

# 恆新豐控股有限公司

## HANDS FORM HOLDINGS LIMITED

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

*(於開曼群島註冊成立的有限公司)*

Stock Code 股份代號 : 1920



**2019**  
**ANNUAL REPORT**  
年報





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# Corporate Information

## 公司資料

### Board of Directors

#### Executive Directors

Mr. Cheung Kwok Fai Adam (Chairman and Chief Executive Officer)  
Mr. Ng Sheung Chung  
Mr. Ma Kan Sun

#### Independent Non-Executive Directors

Mr. Pak Shek Kuen  
Mr. Lo Chi Hung  
Mr. Ho Kwok Lung

### Audit Committee

Mr. Pak Shek Kuen (Chairman)  
Mr. Lo Chi Hung  
Mr. Ho Kwok Lung

### Remuneration Committee

Mr. Lo Chi Hung (Chairman)  
Mr. Pak Shek Kuen  
Mr. Ho Kwok Lung

### Nomination Committee

Mr. Cheung Kwok Fai Adam (Chairman)  
Mr. Pak Shek Kuen  
Mr. Lo Chi Hung  
Mr. Ho Kwok Lung

### Company Secretary

Mr. Tsui Chun Hung

### Authorised Representatives

Mr. Cheung Kwok Fai Adam  
Mr. Tsui Chun Hung

### Registered Office in the Cayman Islands

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

### 董事會

#### 執行董事

張國輝先生 (主席兼行政總裁)  
伍尚聰先生  
馬庚申先生

#### 獨立非執行董事

白錫權先生  
盧志雄先生  
何國龍先生

### 審核委員會

白錫權先生 (主席)  
盧志雄先生  
何國龍先生

### 薪酬委員會

盧志雄先生 (主席)  
白錫權先生  
何國龍先生

### 提名委員會

張國輝先生 (主席)  
白錫權先生  
盧志雄先生  
何國龍先生

### 公司秘書

崔雋雄先生

### 授權代表

張國輝先生  
崔雋雄先生

### 開曼群島註冊辦事處

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

## Headquarters and Principal Place of Business In Hong Kong

Room 9, 2/F  
Hang Bong Commercial Centre  
28 Shanghai Street  
Jordan, Kowloon  
Hong Kong

## Principal Share Registrar and Transfer Office in Cayman Islands

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

## Hong Kong Branch Share Registrar and Transfer Office

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

## Compliance Adviser

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

## Legal Adviser as to Hong Kong Law

Guantao & Chow Solicitors and Notaries  
Suites 1801-3, 18/F  
One Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

## 總部及香港主要營業地點

香港  
九龍佐敦  
上海街28號  
恒邦商業中心  
2樓9室

## 開曼群島主要股份過戶登記處

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

## 香港股份過戶登記分處

寶德隆證券登記有限公司  
香港北角  
電氣道148號21樓2103B室

## 合規顧問

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

## 香港法例之法律顧問

觀韜律師事務所(香港)  
香港  
鰂魚涌  
英皇道979號  
太古坊一座  
18樓1801-3室



# Corporate Information

## 公司資料

### Auditor

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

### Principal Banker

The Bank of East Asia Limited

### Stock Code

1920

### Website

[www.handsform.com](http://www.handsform.com)

### 核數師

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

### 主要往來銀行

東亞銀行有限公司

### 股份代號

1920

### 網站

[www.handsform.com](http://www.handsform.com)

# Chairman's Statement

## 主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Hands Form Holdings Limited (the “**Company**”), I present the annual report of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2019 (the “**Year**”).

The shares of the Company (the “**Shares**”) were successfully listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 August 2019 (the “**Listing Date**”). It marked an important milestone for the Group and laid a solid foundation for future development. On behalf of the Group, I would like to extend our appreciation to all parties who have helped us build our business over the years as well as to those who helped to bring the Company to the Listing on the Stock Exchange.

The Group is a Hong Kong-based subcontractor engaged in the provision of wet trades works and the wet trades related ancillary works in Hong Kong.

The revenue from the provision of wet trades works and the wet trades related ancillary works for the Year amounted to approximately HK\$558.1 million, representing an increase of approximately HK\$126.3 million, or 29.3% compared to approximately HK\$431.8 million for the year ended 31 December 2018. The increase was primarily due to projects located in Tin Shui Wai and Tseung Kwan O which contributed revenue of approximately HK\$250.1 million during the Year. The gross profit of approximately HK\$70.2 million reported for the Year was higher than the gross profit of approximately HK\$52.9 million for the year ended 31 December 2018.

Looking ahead, the recent novel coronavirus (COVID-19) outbreak and local social incidents in Hong Kong will adversely impact the construction industry. In particular, the Chinese government and the Hong Kong government respectively implemented various measures including compulsory quarantine and new border control measures to prevent the spread of the novel coronavirus. These containment efforts have impeded the production and transportation of construction materials and resulted in lack of site workers. Regardless of the near-term challenges in the industry, we will remain focused on our long-term goals and sustainable development. The Board will take appropriate measures to control costs incurred and proactive approach in tendering profitable projects in order to lessen any adverse impact on the Group.

尊敬的各位股東：

本人謹此代表恆新豐控股有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)向閣下提呈本公司及其附屬公司(統稱為「**本集團**」)截至二零一九年十二月三十一日止年度(「**本年度**」)的年度報告。

於二零一九年八月十六日(「**上市日期**」)，本公司股份(「**股份**」)成功於香港聯合交易所有限公司(「**聯交所**」)主板上市(「**上市**」)，標誌著本集團的重要里程碑，並為未來發展奠定了堅實基礎。本人欣然代表本集團向多年來幫助我們建立業務的各方及幫助本公司於聯交所上市的各方表達誠摯的謝意。

本集團乃為位於香港從事提供泥水工程及與泥水工程相關的配套工程的分包商。

於本年度自提供泥水工程及與泥水工程相關的配套工程所得收益達約558.1百萬港元，較截至二零一八年十二月三十一日止年度的約431.8百萬港元增加約126.3百萬港元或29.3%。該增加乃主要由於位於天水圍及將軍澳的項目為本年度貢獻收益約250.1百萬港元。本年度錄得毛利約70.2百萬港元高於截至二零一八年十二月三十一日止年度之毛利約52.9百萬港元。

展望未來，近期新冠病毒疫情(COVID-19)爆發以及香港本地社會事件將對建築業造成不利影響。具體而言，中國政府及香港政府分別採取各種措施以防止新型冠狀病毒傳播，包括強制檢疫及新的邊境管制措施。該等遏制措施阻礙了建築材料的生產及運輸以及導致地盤工人欠缺。儘管短期內行業面臨諸多挑戰，我們仍將不忘我們的長遠目標及可持續發展。董事會將採取措施控制產生的成本，並積極提取具盈利的項目，以減輕對本集團造成的任何不利影響。

# Chairman's Statement

## 主席報告

On behalf of the Board, I would like to take this opportunity to express my deep gratitude to our committed staff and Directors for their dedications and contributions, and to sincerely thank our customers, business partners and investors for their continuous support and trust.

