年一月 二十四日增加 (附註c)	2,962,000,000	29,620,000	29,620
At 31 March 2018 and 2019	於二零一八年及 二零一九年 三月三十一日	3,000,000,000	30,000,000	30,000
Issued and fully paid:	已發行及繳足股本：			
At 15 June 2017 (date of incorporation) (Note a)	於二零一七年六月 十五日(註冊成立 日期)(附註a)	1	–	–
Issue of shares (Note b)	發行股份(附註b)	9,999	100	–
Capitalisation Issue (Note d)	資本化發行(附註d)	1,517,990,000	15,179,900	15,180
Issue of shares upon the Listing (Note e)	於上市後發行股份 (附註e)	322,000,000	3,220,000	3,220
At 31 March 2018 and 2019	於二零一八年及 二零一九年 三月三十一日	1,840,000,000	18,400,000	18,400

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

24. SHARE CAPITAL (continued)

Notes:

- (a) On 15 June 2017, the Company was incorporated in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. On the same day, one share was allotted and issued to the initial subscriber of the Company, which was subsequently transferred to Time Holdings on 15 June 2017 at nominal consideration.
- (b) The Company allotted and issued 8,649 shares and 1,350 shares to Time Holdings and Datatech Investment, Inc. respectively, in consideration for the acquisition of the entire interests in Time Investment by the Company. The excess of the nominal amount of the shares over the net assets value of Time Investment was credited to share premium.
- (c) On 24 January 2018, the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 shares to HK\$30,000,000 divided into 3,000,000,000 shares by the creation of an additional 2,962,000,000 shares, ranking pari passu in all respect with the then existing shares.
- (d) Pursuant to the written resolutions passed by the sole shareholder of the Company on 24 January 2018, upon completion of the public offer and placing, the Company was authorised to capitalise a sum of HK\$15,179,900 standing to the credit of the share premium account of the Company and applied such amount to pay up in full at par of 1,517,990,000 ordinary shares of the Company (the "Capitalisation Issue").
- (e) In connection with the listing of its share on the Stock Exchange on 13 February 2018 (the "Listing"), the Company allotted and issued a total of 322,000,000 new shares at HK\$0.5 per share by way of public offer and placing.

24. 股本(續)

附註：

- (a) 於二零一七年六月十五日，本公司於開曼群島註冊成立為有限公司，法定股本為380,000港元，分為38,000,000股每股面值0.01港元股份。同日，一股股份配發及發行予本公司的初始認購人，其後於二零一七年六月十五日按名義代價轉讓予Time Holdings。
- (b) 本公司分別向Time Holdings及Datatech Investment, Inc. 配發及發行8,649股及1,350股股份作為本公司收購Time Investment全數權益之代價。股份面值較Time Investment淨資產價值超出部分計入股份溢價。
- (c) 於二零一八年一月二十四日，藉增設2,962,000,000股股份(在所有方面與當時的現有股份享有同等地位)，本公司的法定股本由380,000港元(分為38,000,000股股份)增至3,000,000,000港元(分為3,000,000,000股股份)。
- (d) 根據本公司唯一股東於二零一八年一月二十四日通過的書面決議案，於公開發售及配售完成後，本公司獲授權將本公司股份溢價賬的進賬額15,179,900港元撥充資本及使用該金額以按面值繳足1,517,990,000股普通股(「資本化發行」)。
- (e) 就於二零一八年二月十三日其股份於聯交所上市(「上市」)而言，本公司透過公開發售及配售按每股0.5港元配發及發行合共322,000,000股新股份。

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. SHARE-BASED PAYMENT TRANSACTION

The Company's share option scheme was adopted pursuant to a resolution passed on 24 January 2018 (the "Share Option Scheme").

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to eligible participant(s) including employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

The maximum entitlement of each eligible participant under the Share Option Scheme should be (1) not to exceed 1% of the shares in issue in any 12-month period unless approved by the shareholders of the Company; and (2) Options granted to substantial shareholder or independent non-executive directors or their respective associates in any one year exceeding 0.1% of the Shares in issue and with a value in excess of HK\$5,000,000 must be approved by the shareholders of the Company.

Options granted must be taken up within one month of the date of grant, upon payment of HK\$1 on acceptance of the offer. Options may be exercised at any time during a period commencing on or after the date on which the option is accepted and granted and expiring on a date to be notified by the Board of Directors to each grantee which shall not be more than 10 years from the date on which the option is accepted and granted.

In the current year, share options were granted on 24 August 2018 with an aggregate estimated fair value of HK\$14,496,000.

25. 以股份付款的交易

本公司的購股權計劃(「購股權計劃」)已根據二零一八年一月二十四日通過的決議案獲採用。

購股權計劃旨在吸引及挽留最稱職人員、向本集團僱員(全職及兼職)、董事、諮詢人、顧問、分銷商、承包商、供應商、代理、客戶、商業夥伴或服務供應商提供額外獎勵以及推動本集團業務創出佳績。

根據購股權計劃，每名合資格參與者可獲授之最高數目(1)不應超過任何十二個月期間已發行股份的1%(除非經本公司股東批准)；及(2)倘於任何一年內授予主要股東或獨立非執行董事或彼等各自的聯繫人的購股權超過已發行股份的0.1%且價值超過5,000,000港元，則須經本公司股東批准。

所授購股權須於授出日期起計一個月內獲接納，於接納要約時須支付1港元。自購股權獲接納及授出當日或其後日期至董事會知會各承授人的到期日期間內，購股權可獲行使，該期間不應超過購股權獲接納及授出的日期起計十年。

於本年度，購股權於二零一八年八月二十四日獲授出，其估計公平值總額為14,496,000港元。

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. SHARE-BASED PAYMENT TRANSACTION

(continued)

1/3 of the options can be exercised after 18 months of the date of grant (i.e. 24 February 2020), further 1/3 of the options can be exercised after 30 months of the date of grant (i.e. 24 February 2021), and the remaining of the options can be exercised after 42 months of the date of grant (i.e. 24 February 2022) and will be exercisable until 23 August 2028.

The exercise price should be the higher of (i) the closing price of the shares of the Company as quoted in the Stock Exchange on date of grant, which must be a business day; (ii) the average closing price of the shares of the Company as quoted on the Stock Exchange for the 5 business days immediately preceding the date of grant; and (iii) the nominal value of the shares of the Company on the date of grant.

The closing price of the Company's shares immediately before 24 August 2018, the date of grant was HK\$0.349.

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

Date of grant	24 August 2018
Share price at date of grant	HK\$0.340
Exercise price	HK\$0.349
Expected volatility	53.86%
Expected life	10 years
Risk-free rate	2.2%
Expected dividend yield	2.94%

Expected volatility was determined by using the annualised standard deviation of historical share price daily movements of selected comparable companies in same industry. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

The Group recognised the share-based payments of HK\$3,807,000 for the year ended 31 March 2019 in relation to share options granted by the Company.

25. 以股份付款的交易(續)

三分之一的購股權可於授出日期起計18個月(即二零二零年二月二十四日)後獲行使,另外三分之一的購股權可於授出日期起計30個月(即二零二一年二月二十四日)後獲行使,而餘下的購股權可於授出日期起計42個月(即二零二二年二月二十四日)後獲行使及可予行使至二零二八年八月二十三日。

行使價應為下列最高者:(i)授出日期(須為營業日)聯交所所報本公司股份的收市價;(ii)緊接授出日期前五個營業日聯交所所報本公司股份的平均收市價;及(iii)授出日期本公司股份的面值。

緊接二零一八年八月二十四日(授出日期)前,本公司股份的收市價為0.349港元。

該等公平值根據二項式模型計算。模型的輸入數據如下:

授出日期	二零一八年八月二十四日
授出日期的股價	0.340港元
行使價	0.349港元
預期波幅	53.86%
預期年期	10年
無風險比率	2.2%
預期孳息率	2.94%

預期波幅乃採用業內經選擇可資比較公司過往股價每日波動的年度化標準偏差釐定。該模型使用的預期年期已根據管理層就不可轉讓性、行使限制及行為考慮因素的影響作出的最佳估計而予以調整。

就本公司授出的購股權而言,本集團於截至二零一九年三月三十一日止年度確認以股份為基礎的付款3,807,000港元。

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. SHARE-BASED PAYMENT TRANSACTION

(continued)

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in the computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

At 31 March 2019, the number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was, in aggregate, 88,992,000, representing 4.84% of the shares of the Company in issue at that date. At 31 March 2019, no share options are vested and exercisable.

The following table discloses movements of the Company's share options held by directors of the Company and employees of the Group during the year:

For the year ended 31 March 2019

Categories of participants	Date of grant	Exercise period	Exercise price	Outstanding at 1.4.2018 於二零一八年四月一日 尚未行使	Granted during the year 年內授出	Outstanding at 31.3.2019 於二零一九年三月三十一日 尚未行使
參與者類別	授出日期	行使期	行使價			
Executive directors	24.8.2018	24.2.2020 – 23.8.2028	HK\$0.349	–	6,672,000	6,672,000
執行董事	二零一八年八月二十四日	二零二零年二月二十四日至二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2021 – 23.8.2028	HK\$0.349	–	6,672,000	6,672,000
	二零一八年八月二十四日	二零二一年二月二十四日至二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2022 – 23.8.2028	HK\$0.349	–	6,672,000	6,672,000
	二零一八年八月二十四日	二零二二年二月二十四日至二零二八年八月二十三日	0.349 港元			
Non-executive director	24.8.2018	24.2.2020 – 23.8.2028	HK\$0.349	–	608,000	608,000
非執行董事	二零一八年八月二十四日	二零二零年二月二十四日至二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2021 – 23.8.2028	HK\$0.349	–	608,000	608,000
	二零一八年八月二十四日	二零二一年二月二十四日至二零二八年八月二十三日	0.349 港元			

25. 以股份付款的交易 (續)

二項式模型已獲採用以估計購股權的公平值。用於計算購股權公平值的變量及假設是按董事的最佳估計為基準。變量及假設的變動可能會導致購股權的公平值出現變動。

於二零一九年三月三十一日，根據購股權計劃已授出惟仍未行使的購股權涉及的股份數目合共為88,992,000股，佔該日本公司已發行股份的4.84%。於二零一九年三月三十一日，零股購股權獲歸屬及行使。

下表披露本公司董事及本集團僱員持有本公司購股權於年內的變動：

截至二零一九年三月三十一日止年度

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. SHARE-BASED PAYMENT TRANSACTION

(continued)

25. 以股份付款的交易 (續)

Categories of participants	Date of grant	Exercise period	Exercise price	Outstanding at 1.4.2018 於二零一八年四月一日 尚未行使	Granted during the year	Outstanding at 31.3.2019 於二零一九年三月三十一日 尚未行使
參與者類別	授出日期	行使期	行使價		年內授出	
	24.8.2018	24.2.2022 – 23.8.2028	HK\$0.349	–	608,000	608,000
	二零一八年 八月二十四日	二零二二年二月二十四日至 二零二八年八月二十三日	0.349 港元			
Independent non-executive directors 獨立非執行董事	24.8.2018	24.2.2020 – 23.8.2028	HK\$0.349	–	1,824,000	1,824,000
	二零一八年 八月二十四日	二零二零年二月二十四日至 二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2021 – 23.8.2028	HK\$0.349	–	1,824,000	1,824,000
	二零一八年 八月二十四日	二零二一年二月二十四日至 二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2022 – 23.8.2028	HK\$0.349	–	1,824,000	1,824,000
	二零一八年 八月二十四日	二零二二年二月二十四日至 二零二八年八月二十三日	0.349 港元			
Employees 僱員	24.8.2018	24.2.2020 – 23.8.2028	HK\$0.349	–	20,560,000	20,560,000
	二零一八年 八月二十四日	二零二零年二月二十四日至 二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2021 – 23.8.2028	HK\$0.349	–	20,560,000	20,560,000
	二零一八年 八月二十四日	二零二一年二月二十四日至 二零二八年八月二十三日	0.349 港元			
	24.8.2018	24.2.2022 – 23.8.2028	HK\$0.349	–	20,560,000	20,560,000
	二零一八年 八月二十四日	二零二二年二月二十四日至 二零二八年八月二十三日	0.349 港元			
				–	88,992,000	88,992,000

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. OPERATING LEASE ARRANGEMENTS

The Group as lessee

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Minimum lease payments recognised in profit or loss during the year	年內於損益確認的最低租賃付款	7,993	7,052

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Within one year	一年內	8,003	7,169
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	26,376	26,235
Over five years	五年以上	24,156	32,732
		58,535	66,136

Operating lease payments represent rentals payable by the Group for manufacture premises. Leases are negotiated for terms of one to fifteen years (2018: fifteen years).