**Cheung Kwok Fai Adam**

*Chairman and Chief Executive Officer*

Hong Kong, 27 March 2020

本人欣然代表董事會藉此機會衷心感謝我們盡職的員工及董事的竭誠服務及貢獻，亦向客戶、業務夥伴及投資者的持續支持及信任表達誠摯的感謝。

主席兼行政總裁

**張國輝**

香港，二零二零年三月二十七日



# Management Discussion and Analysis

## 管理層討論與分析



### Business Review and Outlook

The Group is an established subcontractor in Hong Kong and is principally engaged in the provision of wet trades works and other wet trades related ancillary works. Wet trades works include plastering on floors, walls and ceilings, tile laying on internal and external walls and floors, brick laying and marble works.

The Group provides wet trades works through its principal operating subsidiaries, namely, Pak Fai Engineering Limited (“**Pak Fai**”) and Ma Yau Engineering Limited (“**Ma Yau**”). Both of the principal operating subsidiaries have been registered in the Registered Specialist Trade Contractors Scheme (formerly known as the Subcontractor Registration Scheme) of the Construction Industry Council. Pak Fai and Ma Yau first completed such registration under the predecessor scheme in April 2004 and our registration has since then covered finishing wet trades, marble, granite and stone work with a wide range of specialties including brick work, plastering and tiling, spray plaster and screeding, marble and granite works.

On 16 August 2019, the Shares were successfully listed on the Main Board of the Stock Exchange, making an important milestone of the Company's business.

As at 31 December 2019, the Group had a total of 16 ongoing projects (including projects that have commenced but not substantially completed as well as projects that have been awarded but not yet commenced) and the original contract sum of these projects is approximately HK\$947.1 million in aggregate.

The Directors are aware that the outbreak of novel coronavirus disease (COVID-19) together with the challenges posed by the social unrest in Hong Kong in the past months means a double blow to the Hong Kong economy and further contributes to a downward trend in the Hong Kong construction market. With many large-scale infrastructure projects approaching completion and lack of new projects in the industry, the Group underwent fierce competition and faced great pressure when bidding for new projects. In order to maintain its market share in the wet trades works industry, the Group will continue to closely monitor the market and respond to changes in market conditions. The Directors are confident that with the Group's reputation in the wet trades works industry and its experienced management team, the Group is in a good position to compete with its competitors. The Group will continue to improve its competitiveness in the market by continuing to provide quality works to its customers. The Group will also continue to proactively seek opportunities to expand its customer base and its market share and undertake more wet trades projects which will enhance value to the shareholders of the Company.

### 業務回顧及前景

本集團乃香港知名的分包商，主要從事提供泥水工程及其他與泥水工程相關的配套工程。泥水工程包括地台、牆壁及天花板批盪、內外牆及地台鋪砌瓦片、砌磚及雲石工程。

本集團透過其主要營運附屬公司栢輝工程有限公司(「栢輝」)及馬友工程有限公司(「馬友」)提供泥水工程。該兩間主要營運附屬公司均已於建造業議會的註冊專門行業承造商制度(前稱分包商註冊制度)註冊。栢輝及馬友於二零零四年四月首次完成先前制度下的註冊，而我們的註冊自此覆蓋泥水終飾工程、鋪砌雲石及花崗石磚與石工，涵蓋廣泛的專長，包括磚工、批盪及鋪砌瓷磚、噴射批盪及地台批盪、鋪砌雲石及花崗石磚工程。

於二零一九年八月十六日，股份成功於聯交所主板上市，標誌著本公司業務的重要里程碑。

於二零一九年十二月三十一日，本集團共有16個進行中項目(包括已動工但未完全竣工的項目，以及已獲授但尚未動工的項目)及該等項目的原合約金額合共約為947.1百萬港元。

董事知悉，新冠病毒疫情(COVID-19)的爆發加上過往數月香港社會動盪造成的挑戰，對香港經濟造成雙重打擊並令香港建築市場進一步下滑。隨著大量大型基建項目接近完工且業內缺乏新項目，本集團於競標新項目時面對激烈的競爭及巨大的壓力。為維持本集團於泥水工程行業的市場份額，本集團將繼續密切監督市場並對市況變動作出回應。憑藉本集團於泥水工程行業的聲譽及經驗豐富的管理團隊，董事有信心本集團與其競爭對手的競爭處於有利地位。本集團將透過持續向客戶提供高質量工程以持續提高市場競爭力。本集團亦會繼續積極尋求機會擴充我們的客戶群及市場份額，並承接更多泥水工程項目，提升本公司股東價值。



# Management Discussion and Analysis

## 管理層討論與分析

### Financial Review

#### Revenue

The Group's revenue increased by approximately HK\$126.3 million or approximately 29.3% from approximately HK\$431.8 million for the year ended 31 December 2018 to approximately HK\$558.1 million for the Year. The increase in revenue was mainly driven by the revenue contributed by some of our existing sizable projects during the Year.

#### Gross Profit and Gross Profit Margin

The gross profit of the Group for the Year amounted to approximately HK\$70.2 million, representing an increase of approximately 32.8% as compared with approximately HK\$52.9 million for the year ended 31 December 2018. The Group's gross profit margin for the Year was approximately 12.6%, as compared with approximately 12.2% for the year ended 31 December 2018. The increase in gross profit was primarily due to the increase in revenue as discussed above, while the Group's gross profit margin remained broadly stable.

#### Other Income

Other income of the Group for the Year amounted to approximately HK\$359,000, representing a decrease of approximately 56.3% or HK\$462,000 compared with approximately HK\$821,000 for the year ended 31 December 2018. The decrease was primarily due to the absence of rental income and government subsidy for the Year.

#### Administrative Expenses

The administrative expenses of the Group for the Year amounted to approximately HK\$9.0 million, representing an increase of approximately 149.8% compared with approximately HK\$3.6 million for year ended 31 December 2018. The increase was mainly attributable to (i) the increase of administrative staff costs (including directors' emoluments) due to the increase of our administration, accounting and finance staff who joined us during 2019 and the general increment in salaries and bonus for the Directors and administrative, accounting and finance staff; and (ii) the increase in post-listing professional fee.