經營租賃付款指本集團就生產物業應付之租金。經磋商之租賃年期介乎一至十五年(二零一八年:十五年)。

27. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for in the consolidated financial statements	有關收購已訂約但尚未於綜合財務報表作出撥備之物業、廠房及設備的資本開支	3,595	3,287
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26. 經營租賃安排

本集團為承租人

於報告期末，本集團根據不可撤銷經營租賃承諾之未來最低租賃付款如下：

27. 資本承擔

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

28. FINANCIAL GUARANTEE AND CONTINGENT LIABILITIES

At 31 March 2017, the Group had given guarantees of HK\$1,080,000,000 to banks to secure certain general banking facilities granted to ultimate holding company, the Group and certain fellow subsidiaries. At 31 March 2017, the aggregate utilised amount of these banking facilities was approximately HK\$284,906,000. Out of the banking facilities granted, HK\$664,077,000 had been designated for use by the ultimate holding company and the fellow subsidiaries and the remaining banking facilities of HK\$415,923,000 had been designated for use by the Group as agreed among the parties as at 31 March 2017.

Financial guarantee contracts were initially recognised at fair value and calculated by using the default risk method for the banking facilities obtained by ultimate holding company, the Group and certain fellow subsidiaries. The fair values were based on certain key assumptions on credit strength of the borrowers and default rate. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

During the year ended 31 March 2018, the Group early terminated a financial guarantee contract and a banking facility before maturity of the banking facility. The remaining carrying amount at the date of termination amounted to HK\$283,000 was credited to equity.

28. 財務擔保及或然負債

於二零一七年三月三十一日，本集團就取得授予最終控股公司、本集團及若干同系附屬公司之若干一般銀行融資向銀行作出金額為1,080,000,000港元的擔保。於二零一七年三月三十一日，該等銀行融資已動用總額約284,906,000港元。於二零一七年三月三十一日，在獲授予的銀行融資中，其中664,077,000港元由各方同意指定予最終控股公司及同系附屬公司動用，其餘的銀行融資金額415,923,000港元由各方同意指定給予本集團動用。

財務擔保合約初始按公平值確認及就最終控股公司、本集團及若干同系附屬公司取得的銀行融資採用違約風險法計算。公平值乃根據借款人的信貸實力及違約率的若干主要假設計算。於初始確認後，本集團以下列較高者計量財務擔保合約：(i)根據香港會計準則第37號釐定的合約項下責任的金額；及(ii)初始確認的金額減(如適用)根據收益確認政策確認的累計攤銷。

於截至二零一八年三月三十一日止年度內，本集團在銀行融資到期前提早終止一份財務擔保合約及銀行融資。於終止日期之餘下賬面值283,000港元計入權益。

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

28. FINANCIAL GUARANTEE AND CONTINGENT LIABILITIES (continued)

The movements of financial guarantee liabilities are shown as below:

		2018 HK\$'000 千港元
At the beginning of the year	年初	8,712
Amortisation of financial guarantee liabilities	財務擔保負債攤銷	(8,429)
Early termination of financial guarantee contract	提早終止財務擔保合約	(283)
At the end of the year	年末	-
		2018 HK\$'000 千港元

Imputed financial guarantee income credited to profit or loss including:

Guarantee to ultimate holding company, the Group and certain fellow subsidiaries

推算財務擔保收入計入損益包括：

向最終控股公司、本集團及若干同系
附屬公司提供擔保

8,429

29. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the relevant payroll costs to the scheme, subject to a cap of monthly relevant income of HK\$30,000 of employees, which contribution is matched by the employee. The Group also makes voluntary contribution in addition to the mandatory contribution.

The employees of the Group's subsidiary in the PRC are members of a state-managed retirement benefits scheme operated by the government of the PRC. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

29. 退休福利計劃

本集團為香港的所有合資格僱員參與強制性公積金計劃。有關計劃的資產乃與本集團的資產分開持有，並存置於受託人所控制的基金。本集團向該計劃支付相關入息的5%作為供款，而上限為僱員每月有關入息之30,000港元，有關供款乃與僱員的供款一致。除強制性供款外，本集團亦作出自願供款。

本集團於中國附屬公司的僱員均為中國政府所營辦的國家管理退休福利計劃的成員。附屬公司須按工資成本的指定百分比向退休福利計劃供款以為有關福利撥資。本集團在退休福利計劃下的唯一責任為作出指定供款。

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

29. RETIREMENT BENEFITS SCHEMES (continued)

The total expenses recognised in profit or loss of HK\$13,893,000 (2018: HK\$14,679,000) for the year ended 31 March 2019 represent contributions paid and payable to these plans by the Group at rates specified in the rules of the plans.

During the year ended 31 March 2017 and up to the end of June 2017, the Group failed to promptly make full contributions to the social insurance plans and the housing provident fund for their employees of by the PRC subsidiary. Pursuant to the 《中國人民共和國社會保險法》，the PRC subsidiary may be ordered to make up for the shortfall in contribution within a specified time period and be subject to a daily fine amounting to 0.05% of the outstanding contributions from the date on which payment is overdue. If the outstanding contribution is not made within the specified time period, the Group may be imposed a fine ranging from one to three times of the amount of shortfall in contribution. Besides the Group may also be subject to a fixed fine ranging from RMB10,000 to RMB50,000 in addition to the outstanding housing provident fund contributions underpaid if the employer failed to rectify such non-compliance within a specified period of time.

At 31 March 2019, the Group had made aggregate provision of HK\$1,356,000 (2018: HK\$9,500,000) in respect of the estimated shortfall in social insurance plans and housing provident fund contributions.

The directors of the Company have, taking into account the facts that (i) full provision of shortfalls had been made; and (ii) advice had been sought from the Group's PRC legal adviser that the chance of the Group being penalised by Huizhou Social Insurance Bureau is remote, considered that it is not probable that the Group will be fined or penalised and therefore no provision for fines or penalties has been made, and that the provision of shortfall made as at each reporting date and for both years is adequate.

29. 退休福利計劃(續)

於截至二零一九年三月三十一日止年度，本集團按該等計劃的規定列明的比率向此等計劃作出已付及應付的供款於損益確認的開支總額為13,893,000港元(二零一八年：14,679,000港元)。

於截至二零一七年三月三十一日止年度及直至二零一七年六月末，本集團未能為其中國附屬公司的僱員向社會保險計劃及住房公積金即時作出全數供款。根據《中華人民共和國社會保險法》，中國附屬公司可能被勒令於指定期限內彌補供款不足額，並須處罰自逾期付款之日起未支付供款的0.05%作為每日罰金。倘未能於指定期限內支付尚欠供款，本集團可能被處罰介乎供款不足額一倍至三倍的罰金。此外，倘僱主未能於指定期限內糾正不合規情況，則除未支付的尚欠住房公積金供款外，本集團可能亦會被處以定額罰金介乎人民幣10,000元至人民幣50,000元。

於二零一九年三月三十一日，本集團就社會保險計劃及住房公積金供款的估計不足額作出撥備總額1,356,000港元(二零一八年：9,500,000港元)。

本公司董事經考慮以下事實：(i)已就不足額作出全數撥備；及(ii)已尋求本集團中國法律顧問的意見認為惠州社會保險局對本集團作出處罰的機會不大後，認為本集團不大機會被處以罰金或施加處罰，因此並無就罰金或處罰作出撥備，以及於各報告日期及於兩個年度內作出的不足額撥備屬足夠。

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

30. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances disclosed in the consolidated financial statements, the Group entered into the following transactions with related parties as follows:

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Sales to fellow subsidiaries (Note a)	售予同系附屬公司(附註a)	2,534	4,573
Sales to a related company (Note b)	售予一家關聯公司(附註b)	–	85
Purchases from fellow subsidiaries (Note c)	採購自同系附屬公司(附註c)	19,501	15,271
Service fee paid to ultimate holding company	支付予最終控股公司的服務費	3,938	3,750
Rental expenses paid to ultimate holding company	支付予最終控股公司的租賃開支	1,100	1,000
Rental expenses paid to a related company (Note b)	支付予一家關聯公司的租賃開支(附註b)	235	–
Imputed financial guarantee income	推算財務擔保收入	–	8,429

Notes:

- (a) Sales to fellow subsidiaries include Linkz Industries (Suzhou) Limited and Lighthouse Technologies (Huizhou) Limited.
- (b) Mr. Paul Lo, a non-executive director of the Company, is the controlling shareholder of the related company, Huizhou Light Engine Limited.
- (c) Purchases from fellow subsidiaries include Linkz Industries (Shanghai) Limited, Linkz Industries (Suzhou) Limited and Lighthouse Technologies (Huizhou) Limited.

30. 關聯方交易

- (a) 除於綜合財務報表披露的交易及結餘外，本集團與關聯方訂立的交易如下：

附註：

- (a) 向同系附屬公司包括華迅工業(蘇州)有限公司及惠州市兆光光電科技有限公司作出的銷售。
- (b) 本公司非執行董事羅仲煒先生為關聯公司惠州元暉光電股份有限公司的控股股東。
- (c) 向同系附屬公司包括領迅電線工業(上海)有限公司、華迅工業(蘇州)有限公司及惠州市兆光光電科技有限公司作出的採購。

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

30. RELATED PARTY TRANSACTIONS (continued)

- (b) Guarantees given to banks by related parties are as follows:

Guarantees from ultimate holding company 來自最終控股公司的擔保

As at 31 March 2018, Mr. Paul Lo provided personal guarantees to banks for the banking facilities granted to the Group of HK\$72,410,000.

- (c) Compensation of key management personnel

The remuneration of key management personnel was as follows:

Short-term employee benefits 短期僱員福利
Equity-settled share option expenses 按權益結算的購股權開支
Retirement benefits schemes 退休福利計劃供款
contributions

The remuneration of key management personnel is determined by the remuneration committee and the executive directors, having regard to the performance of individuals and market trends.

- (d) On 25 December 2018, the Group acquired an asset through acquisition of a subsidiary, Huizhou Chuangxiang Technology Limited (“Huizhou Chuangxiang”) from a related company, which Mr. Paul Lo is the shareholder and director of the vendor. For details of the transaction, please refer to note 31.

30. 關聯方交易(續)

- (b) 關聯方向銀行作出的擔保如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元

-	191,126
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於二零一八年三月三十一日，羅仲煒先生就授予本集團72,410,000港元的銀行融資而向銀行提供個人擔保。

- (c) 主要管理人員酬金

主要管理人員的酬金如下：

2019	2018
HK\$'000	HK\$'000
千港元	千港元

15,217	10,656
1,703	-
577	399
17,497	11,055

主要管理人員的酬金乃由薪酬委員會及執行董事按個人表現及市場趨勢而釐定。

- (d) 於二零一八年十二月二十五日，本集團透過收購一家附屬公司惠州創享科技有限公司(「惠州創享」)向一家關聯公司收購一項資產，而羅仲煒先生為賣方之股東及董事。有關交易詳情，請參閱附註31。

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

31. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 3 August 2018, the Group entered into an agreement with a vendor, which is a related company of the Company, to purchase the entire equity interest in Huizhou Chuangxiang at a consideration of RMB145,250,100 (equivalent to approximately HK\$166,826,000) (the "Purchase Agreement"). The Purchase Agreement is approved at the extraordinary general meeting held by the Company on 24 September 2018. Huizhou Chuangxiang is a company newly established in the PRC for holding a property comprises a parcel of industrial land with a total site area of approximately 33,393 square metres and two 5-storey reinforced concrete industrial buildings erected thereon with an aggregate gross floor area of approximately 34,196 square metres. The transaction was completed on 25 December 2018.

Net identifiable assets of Huizhou Chuangxiang acquired:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	74,437
Prepaid lease payments	預付租賃付款	84,445
Other receivables	其他應收款項	7,944
		<u>166,826</u>

Consideration transferred, satisfied by:

		HK\$'000 千港元
Cash paid	已付現金	<u>166,826</u>

31. 透過收購附屬公司收購資產

於二零一八年八月三日，本集團與賣方（本公司之關聯公司）訂立協議，以購買惠州創享之全部股權，代價為人民幣145,250,100元（相當於約166,826,000港元）（「購買協議」）。購買協議已在本公司於二零一八年九月二十四日舉行之股東特別大會上獲得批准。惠州創享為於中國新成立之公司以持有一項物業，該物業包括一塊總地盤面積約為33,393平方米的工業用地，以及於該地上建立的兩幢五層樓高鋼筋混凝土工業大廈，總樓面面積約為34,196平方米。該交易已於二零一八年十二月二十五日完成。

所收購惠州創享之可識別淨資產：

已轉讓代價，以下列方式支付：

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

31. ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY (Continued)

Analysis of net outflow of cash and cash equivalent in respect of acquisition of assets through acquisition of a subsidiary:

	HK\$'000 千港元
Cash consideration paid	166,826

In the opinion of the directors, the acquisition of the company does not constitute a business as defined in HKFRS 3 (Revised) "Business Combination". Therefore, the transaction was determined by the directors of the Company to be acquisition of assets.