#### 財務回顧

##### 收益

本集團的收益由截至二零一八年十二月三十一日止年度的約431.8百萬港元增加約126.3百萬港元或約29.3%至本年度的約558.1百萬港元。收益增加乃主要由本年度我們若干現有大型項目貢獻的收益所帶動。

##### 毛利及毛利率

本集團於本年度的毛利約為70.2百萬港元，較截至二零一八年十二月三十一日止年度的約52.9百萬港元增加約32.8%。本集團於本年度的毛利率約為12.6%，而截至二零一八年十二月三十一日止年度約為12.2%。毛利增加主要由於上文所述的收益增加，而本集團毛利率總體維持穩定。

##### 其他收入

本集團於本年度的其他收入約為359,000港元，較截至二零一八年十二月三十一日止年度的約821,000港元減少約56.3%或462,000港元。該減少乃主要由於本年度並無租金收入及政府補助。

##### 行政開支

本集團於本年度的行政開支約為9.0百萬港元，較截至二零一八年十二月三十一日止年度的約3.6百萬港元增加約149.8%。增加主要由於(i)二零一九年加入我們的行政、會計及財務員工增加及董事、行政、會計及財務員工薪金及花紅普遍增加導致行政員工成本(包括董事酬金)增加；及(ii)上市後專業費用增加。

# Management Discussion and Analysis

## 管理層討論與分析

### Finance Costs

Finance costs of the Group for the Year were approximately HK\$260,000, representing an increase of approximately 217.1% compared with approximately HK\$82,000 for the year ended 31 December 2018. The significant increase was mainly attributable to an increase in the interests on bank overdrafts and bank borrowing, which was primarily driven by the Group's business growth and increasing working capital for sustaining its business operation. Since the bank borrowing was drawn down in late 2018, more interest of bank borrowing attributed to finance costs for the year ended 31 December 2019.

### Net Profit

Profit attributable to owners of the Company for the Year decreased by approximately HK\$4.5 million or approximately 11.1% from approximately HK\$40.3 million for the year ended 31 December 2018 to HK\$35.8 million for the Year. The decrease in the Group's net profit for the Year was mainly due the non-recurring listing expenses of approximately HK\$17.6 million incurred during the Year (for the year ended 31 December 2018: approximately HK\$2.0 million).

### Liquidity, Financial Resources and Capital Structure

The Shares were successfully listed on the Main Board of the Stock Exchange on the Listing Date and there has been no change in capital structure of the Group since then.

As at 31 December 2019, the Company's issued capital was HK\$26,000,000 and the number of its issued ordinary shares was 2,600,000,000 of HK\$0.01 each.

As at 31 December 2019, the Group had total cash and bank balances of approximately HK\$24.7 million (31 December 2018: approximately HK\$18.1 million). The total borrowings of the Group, consisting of bank overdrafts and bank borrowing, as at 31 December 2019 were approximately HK\$3.8 million (31 December 2018: approximately HK\$20.8 million). All borrowings were denominated in Hong Kong dollars. Interests are charged at fixed and floating rates. The Group did not carry out any interest rate hedging policy.

### 融資成本

於本年度，本集團的融資成本約為260,000港元，較截至二零一八年十二月三十一日止年度約82,000港元增加約217.1%。該大幅增加主要由於銀行透支及銀行借款利息增加，而其乃主要由於本集團業務增長及維持其業務營運之營運資金增加。由於銀行借款已於二零一八年底提取，故截至二零一九年十二月三十一日止年度確認較多融資成本之銀行借款利息。

### 純利

於本年度，本公司擁有人應佔溢利由截至二零一八年十二月三十一日止年度的約40.3百萬港元減少約4.5百萬港元或約11.1%至本年度的35.8百萬港元。本集團於本年度的純利減少主要由於於本年度產生的非經常性上市開支約17.6百萬港元(截至二零一八年十二月三十一日止年度：約2.0百萬港元)。

### 流動資金、財務資源及資本架構

股份於上市日期順利於聯交所主板上市及自此本集團的資本架構並無任何變動。

於二零一九年十二月三十一日，本公司的已發行股本為26,000,000港元以及已發行普通股數目為2,600,000,000股每股面值0.01港元的股份。

於二零一九年十二月三十一日，本集團的現金及銀行結餘總額約為24.7百萬港元(二零一八年十二月三十一日：約18.1百萬港元)。本集團於二零一九年十二月三十一日的借款總額(包括銀行透支及銀行借款)約為3.8百萬港元(二零一八年十二月三十一日：約20.8百萬港元)。所有借款均以港元計值。利息按固定利率及浮動利率收取。本集團並無實施任何利率對沖政策。



# Management Discussion and Analysis

## 管理層討論與分析

### Treasury Policy

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

### Pledge of Assets

As at 31 December 2019, the Group had approximately HK\$6.5 million of net book value of its leasehold land and buildings pledged for banking facilities (31 December 2018: HK\$6.6 million).

### Foreign Exchange Risk

The Group mainly operates in Hong Kong. Most of the operating transactions and revenue were settled in Hong Kong dollars and the Group's assets and liabilities are primarily denominated in Hong Kong dollars. With the insignificant portion of monetary transactions and assets denominated in foreign currencies, the Group did not engage in any derivatives agreement and did not commit to any financial instrument to hedge its foreign exchange exposure during the Year (2018: nil).

### Gearing Ratio

As at 31 December 2019, the gearing ratio (calculated as total bank borrowing (i.e. bank overdrafts and bank borrowing) divided by the total equity) was approximately 1.7% (31 December 2018: approximately 27.3%).

### Capital Expenditure

During the Year, the Group invested approximately HK\$4.1 million on the acquisition of property, plant and equipment. Capital expenditure was principally funded by internal resources.

### Capital Commitments and Contingent Liabilities

As at 31 December 2019, the Group had no material capital commitments or contingent liabilities.

### 庫務政策

本集團針對其庫務政策採取審慎的財務管理方法。董事會密切監察本集團的流動資金狀況，確保本集團的資產、負債及其他承擔的流動資金架構始終能夠滿足其資金需求。

### 資產抵押

於二零一九年十二月三十一日，本集團擁有賬面淨值約6.5百萬港元的租賃土地及樓宇，以為銀行融資作抵押(二零一八年十二月三十一日：6.6百萬港元)。

### 外匯風險

本集團主要於香港營運。大部分營運交易及收益均以港元結算，且本集團資產及負債主要以港元計值。於本年度，鑒於以外幣計值的貨幣交易及資產並不重大，本集團並未涉及任何衍生工具協議，亦無使用任何金融工具對沖其外匯風險(二零一八年：無)。

### 資產負債比率

於二零一九年十二月三十一日，資產負債比率(按銀行借款總額(即銀行透支及銀行借款)除以權益總額計算)約為1.7%(二零一八年十二月三十一日：約27.3%)。

### 資本開支

於本年度內，本集團投資約4.1百萬港元用於購買物業、廠房及設備。資本開支主要由內部資源撥資。

### 資本承擔及或然負債

於二零一九年十二月三十一日，本集團並無重大資本承擔或或然負債。

### Material Acquisitions and Disposals of Subsidiaries and Associated Companies

During the Year, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies apart from the reorganisation in relation to the Listing as disclosed in the Company's prospectus dated 6 August 2019 (the "Prospectus").