31. 透過收購附屬公司收購資產(續)

透過收購附屬公司收購資產涉及的現金及現金等價物的流出淨額分析：

董事認為，收購該公司並不構成香港財務報告準則第3號(經修訂)「業務合併」所界定之業務。因此，該交易由本公司董事釐定為收購資產。

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The statement of financial position of the Company as at 31 March 2019 is as follows:

32. 本公司財務狀況表

本公司於二零一九年三月三十一日的財務狀況表如下：

	2019 HK\$'000 千港元	2018 HK\$'000 千港元
Non-current asset		
Investment in a subsidiary	146,680	146,680
Current assets		
Other receivables	313	217
Amount due from subsidiaries	134,672	52,795
Bank balances and cash	21,211	80,951
	156,196	133,963
Current liability		
Accruals	1,000	993
Net current assets	155,196	132,970
Total assets less current liability	301,876	279,650
Net assets	301,876	279,650
Capital and reserves		
Share capital	18,400	18,400
Reserves (Note)	283,476	261,250
Total equity	301,876	279,650

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

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued) 32. 本公司財務狀況表 (續)

Note:

附註：

		Share premium	Capital reserve	Share options reserve	Accumulated (loss) profit	Total
		股份溢價	資本儲備	購股權儲備	(虧損)溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
On 15 June 2017 (date of incorporation)	於二零一七年六月十五日 (註冊成立日期)	-	-	-	-	-
Issue of shares	發行股份	146,680	-	-	-	146,680
Capitalisation Issue (note 24(d))	資本化發行(附註24(d))	(15,180)	-	-	-	(15,180)
Issue of shares upon the Listing	於上市後發行股份	157,780	-	-	-	157,780
Capital contribution from ultimate holding company	來自最終控股公司的 注資	-	7,324	-	-	7,324
Expenses incurred in connection with issue of shares	就發行股份產生的開支	(17,359)	-	-	-	(17,359)
Loss and total comprehensive expense for the period	本期間虧損及全面 開支總額	-	-	-	(17,995)	(17,995)
At 31 March 2018	於二零一八年 三月三十一日	271,921	7,324	-	(17,995)	261,250
Profit and total comprehensive income for the year	本年度溢利及全面收益 總額	-	-	-	55,219	55,219
Dividends paid	已付股息	-	-	-	(36,800)	(36,800)
Recognition of equity-settled share based payments	按權益結算以股份 為基礎的款項之確認	-	-	3,807	-	3,807
At 31 March 2019	於二零一九年 三月三十一日	271,921	7,324	3,807	424	283,476

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

33. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's subsidiaries held by the Company as at 31 March 2019 and 2018 are as follows:

33. 附屬公司的詳情

本公司於二零一九年及二零一八年三月三十一日持有的附屬公司的詳情如下：

Name of subsidiary 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Nominal value of issued share capital 已發行股本的面值	Proportion of nominal value of issued share capital held by the Company 本公司持有已發行股本面值之比例		Principal activities 主要活動
			2019	2018	
Directly held 直接持有					
Time Investment	BVI 英屬處女群島	US\$10,000 10,000 美元	100%	100%	Investment holding 投資控股
Indirectly held 間接持有					
Time Interconnect HK 匯聚工業香港	Hong Kong 香港	HK\$2,000,000 2,000,000 港元	100%	100%	Trading in cable assembly products 買賣電線組件產品
Time Interconnect Technology (Huizhou) Limited (formerly known as Huizhou TIME Wire Products Limited) 匯聚科技(惠州)有限公司(前稱惠州匯聚電線制品有限公司)	PRC 中國	US\$28,600,000 28,600,000 美元	100%	100%	Manufacturing and trading in cable assembly products 生產及買賣電線組件產品
Huizhou Chuangxiang (Note) 惠州創享(附註)	PRC 中國	RMB145,250,100 人民幣 145,250,100 元	100%	N/A 不適用	Manufacturing and trading in cable assembly products 生產及買賣電線組件產品

Note: This subsidiary was acquired during the year ended 31 March 2019. For details, please refer to note 31.

附註：該附屬公司於截至二零一九年三月三十一日止年度內收購。有關詳情，請參閱附註31。

None of the subsidiaries had issued any debt securities at the end of both years.

於兩個年度末，概無附屬公司發行任何債務證券。

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

34. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of net debts, which includes unsecured bank borrowings in note 22, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with the capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and raising or repayment of bank borrowings.

35. FINANCIAL INSTRUMENTS

A. Categories of financial instruments

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	404,742	N/A 不適用
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	N/A 不適用	535,959
Financial liabilities	金融負債		
Amortised cost	攤銷成本	310,900	376,100

34. 資本風險管理

為確保本集團的實體將可持續經營，本集團對其資本進行管理，並透過使債務及權益達致最佳平衡為股東締造最大回報。本集團的整體策略於整個年度內維持不變。

本集團的資本架構包括債務淨額(包括附註22的無抵押銀行借款)，扣除現金及現金等價物以及本公司擁有人應佔權益(包括已發行資本及儲備)。

本公司董事定期審閱資本架構。作為該審閱的一部分，本公司董事考慮資本成本及與資本相關的風險。根據本公司董事的建議，本集團將透過派付股息、發行新股份、籌措或償還銀行借款平衡其整體資本架構。

35. 金融工具

A. 金融工具的分類

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables and unsecured bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure that appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable rate bank balances and variable rate bank borrowings (see notes 19 and 22 for details of these balances). Interest charged on the Group's borrowings are mainly at variable rates and are mainly at the interest rate offered by the HIBOR. The Group currently does not have a policy on cash flow hedges of interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

The Group is also exposed to fair value interest rate risk in relation to the fixed rate pledged bank deposits. However, the management considers the fair value interest rate risk on the fixed deposits is insignificant as the fixed deposits are relatively short-term.