### Significant Investment Held

During the Year, the Group did not hold any significant investments.

### Future Plans for Material Investments or Capital Assets

Save as disclosed under the section headed "Future plans and use of proceeds" in the Prospectus, the Group does not have any other plans for material investments or capital assets.

### Use of Proceeds

The amount of the proceeds, net of listing expenses (including underwriting fee) either recognised in the consolidated statement of profit or loss and other comprehensive income or deducted from the share premium, from the Listing ("Net Proceeds") was approximately HK\$90.0 million. The Group intends to apply the Net Proceeds in accordance with the proposed applications set out in the section headed "Future plans and use of proceeds" in the Prospectus.

### 重大收購及出售附屬公司及聯營公司

於本年度內，除本公司日期為二零一九年八月六日之招股章程(「招股章程」)所披露有關上市的重組外，本集團並無任何重大收購或出售附屬公司或聯營公司事項。

### 所持重大投資

於本年度內，本集團並無持有任何重大投資。

### 重大投資或資本資產之未來計劃

除根據招股章程的「未來計劃及所得款項用途」一節所披露者外，本集團並無重大投資或資本資產之任何其他計劃。

### 所得款項用途

上市所得款項(扣除上市開支(包括包銷費用)(包括於綜合損益及其他全面收益表內確認及自股份溢價中扣除的款項))(「所得款項淨額」)約為90.0百萬港元。本集團擬按招股章程「未來計劃及所得款項用途」一節所載建議用途使用所得款項淨額。



# Management Discussion and Analysis

## 管理層討論與分析

An analysis of the utilisation of the Net Proceeds up to the date of this annual report is set out below:

直至本年報日期，動用所得款項淨額之分析載列如下：

		<b>Planned</b>	<b>Actual use of Net Proceeds up to the date of this annual report</b>	<b>Unutilised balance up to the date of this annual report</b>
		直至本年報日期 已規劃	直至本年報日期 實際使用所得 款項淨額	直至本年報日期 之未使用結餘
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
1 Payment for upfront costs	1 支付頂糧費	39,900	39,900	–
2 Expansion of workforce	2 擴大員工數目	18,700	60	18,640
3 Upgrading our office facilities and information technology system	3 升級我們的辦公設備及資訊技術系統	9,900	1,953	7,947
4 Acquiring machinery and equipment	4 購置機器及設備	8,300	6,321	1,979
5 Payment of performance bonds	5 支付履約保證	7,500	–	7,500
6 Renting a new warehouse	6 租賃新的倉庫	3,200	–	3,200
5 Acquiring safety equipment and tools	5 購買安全設備及工具	2,500	441	2,059
		90,000	48,675	41,325

As at the date of this annual report, the unutilised proceeds are placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong.

於本年報日期，尚未動用的所得款項乃作為計息存款存放於香港認可金融機構或持牌銀行。

The Directors regularly evaluate the Group's business objectives and may change or modify plans against the changing market condition to ascertain the business growth of the Group. During the Year, the Directors considered that no modification of the use of proceeds described in the Prospectus was required.

董事定期評估本集團的業務目標，並可能按市況變更或修改計劃，以確保本集團之業務增長。於本年度，董事認為毋須對招股章程所述所得款項用途作出修改。

### Employees and Remuneration Policy

As at 31 December 2019, the Group employed a total of 42 employees (including executive Directors and independent non-executive Directors), as compared to a total of 35 employees as at 31 December 2018. Total staff costs which include Directors' emoluments for the Year were approximately HK\$16.3 million (year ended 31 December 2018: approximately HK\$8.8 million). The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on the salary increase, discretionary bonuses and promotions based on the performance of each employee.

The emoluments of the Directors are decided by the Board after recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees.

During the Year, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

### Final Dividend

The Board has resolved not to recommend the declaration of final dividend to shareholders of the Company for the Year.

### Compliance Adviser's Interests

As notified by the Company's compliance adviser, Grande Capital Limited ("**Grande**"), as at 31 December 2019, except for the compliance adviser agreement entered into between the Company and Grande dated 14 March 2019, neither Grande nor its directors, employees or close associates had any interests in relation to the Company, which is required to be notified to the Company pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

### 僱員及薪酬政策

於二零一九年十二月三十一日，本集團僱有合共42名僱員（包括執行董事及獨立非執行董事），而二零一八年十二月三十一日則有合共35名僱員。本年度，總員工成本（包括董事酬金）約為16.3百萬港元（截至二零一八年十二月三十一日止年度：約8.8百萬港元）。本集團的僱員薪資及福利水平具競爭力，且透過本集團的薪資及花紅制度獎勵個人表現。本集團每年根據各僱員的表現對加薪、酌情花紅及晉升進行審閱。

董事的酬金由董事會參考本公司薪酬委員會的推薦建議後決定，當中計及本集團財務表現及董事個別表現等因素。

本公司已採納一項購股權計劃，作為對董事及合資格僱員的獎勵。

於本年度內，本集團並無與僱員出現勞工糾紛所引致的任何重大問題，招聘及留任經驗豐富的員工時亦無遭遇任何困難。

### 末期股息

董事會已議決不建議向本公司股東宣派本年度的末期股息。

### 合規顧問權益

據本公司合規顧問均富融資有限公司（「**均富**」）所告知，於二零一九年十二月三十一日，除本公司與均富於二零一九年三月十四日訂立之合規顧問協議外，均富及其董事、僱員或緊密聯繫人士概無於本公司擁有根據聯交所證券上市規則（「**上市規則**」）須向本公司告知的任何權益。





# Report of the Directors

## 董事會報告

The Board is pleased to present to the shareholders this annual report together with the audited consolidated financial statements of the Group for the Year.

### Principal Activities

The Company is an investment holding company while the principal subsidiaries are principally engaged in the provision of wet trades works and other wet trades related ancillary works in Hong Kong. Details of the principal activities of its subsidiaries are set out in note 29 to the consolidated financial statements. There was no significant change in the Group's principal activities during the Year.