35. 金融工具(續)

B. 財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項及無抵押銀行借款。該等金融工具詳情披露於有關附註。該等金融工具相關之風險及有關如何降低該等風險之政策載於下文。管理層管理及監控該等風險，確保及時和有效地採取適當措施。

市場風險

利率風險

本集團承受與浮動利率銀行結餘及浮動利率銀行借款有關的現金流量利率風險(有關此等結餘詳情見附註19及22)。本集團的借款支付的利息主要按浮動利率計息並主要按由香港銀行同業拆息提供的利率計息。本集團目前並無有關利率風險的現金流量對沖政策。然而，管理層會監察相關利率風險，並於有需要時考慮對沖重大利率風險。

本集團亦承受與固定利率已抵押銀行存款有關的公平值利率風險。然而，管理層認為，由於定期存款年期相對較短，有關定期存款的公平值利率風險甚微。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings. The analysis is prepared assuming that variable rate bank borrowings outstanding at the end of each reporting period were outstanding for the whole year. 10 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates of bank borrowings. No sensitivity analysis is presented for bank balances as the directors of the Company considered the Group's exposure to cash flow interest rate risk is not material.

If interest rate had been 10 basis points higher or lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2019 would decrease or increase by approximately HK\$41,000 (2018: HK\$35,000).

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the exposure at the end of each reporting period does not reflect the exposure during the year.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

以下敏感度分析乃根據浮動利率銀行借款的利率風險釐定。編製分析時乃假設於各報告期末未償還的銀行借款於整個年度未償還。上升或下降10個基點代表管理層對銀行借款的利率的合理可能變動的評估。由於本公司董事認為本集團涉及的現金流量利率風險並不重大，故並無呈列銀行結餘的敏感度分析。

倘利率上升或下降10個基點，而所有其他變數維持不變，本集團於截至二零一九年三月三十一日止年度的除稅後溢利將減少或增加約41,000港元(二零一八年：35,000港元)。

管理層認為，敏感度分析不能代表內在利率風險，因為各報告期末的風險無法反映於年內的風險。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk

The carrying amounts of the Group's monetary assets (mainly including trade and other receivables, pledged bank deposits and bank balances and cash) and monetary liabilities (mainly including trade and other payables and unsecured bank borrowings) denominated in currencies other than the respective group entities' functional currencies at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2019 HK\$'000 千港元	2018 HK\$'000 千港元	2019 HK\$'000 千港元	2018 HK\$'000 千港元
HK\$ against US\$	港元兌美元	40,038	190,778	49,254	42,295
RMB against US\$	人民幣兌美元	410	2,922	-	-
Euro against US\$	歐元兌美元	1,651	4,846	2,295	1,582
JPY against US\$	日圓兌美元	1	1	130	1,406

Other than above, several subsidiaries of the Group have the following intra-group payables denominated in HK\$ and US\$, which are foreign currencies of the relevant group entities.

		Amounts due to group entities 應付集團實體款項	
		2019 HK\$'000 千港元	2018 HK\$'000 千港元
HK\$ against US\$	港元兌美元	175,072	93,194
US\$ against RMB	美元兌人民幣	83,940	87,846

The Group currently does not have a foreign currency hedging policy in respect of foreign currency exposure. However, management monitors the related foreign currency exposure closely and will consider hedging significant currency exposure should the need arise.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

市場風險(續)

外幣風險

於各報告期末本集團的貨幣資產(主要包括貿易及其他應收款項、已抵押銀行存款以及銀行結餘及現金)及貨幣負債(主要包括貿易及其他應付款項及無抵押銀行借款)的賬面值以有關集團實體的功能貨幣以外的貨幣計值，如下文所示：

除上述外，若干本集團附屬公司之以下集團內應付款項以港元及美元(為有關集團實體的外幣)計值。

本集團目前並無有關外幣風險的外幣對沖政策。然而，管理層會密切監察相關外幣風險，並於有需要時考慮對沖重大貨幣風險。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk (continued)

Sensitivity analysis

The Group is mainly exposed to the foreign currency risk of HK\$, RMB, Euro and JPY. Under the pegged exchange rate system, the financial impact on exchange difference between HK\$ and US\$ will be immaterial as most HK\$ denominated monetary assets and liabilities are held by group entities having US\$ as their functional currency, and therefore no sensitivity analysis has been prepared.

The sensitivity analysis below details the Group's sensitivity to a 5% increase and decrease in US\$ against RMB, Euro and JPY. 5% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign currency rate. The sensitivity analysis includes the Group's monetary assets and monetary liabilities denominated in RMB, Euro, JPY and US\$. A positive (negative) number indicates a decrease (increase) in post-tax profit when US\$ strengthens 5% against RMB, Euro and JPY. For a 5% weakening of US\$ against RMB, Euro and JPY, there would be an equal but opposite impact on the post-tax profit for the year.

		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
RMB against US\$	人民幣兌美元	17	122
Euro against US\$	歐元兌美元	(27)	136
JPY against US\$	日圓兌美元	(5)	(59)
US\$ against RMB	美元兌人民幣	(3,148)	(3,294)

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk as the year end exposures do not reflect the exposure during the year.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

市場風險(續)

外幣風險(續)

敏感度分析

本集團主要承受港元、人民幣、歐元及日圓的外幣風險。在匯率掛鈎制度下，由於集團實體持有之大部分以港元計值的貨幣資產及負債以美元為其功能貨幣，港元兌美元匯率差別的財務影響將不重大，因此並無編製敏感度分析。

下文敏感度分析詳述本集團就美元兌人民幣、歐元及日圓上升及下降5%的敏感度。採用5%為敏感度比率代表管理層對匯率的合理可能變動的評估。敏感度分析包括本集團以人民幣、歐元、日圓及美元列值的貨幣資產及貨幣負債。正(負)數表示當美元兌人民幣、歐元及日圓升值5%時，除稅後溢利減少(增加)。美元兌人民幣、歐元及日圓貶值5%時，則會對年度的除稅後溢利產生等額但相反影響。

管理層認為，敏感度分析不能代表內在外幣風險，因為於年末的風險無法反映於年內的風險。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade receivables, trade receivable from a fellow subsidiary, contract assets, bills receivables, pledged bank deposits and bank balances. The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position at the end of each reporting period.

At the end of the reporting period, the Group has concentration of credit risk as 44% (2018: 48%) and 73% (2018: 79%) of trade receivables were due from the Group's largest customer and five largest customers, respectively. The Group's concentration of credit risk by geographical location is mainly in the PRC which accounted for 76% (2018: 71%) of trade receivables as at 31 March 2019.

Other than the concentration of credit risk of trade receivables as disclosed above, the Group does not have any other significant concentration of credit risk, with exposures spread over a number of counterparties.

Trade balances (including trade receivables, trade receivable from a subsidiary and contract assets)

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2018: incurred loss model) on trade balances individually. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

信貸風險及減值評估

本集團的信貸風險主要來自貿易應收款項、來自一家同系附屬公司的貿易應收款項、合約資產、應收票據、已抵押銀行存款及銀行結餘。於各報告期末，本集團因交易對手未能履行責任而遭受財務虧損的最高信貸風險是來自綜合財務狀況表所列各項已確認金融資產的賬面值。

於報告期末，本集團承受集中信貸風險，因為貿易應收款項的44%（二零一八年：48%）及73%（二零一八年：79%），乃分別來自本集團最大客戶及五大客戶。於二零一九年三月三十一日，本集團按地理位置劃分的集中信貸風險主要為中國，佔貿易應收款項的76%（二零一八年：71%）。

除上文所披露的貿易應收款項的集中信貸風險外，由於風險分散於眾多交易對手，本集團並無任何其他重大集中信貸風險。

貿易結餘(包括貿易應收款項、來自一家附屬公司的貿易應收款項及合約資產)

為盡量減低信貸風險，本集團管理層已指派團隊負責釐定信貸限額及信貸審批。於接納任何新客戶前，本集團使用內部信貸評分系統評估潛在客戶的信貸質素，並按客戶界定信貸限額。客戶的限額及評分每年審核兩次。已設立的其他監控程序用來確保採取跟進措施收回逾期債務。此外，本集團於應用香港財務報告準則第9號後就貿易結餘根據預期信貸虧損模式（二零一八年：已產生虧損模式）進行個別減值評估。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment of trade balances comprises the following categories:

Internal credit rating	Description	Trade receivables/trade receivable from a fellow subsidiary/contract assets
內部信貸評級	描述	貿易應收款項／來自一家同系附屬公司的貿易應收款項／合約資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past due amounts 交易對手的違約風險較低，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值
Watch list 觀察名單	Debtor frequently repays after due dates but usually settle after due date 債務人經常於到期日後償還款項，但通常於到期日後結算	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 內部或外部資料來源所得信息顯示信貸風險自初始確認以來顯著增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值
Loss 虧損	There is evidence indicating the assets is credit-impaired 有證據顯示有關資產已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重財務困難，且本集團並無實際可收回預期	Amount is written off 撇銷有關金額

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團的內部信貸風險級別評估或貿易結餘包括下列類別：

Trade receivables/trade receivable from a fellow subsidiary/contract assets

貿易應收款項／來自一家同系附屬公司的貿易應收款項／合約資產

Lifetime ECL — not credit-impaired
全期預期信貸虧損 — 並無信貸減值

Lifetime ECL — not credit-impaired
全期預期信貸虧損 — 並無信貸減值

Lifetime ECL — not credit-impaired
全期預期信貸虧損 — 並無信貸減值

Lifetime ECL — credit-impaired
全期預期信貸虧損 — 信貸減值

Amount is written off

撇銷有關金額

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

(continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables which are assessed individually as at 31 March 2019 within lifetime ECL (not credit-impaired).

2019	External credit rating	Internal credit rating	12m ECL or lifetime ECL	Gross carrying amount
二零一九年	外部信貸評級	內部信貸評級	12個月預期信貸虧損或全期預期信貸虧損	總賬面值 HK\$'000 千港元
Trade receivables	N/A	Low risk	Lifetime ECL (not credit-impaired)	159,827
貿易應收款項	不適用	低風險	全期預期信貸虧損(並無信貸減值)	
Trade receivable from a fellow subsidiary	N/A	Low risk	Lifetime ECL (not credit-impaired)	800
來自一家同系附屬公司的貿易應收款項	不適用	低風險	全期預期信貸虧損(並無信貸減值)	
Contract assets	N/A	Low risk	Lifetime ECL (not credit-impaired)	1,644
合約資產	不適用	低風險	全期預期信貸虧損(並無信貸減值)	

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

作為本集團信貸風險管理的一部分，本集團對其客戶採用內部信貸評級。下表提供於二零一九年三月三十一日於全期預期信貸虧損(並無信貸減值)內個別評估的貿易應收款項的信貸風險的資料。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

During the year ended 31 March 2019, trade receivables, trade receivable from a fellow subsidiary and contract assets were assessed individually with considering the financial background and the historical settlement records, including the past due dates and default rates of each trade balance and forward-looking information is reasonable, supportable and available without undue costs or effort. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information. No impairment allowance was recognised as amounts involved are insignificant.

Other receivables

Other receivables were assessed individually for ECL. The Group has considered the consistently low historical default rate in connection with payments and concluded that credit risk inherent in the Group's other receivables are insignificant and no loss allowance was recognised.

Pledged bank deposits, bank balances and bill receivables

For pledged bank deposits, bank balances and bill receivables, the directors of the Company consider the probability of default is negligible on the basis of high-credit-rating issuers as such amounts are receivable from or placed in banks with high external credit rating, no loss allowance was recognised as amounts involved are considered as insignificant.