### Business Review

Discussion and analysis of principal activities as required by Schedule 5 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), including a discussion of the principal risks facing the Group and an indication of likely future developments in the Group's business can be found in the section headed "Management Discussion and Analysis" set out on pages 7 to 13 of this annual report. The discussion forms part of this report of the Directors.

### Results and Dividend

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 79 of this annual report. The Board has resolved not to recommend the declaration of final dividend to shareholders of the Company for the Year.

### Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements of this annual report.

### Relationship with Key Stakeholders

The Directors are of the view that employees, customers, sub-contractors and suppliers are the keys to the sustainable development of the Group.

董事會欣然向股東提呈本年度報告及本集團於本年度之經審核綜合財務報表。

### 主要活動

本公司為一間投資控股公司，其主要附屬公司主要於香港從事提供泥水工程及其他與泥水工程相關的配套工程。其附屬公司之主要業務詳情載於綜合財務報表附註29。於本年度，本集團的主要業務活動並無重大變動。

### 業務回顧

香港公司條例(香港法例第622章)附表5所要求的討論和分析主要業務，包括描述本集團的主要風險及未來業務發展可能遇到的不確定因素，可參閱本年報第7至13頁所載的管理層討論與分析。該討論構成本董事會報告的一部分。

### 業績及股息

本集團於本年度的業績載於本年報第79頁的綜合損益及其他全面收益表。董事會議決不建議就本年度向本公司股東宣派末期股息。

### 物業、廠房及設備

於本年度，本集團的物業、廠房及設備變動詳情載於本年報綜合財務報表附註13。

### 與主要持份者的關係

董事認為僱員、客戶、分包商及供應商對本集團的可持續發展至關重要。

### Employees

Employees are regarded as valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise well-performed staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives. In particular, the Group promotes career development and advancement by providing appropriate training and opportunities in order to enhance the employees' work performance.

### Customers

The Group's major customers include construction work companies engaged in public and/or private construction projects in Hong Kong. The Group has established long-term business relationship with these customers for many years and committed to offer quality service to meet their requirement. The Group endeavours to maintain contacts with these customers regularly in order to understand their needs and provide required service to support their businesses.

### Sub-contractors and Suppliers

The Group has developed a long-standing relationship with a number of sub-contractors and suppliers and the Group has always been communicating closely with them to ensure that there will be good quality and sustainable goods and services provided to the Group. When selecting sub-contractors and suppliers, the Group often requires them to satisfy certain criteria such as experience and capability, financial strength, track record, and reputation.

### Share Capital

Details of movements during the Year in the share capital of the Company are set out in note 23 to the consolidated financial statements of this annual report.

### Reserves

Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 81 of this annual report.

### 僱員

僱員為本集團的寶貴資產。本集團人力資源管理目標為向員工提供具競爭力的薪酬方案及實施有效的績效考核系統，並適當採取激勵措施，以嘉獎及表彰優秀員工。尤其是，本集團將為僱員提供適當培訓及機遇以提高彼等的工作表現，從而推進其事業發展及進步。

### 客戶

本集團的主要客戶包括於香港從事公營及／或私營建築項目的建築工程公司。本集團已與該等客戶建立為期數年之久的長期業務關係並致力於提供符合彼等要求的優質服務。本集團竭力維持與該等客戶保持定期聯繫，以了解彼等的需求並提供所須服務，從而推動彼等的業務發展。

### 分包商及供應商

本集團已與眾多分包商及供應商建立長期業務關係，而本集團向來與彼等保持密切交流，以確保彼等將不斷為本集團提供優質及可持續發展的商品及服務。本集團於挑選分包商及供應商時要求彼等滿足若干標準，如經驗及能力、財務實力、往績記錄及聲譽。

### 股本

本公司於本年度的股本變動詳情載於本年報綜合財務報表附註23。

### 儲備

本集團於本年度的儲備變動詳情載於本年報第81頁的綜合權益變動表。



# Report of the Directors

## 董事會報告

### Distributable Reserves

As at 31 December 2019, the Company had distributable reserves amounted to approximately HK\$66.2 million (2018: Nil).

### Equity-Linked Agreements

Save and except for the Share Option Scheme disclosed below, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year.

### Share Option Scheme

The share option scheme was adopted by the Company on 22 July 2019 (“the Share Option Scheme”). The Share Option Scheme was approved by written resolutions of the Shareholders and as approved by the listing committee of the Stock Exchange which is valid and effective for a period of ten years commencing on 22 July 2019. The purpose of the Share Option Scheme is to provide incentives or rewards to Participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

Pursuant to the terms of the Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all share option schemes of the Company shall not exceed 260,000,000 Shares, being 10% of the Shares in issue as at the date of this annual report.

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme to eligible participants in any 12 months period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant, any further grant of options in excess of this 1% limit shall be subject to the approval of Shareholders in a general meeting.

### 可用於分配的儲備

於二零一九年十二月三十一日，本公司可用於分配的儲備約為66.2百萬港元（二零一八年：無）。

### 股權掛鈎協議

除下文所披露之購股權計劃外，本公司於本年度或年末並無訂立或存續任何股權掛鈎協議。

### 購股權計劃

本公司於二零一九年七月二十二日採納購股權計劃（「購股權計劃」）。購股權計劃獲股東書面決議案批准以及經聯交所上市委員會批准，於二零一九年七月二十二日起計十年內有效。購股權計劃旨就參與者對本集團作出的貢獻提供激勵或獎勵及／或令本集團能夠招募及挽留高級僱員以及吸引對本集團及任何投資實體有價值的人力資源。

根據購股權計劃的條款及遵守上市規則第17章的條文，於行使根據購股權計劃及本公司所有購股權計劃授出的所有購股權後可予發行的最高股份數目不得超過260,000,000股，即本年報日期已發行股份的10%。

截至授出日期的任何十二個月期間內，於行使合資格參與人士根據購股權計劃所獲授的購股權後已發行及可予發行的股份總數不得超過授出日期已發行股份的1%，額外授出超過該1%上限的購股權須經股東於股東大會批准。

# Report of the Directors

## 董事會報告

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall not be less than the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a trading date; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading dates immediately preceding the date of grant; or (iii) the nominal value of a Share.

A share option may be exercised in accordance with the terms of the Share Option Scheme at any time during the period to be determined and notified by the Board to the participant at the time of making an offer for the grant of share option.

An offer of the grant of a share option shall be accepted by the eligible participants within a period of 21 days from the date of offer of grant of share option. The consideration paid by each grantee for the acceptance and grant of each share option is HK\$1.00, which has to be paid within 21 days.

Since the adoption of the Share Option Scheme, no option has been granted. Therefore, no option was exercised, cancelled or lapsed during the Year and there was no option outstanding as at 31 December 2019.