35. 金融工具(續)

B. 財務風險管理目標及政策(續) 信貸風險及減值評估(續)

截至二零一九年三月三十一日止年度，貿易應收款項、來自一家同系附屬公司的貿易應收款項及合約資產個別進行評估，並會考慮財務背景及過往還款紀錄，包括各項貿易應收款項的逾期日期及違約率以及毋須花費不必要成本或努力即可獲得的合理並有證據支持的前瞻性資料。估計虧損率乃根據過往觀察所得違約率除以應收款項預期年期計算得出，並就前瞻性資料調整。由於所涉金額並不重大，故並未確認減值撥備。

其他應收款項

其他應收款項乃就預期信貸虧損個別進行評估。本集團考慮到有關付款的歷史違約率一貫較低，故認為本集團其他應收款項的固有信貸風險並不重大，因而並未確認虧損撥備。

已抵押銀行存款、銀行結餘及應收票據

就已抵押銀行存款、銀行結餘及應收票據而言，由於該等款項乃應收自或存置於外部信貸評級較高的銀行，故本公司董事認為基於發行人的高信貸評級，違約的可能性甚微。由於所涉金額並不重大，故並未確認虧損撥備。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations. The management also monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for their non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity date for other non-derivative financial liabilities is based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from current interest rate at the end of the reporting period.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

流動資金風險

為管理流動資金風險，本集團監察及維持管理層視為適當的現金及現金等價物水平，為本集團營運撥資。管理層亦監察借款的使用並確保遵守貸款契諾。

下表詳述本集團就非衍生金融負債的餘下合約到期日。該表根據本集團可能須付款之最早日期之金融負債未折現現金流量而編製。其他非衍生金融負債的到期日根據協定償還日期釐定。

該表包括利息及本金現金流量。倘利息流量為浮動利率，未折現金額乃源自報告期末的即期利率。

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity risk tables

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金風險表

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 3 months 按要求或 少於三個月 HK\$'000 千港元	3 months to 1 year 三個月 至一年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
31 March 2019	二零一九年 三月三十一日					
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	貿易及其他應付款項	–	165,000	96,667	261,667	261,667
Unsecured bank borrowings (Note)	無抵押銀行借款(附註)	3.55	49,233	–	49,233	49,233
			214,233	96,667	310,900	310,900
31 March 2018	二零一八年 三月三十一日					
Non-derivative financial liabilities	非衍生金融負債					
Trade and other payables	貿易及其他應付款項	–	262,671	71,904	334,575	334,575
Unsecured bank borrowings (Note)	無抵押銀行借款(附註)	3.20	41,525	–	41,525	41,525
			304,196	71,904	376,100	376,100

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

35. FINANCIAL INSTRUMENTS (continued)

B. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity risk tables (continued)

Note:

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 3 months” time band in the above maturity analysis. As at 31 March 2019, the aggregate principal amounts of these bank borrowings amounted to HK\$49,233,000 (2018: HK\$41,525,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank borrowings will be repaid within 3 months (2018: within 3 months) after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements and the aggregate principal and interest cash outflows according to the scheduled repayment dates are set out as follows:

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 3 months 按要求或少 於三個月 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
Unsecured bank borrowings	無抵押銀行借款				
At 31 March 2019	於二零一九年三月三十一日	3.55	49,412	49,412	49,233
At 31 March 2018	於二零一八年三月三十一日	3.20	41,779	41,779	41,525

C. Fair value measured of financial instruments

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

35. 金融工具(續)

B. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金風險表(續)

附註：

附有按要求償還條款的銀行借款於上述到期日分析計入「按要求或少於三個月」的時間範圍。於二零一九年三月三十一日，此等銀行借款的本金總額為49,233,000港元(二零一八年：41,525,000港元)。計及本集團的財務狀況，本公司董事相信，銀行不大可能行使其酌情權以要求立即還款。本公司董事相信，根據貸款協議所載既定還款日期，該等銀行借款將於報告期末後的三個月內(二零一八年：三個月內)償還，而根據既定還款日期作出的本金總額及利息現金流出如下：

C. 按公平值計量金融工具

金融資產及金融負債的公平值乃按照折現現金流量分析根據公認定價模式釐定。

本公司董事認為，於綜合財務報表按攤銷成本列賬的金融資產及金融負債之賬面值與其公平值相若。

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

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

36. 融資活動所產生負債之對賬

下表詳列本集團融資活動(包括現金及非現金變動)所產生之負債。融資活動所產生負債指現金流量曾經或未來現金流量將在本集團綜合現金流量表內分類為融資活動現金流量之負債。

		Accrued expenses incurred in connection with issue of share of the Company 就本公司發行股份產生的應計開支 HK\$'000 千港元	Amount due to ultimate holding company 應付最終控股公司款項 HK\$'000 千港元	Unsecured bank borrowings 無抵押銀行借款 HK\$'000 千港元	Dividend payable 已付股息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	-	65,340	78,420	-	143,760
Financing cash flows	融資現金流量	(17,359)	(65,340)	(39,950)	-	(122,649)
Finance cost recognised	確認融資成本	-	-	2,323	-	2,323
Share issue costs	股份發行成本	17,359	-	-	-	17,359
Currency realignment	貨幣調整	-	-	732	-	732
At 31 March 2018	於二零一八年三月三十一日	-	-	41,525	-	41,525
Financing cash flows	融資現金流量	-	-	6,059	(36,800)	(30,741)
Finance cost recognised	確認融資成本	-	-	1,649	-	1,649
Dividends declared	派發的股息	-	-	-	36,800	36,800
At 31 March 2019	於二零一九年三月三十一日	-	-	49,233	-	49,233

FINANCIAL SUMMARY

財務概要

For the year ended 31 March

截至三月三十一日止年度

		2015	2016	2017	2018	2019
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
Revenue	收益	941,482	911,593	864,571	1,238,374	1,314,389
Profit before taxation	除稅前溢利	72,211	83,119	97,344	171,014	145,980
Taxation	稅項	(5,494)	(11,520)	(15,660)	(38,894)	(23,046)
Profit for the year	本年度溢利	66,717	71,599	81,684	132,120	122,934

At 31 March

於三月三十一日

		2015	2016	2017	2018	2019
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	659,194	545,944	502,047	882,906	890,576
Total liabilities	總負債	(518,743)	(352,261)	(380,785)	(424,184)	(341,498)
Net assets	資產淨值	140,451	193,683	121,262	458,722	549,078

The result and summary of assets and liabilities for each of the three years ended 31 March 2017 which were extracted from the Company's prospectus dated 30 January 2018 have been prepared on a combined basis to indicate the results of the Group as if the group structure, at the time when the Company's shares were listed on the Main Board of the Stock Exchange, has been in existence throughout those years.

本集團截至二零一七年三月三十一日止三個年度各年之業績及資產及負債概要(摘錄自本公司日期為二零一八年一月三十日的招股章程)已按合併基準編制,以顯示本集團之業績(猶如本公司股份於聯交所主板上市時之本集團架構於該等年度一直存在)。



匯聚科技有限公司
TIME Interconnect Technology Limited