根據購股權計劃所授出的任何特定購股權所涉及的股份認購價不得少於以下之最高者：(i)於授出日期(須為交易日)股份於聯交所每日報價表所報收市價；(ii)股份於緊接授出日期前五個交易日在聯交所每日報價表所報平均收市價；或(iii)股份面值。

購股權可根據購股權計劃的條款，於董事會提出授予購股權要約時釐定及通知參與人士的期間隨時行使。

授出購股權的要約可由合資格參與人士自授出購股權要約日期起21日內接受。各承授人每次接納及獲授購股權時所付代價為1.00港元，並須於21日內繳付。

自採納購股權計劃以來，本公司概無授出任何購股權。因此，本年度內概無購股權獲行使、註銷或失效，且概無購股權於二零一九年十二月三十一日尚未行使。



# Report of the Directors

## 董事會報告

### Directors

The Directors who held office during the Year and up to the date of this annual report were:

### Executive Directors

Mr. Cheung Kwok Fai Adam (Appointed on 30 January 2019)

Mr. Ng Sheung Chung (Appointed on 30 January 2019)

Mr. Ma Kan Sun (Appointed on 30 January 2019)

### Independent non-executive Directors

Mr. Ho Kwok Lung (Appointed on 21 July 2019)

Mr. Lo Chi Hung (Appointed on 21 July 2019)

Mr. Pak Shek Kuen (Appointed on 21 July 2019)

In accordance with article 108 of the Company's articles of association (the "Articles"), one-third of the Directors of the Company, will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting, provided that every Director shall retire at least once every three years. Accordingly, Mr. Ho Kwok Lung and Mr. Pak Shek Kuen will retire from office as Directors at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election.

The Directors' biographical details are set out in the section headed "Biographies of the Directors and Senior Management" in this annual report.

Information regarding Directors' emoluments is set out in note 10 to the consolidated financial statements of this annual report. Annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules has been received from each of the independent non-executive Directors. The Group considers all independent non-executive Directors to be independent under the Listing Rules.

### 董事

於本年度及直至本年報日期在任的董事如下：

### 執行董事

張國輝先生(於二零一九年一月三十日獲委任)

伍尚聰先生(於二零一九年一月三十日獲委任)

馬庚申先生(於二零一九年一月三十日獲委任)

### 獨立非執行董事

何國龍先生

(於二零一九年七月二十一日獲委任)

盧志雄先生

(於二零一九年七月二十一日獲委任)

白錫權先生

(於二零一九年七月二十一日獲委任)

根據本公司組織章程細則(「細則」)第108條，本公司三分之一董事將於應屆股東週年大會上輪值退任並合資格且願意膺選連任，惟各董事須至少每三年退任一次。因此，何國龍先生及白錫權先生將於本公司應屆股東週年大會退任董事職務，且合資格並願意膺選連任。

董事的履歷詳情載於本年報「董事及高級管理層履歷」一節。

有關董事酬金的資料載於本年報綜合財務報表附註10。各獨立非執行董事根據上市規則第3.13條作出的年度獨立確認書經已收到。根據上市規則，本集團認為全體獨立非執行董事均為獨立。

### Directors' Service Contract

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date, unless terminated by not less than three months' notice in writing served by either party on the other.

All the independent non-executive Directors have respectively entered into a letter of appointment with the Company for a term of one year unless terminated by not less than one month's notice in writing served by either party on the other.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### Dividend Policy

The Company has adopted dividend policy (the "Dividend Policy") in compliance with code provision E.1.5 of the CG Code. It is the policy of the Company, in considering the payments of dividends and to allow shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves for future growth of the Group.

Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia:

- the general financial condition of the Group;
- capital and debt level of the Group;
- future cash requirements and availability for business operations, business strategies and future development needs;
- any restrictions on payment of dividends that may be imposed by the Group's lenders;
- the general market conditions; and
- any other factors that the Board deems appropriate.

### 董事的服務合約

各執行董事已與本公司訂立服務合約，任期自上市日期起計為期三年，除非任一方對對方發出不少於三個月的書面通知予以終止。

所有獨立非執行董事均已各自與本公司訂立為期一年的委任函，惟由其中一方向另一方發出至少一個月書面通知終止合約則除外。

擬於應屆股東週年大會膺選連任的董事概無與本公司訂立任何本公司不可在一年內終止且無須支付賠償(法定賠償除外)的服務合約。

### 股息政策

本公司已根據企業管治守則第E.1.5條守則條文採納股息政策(「股息政策」)。本公司考慮派付股息之政策乃在於讓本公司股東分享本公司利潤的同時，確保保留足夠儲備供本集團未來增長所用。

根據股息政策，董事會在決議是否建議派付股息及釐定股息金額時將考慮(其中包括)：

- 本集團之整體財務狀況；
- 本集團之資本及債務水平；
- 業務營運、業務策略及日後發展需求之未來現金需求和供應；
- 本集團之債權人可能施加的任何派付股息限制；
- 整體市況；及
- 董事會認為適用之任何其他因素。



# Report of the Directors

## 董事會報告

The payment of the dividend by the Company is also subject to any restrictions under the Companies Law of the Cayman Islands and any other applicable laws, rule and regulations and the Articles. The Policy will be reviewed by the Board from time to time and there can be no assurance that a dividend will be proposed or declared in any specific periods.

### Management Contracts

During the Year, no contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed.

### Directors' Remuneration and Five Highest Paid Individuals

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 10 to the consolidated financial statements.

### Directors'/Controlling Shareholders' Material Interests in Transactions, Arrangements and Contracts that are Significant in Relation to the Group's Business

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent companies was a party and in which a director or controlling shareholder of the Company and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

### Competing Interests

The Directors are not aware of any business or interest of the Directors, the controlling shareholders of the Company or any of their respective close associates (as defined in the Listing Rules) that compete or may compete, directly or indirectly, with the business of the Group and any other conflicts of interest which any such person has or may have with the Group and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules since the Listing Date and up to date of this annual report.

本公司派付股息亦視乎開曼群島公司法及任何其他適用法律、規則及法規和細則之任何限制。董事會將不時審閱該政策，且概不保證會就任何特定期間建議或宣派股息。

### 管理合約

本年度概無訂立或存續與本公司整體或任何重大部分業務的管理及行政有關的合約（僱傭合約除外）。

### 董事薪酬及五名最高薪人士

董事及本集團五名最高薪人士的酬金詳情載於綜合財務報表附註10。

### 董事／控股股東於對本集團業務屬重大的交易、安排及合約的重大權益

於本年度末或本年度任何時間概無存續與本集團業務有關的任何重大交易、安排及合約，且本公司附屬公司、同系附屬公司或其母公司均非有關重大交易、安排及合約的訂約方，及本公司董事或控股股東及董事的關聯方亦無於其中直接或間接擁有重大權益。

### 競爭權益

自上市日期起直至本年報日期，董事概不知悉董事、本公司控股股東或任何彼等各自的緊密聯繫人（定義見上市規則）之任何業務或權益或可能與本集團業務直接或間接構成競爭，及亦不知悉任何該等人士與本集團有或可能有任何其他利益衝突而須根據上市規則第8.10條予以披露。

## Non-Competition Undertaking

Each of the controlling shareholders of the Company has made an annual declaration to the Company that since the Listing Date and up to date of this annual report, he/it has complied with the terms of non-competition undertakings (“**Non-Competition Undertakings**”) given in favour of the Company. The independent non-executive Directors have also reviewed the status of compliance by each of the controlling shareholders with the undertakings stipulated in the Non-Competition Undertakings and have confirmed that, as far as the independent non-executive Directors can ascertain, there is no breach of any of such undertakings.

## Permitted Indemnity Provision

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

Pursuant to the Articles, every Director shall be entitled to be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

## 不競爭承諾

本公司各控股股東已向本公司作出年度聲明，自上市日期起直至本年報日期，其一直遵守為本公司利益作出的不競爭承諾（「**不競爭承諾**」）條款。獨立非執行董事亦已審閱各控股股東對不競爭承諾所規定承諾的遵守情況，並已確認就獨立非執行董事所知，概無違反任何該等承諾。

## 獲准許彌償條文

本公司已就其董事及高級管理層可能面對因企業活動產生之法律訴訟，就董事及高級職員之責任作出適當的保險安排。

根據細則，各董事於執行或關於執行各自職務而於履行職責或假定職責時作出、同意或遺漏之任何行為所將會或可能招致或蒙受的所有訴訟、費用、收費、損失、損害賠償及開支，可獲確保免就此受任何損害，惟彼等因自身欺詐或不誠實而招致或蒙受者（如有）除外。



# Report of the Directors

## 董事會報告

### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 December 2019, interests and short positions in the Shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) held by the Directors and chief executive of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix 10 to the Listing Rules are as follows:

#### (i) Long position in the Shares

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Percentage of shareholding 股權百分比
Mr. Cheung Kwok Fai Adam (“Mr. Adam Cheung”) (Note) 張國輝(「張先生」)(附註)	Interest in a controlled corporation 受控法團權益	1,950,000,000	75%

Note: 1,950,000,000 Shares are held by Wonderful Renown Limited (“Wonderful Renown”) which is beneficially owned as to 84% by Mr. Adam Cheung and 16% by Ms. Cheung Lai Chun (“Ms. LC Cheung”). By virtue of the SFO, Mr. Adam Cheung is deemed to be interested in all the Shares held by Wonderful Renown. Mr. Adam Cheung is the brother of Ms. LC Cheung.

### 董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債權證的權益及淡倉

於二零一九年十二月三十一日，本公司董事及主要行政人員於本公司及其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所；或根據證券及期貨條例第352條已登記於本公司存置的登記冊；或根據上市規則附錄10內之上市發行人董事進行證券交易的標準守則(「標準守則」)已另行知會本公司及聯交所的權益及淡倉如下：

#### (i) 於股份的好倉

附註：1,950,000,000股股份由 Wonderful Renown Limited(「Wonderful Renown」)持有，而 Wonderful Renown 分別由張先生及張麗珍女士(「張女士」)實益擁有84%及16%。根據證券及期貨條例，張先生被視為於 Wonderful Renown 持有之所有股份中擁有權益。張先生為張女士之弟弟。

(ii) Long position in the ordinary shares of associated corporation

(ii) 於相聯法團普通股的好倉

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number of share(s) held/ interested 所持／擁有權益 的股份數目	Percentage of interest 權益百分比
董事姓名	相聯法團名稱	身份／權益性質		
Mr. Adam Cheung (Note) 張先生(附註)	Wonderful Renown	Beneficial owner 實益擁有人	84	84%

Note: Wonderful Renown is the direct shareholder of the Company and is an associated corporation within the meaning of Part XV of the SFO.

附註：Wonderful Renown 為本公司之直接股東及相聯法團(定義見證券及期貨條例第 XV 部)。

Except as disclosed above, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as at the date of this report as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

除上文所披露者外，於本年報日期，概無本公司董事或主要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、相關股份或債權證中擁有任何須在根據證券及期貨條例第 352 條存置的登記冊記錄或根據標準守則須另行知會本公司及聯交所的權益或淡倉。

## Substantial Shareholders' Interests in the Shares and Underlying Shares

As at 31 December 2019, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the particulars of the corporations or individuals (other than a Director or chief executive of the Company) who had or were deemed or taken to have an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept under section 336 of the SFO were as follows:

## 主要股東於股份及相關股份的權益

於二零一九年十二月三十一日，據本公司任何董事或主要行政人員所知或以其他方式所獲悉，於本公司股份及相關股份中擁有或被視為或被當作擁有須根據證券及期貨條例第 XV 部第 2 及 3 分部條文向本公司披露及須在根據證券及期貨條例第 336 條存置的登記冊內記錄的權益或淡倉的法團或個人(本公司董事或主要行政人員除外)的詳情如下：



# Report of the Directors

## 董事會報告

### Long position in the Company:

於本公司的好倉：

Name of Shareholder	Capacity/Nature of interest	Number of Shares held/interested (long position) 所持／擁有權益的股份數目(好倉)	Percentage of shareholding 股權百分比
Wonderful Renown	Beneficial Owner (Note 1) 實益擁有人(附註1)	1,950,000,000	75%
Ms. LC Cheung 張女士	Interests held jointly with other persons (Note 2) 與其他人士共同持有權益(附註2)	1,950,000,000	75%
Ms. Chan Shui King 陳瑞琮女士	Interest of a spouse (Note 3) 配偶權益(附註3)	1,950,000,000	75%

Note:

1. Wonderful Renown is a direct shareholder of the Company. Wonderful Renown is owned as to 84% by Mr. Adam Cheung and 16% by Ms. LC Cheung. By virtue of the SFO, Mr. Adam Cheung is deemed to be interested in all the Shares held by Wonderful Renown. Mr. Adam Cheung is the brother of Ms. LC Cheung.
2. Mr. Adam Cheung, Ms. LC Cheung and Wonderful Renown are parties acting in concert (having the meaning as ascribed thereto in the Takeovers Code) pursuant to the deed of confirmation and undertaking dated 21 February 2019. As such, Mr. Adam Cheung, Ms. LC Cheung and Wonderful Renown will together control 75% of the entire issued share capital of the Company. By virtue of the SFO, Ms. LC Cheung is deemed to be interested in the Shares held by Wonderful Renown.
3. Ms. Chan Shui King is the spouse of Mr. Adam Cheung. Accordingly, Ms. Chan Shui King is deemed or taken to be interested in the Shares held by Mr. Adam Cheung is interested in under the SFO.

Save as disclosed above, as at 31 December 2019, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register maintained by the Company pursuant to section 336 of the SFO.

附註：

1. Wonderful Renown 為本公司的直接股東。Wonderful Renown 分別由張先生及張女士擁有 84% 及 16%。就證券及期貨條例而言，張先生被視為於 Wonderful Renown 持有的所有股份中擁有權益。張先生為張女士之弟弟。
2. 根據日期為二零一九年二月二十一日的確認及承諾契據，張先生、張女士及 Wonderful Renown 為一致行動人士（具有收購守則賦予該詞的涵義）。因此，張先生、張女士及 Wonderful Renown 將共同控制本公司全部已發行股本的 75%。根據證券及期貨條例，張女士被視為於 Wonderful Renown 持有的股份中擁有權益。
3. 陳瑞琮女士為張先生的配偶。因此，根據證券及期貨條例，陳瑞琮女士被視為或當作於張先生持有的股份中擁有權益。

除上文所披露者外，於二零一九年十二月三十一日，就本公司所知悉，概無任何人士在本公司股份或相關股份中擁有按證券及期貨條例第 XV 部第 2 及第 3 分部條文須向本公司披露權益或淡倉，或根據證券及期貨條例第 336 條須予存置的登記冊所記錄權益或淡倉。

## Purchase, Sale or Redemption of the Listed Securities of the Company

Since the Listing Date and up to the date of this annual report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## Directors' Interests in Transaction, Arrangement or Contracts of Significance

Save as disclosed in this annual report, no transaction, arrangement or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or any entity connected with a Director had a material interest, either directly or indirectly, subsisted at the end of the Year or at any time during the Year.

## Arrangements to Acquire Shares or Debentures

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

## 購買、出售或贖回本公司上市證券

自上市日期起直至本年報日期，本公司及其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

## 董事於重大交易、安排或合約的權益

除本年報披露者外，於本年度末或本年度內任何時間並無存續本公司或其任何附屬公司為訂約方及董事或與董事有關連之任何實體於其中直接或間接擁有重大權益的重大交易、安排或合約。

## 收購股份或債權證之安排

於本年度及截至本年報日期，本公司或其任何附屬公司概無訂立任何安排致使董事可透過購入本公司或任何法人團體的股份或債權證而獲利。



# Report of the Directors

## 董事會報告

### Major Customers, Subcontractors and Suppliers

The approximate percentages of the Group's revenue and cost of services attributable to major customers, subcontractors and suppliers during the Year and year ended 31 December 2018 are as follows:

		<b>Year ended 31 December 2019 截至二零一九年 十二月三十一日 止年度</b>	Year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度
Approximate % of total revenue:	以下各項佔總收益的概約百分比：		
from the largest customer	最大客戶佔比	<b>59.5</b>	42.1
from the five largest customers in aggregate	五大客戶合共佔比	<b>93.5</b>	90.9
Approximate % of total cost of services incurred:	以下各項佔已產生服務成本總額的概約百分比：		
from the largest cost of services	最大服務成本佔比	<b>5.8</b>	11.8
from the five largest cost of services in aggregate	五大服務成本合共佔比	<b>14.4</b>	19.6

None of the Directors, their close associates or any shareholders (which to the knowledge of the Directors who owned more than 5% of the Company's share capital) had any interest in the five largest customers nor suppliers during the Year.

### Pre-Emptive Rights

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

### 主要客戶、分包商及供應商

本集團主要客戶、分包商及供應商於本年度及截至二零一八年十二月三十一日止年度應佔的收益及服務成本的概約百分比如下：

	<b>Year ended 31 December 2019 截至二零一九年 十二月三十一日 止年度</b>	Year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度
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概無董事、彼等之緊密聯繫人士或任何股東（據董事所知擁有本公司股本5%以上者）於本年度於五大客戶或供應商處擁有任何權益。

### 優先購買權

細則或開曼群島法律並無關於優先購買權的規定，促使本公司須按比例向現有股東發售新股份。

## Related Party Transactions

Details of the related party transactions of the Group for the Year are set out in note 28 to the consolidated financial statements of this annual report. All of the Group's related party transactions are fully exempted from the independent shareholders' approval, annual review and all disclosure requirements pursuant to Chapter 14A of the Listing Rules.

After the Listing Date, Pak Fai, as tenant, and Mr. Adam Cheung, as landlord, entered into a tenancy agreement dated 1 September 2019 (the "Tenancy Agreement"), for the rental of a property located at Room 5, 14/F, Hang Bong Commercial Centre, 28 Shanghai Street, Jordan, Kowloon, Hong Kong with an aggregate floor area of approximately 301 square feet which is used as an office. The term of the tenancy is from 1 September 2019 to 28 February 2020, with a rental of HK\$12,040 per month (exclusive of management fee and air-conditioning charges) payable in advance. The rent under the Tenancy Agreement was determined after arm's length negotiations between the parties thereto with reference to the market rent payable for comparable premises and is in line with the market level.

Further details of other continuing connected transactions of the Group are set out in the section headed "Connected Transactions" in the Prospectus. Since the Listing Date and up to the date of this annual report, the Company has complied with the applicable disclosure requirements under Chapter 14A of the Listing Rules in relation to any connected transactions and continuing connected transactions.

## Sufficiency of Public Float

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

## 關聯方交易

本集團於本年度之關聯方交易詳情載於本年報綜合財務報表附註28。本集團所有關聯方交易獲全面豁免遵守上市規則第14A章之獨立股東批准、年度審閱及一切披露規定。

於上市日期後，栢輝(作為租戶)及張先生(作為業主)於二零一九年九月一日訂立租賃協議(「租賃協議」)，以租賃位於香港九龍佐敦上海街28號恒邦商業中心14樓5室的總樓面面積約301平方呎的物業，以作辦公室之用。租期自二零一九年九月一日起至二零二零年二月二十八日止，預付月租為12,040港元(不包括管理費及冷氣費用)。租賃協議的租金乃訂約方經參考可比較物業應付的市場租金後公平磋商協定，且該租金符合市場水平。

有關本集團之其他持續關連交易之進一步詳情載於招股章程「關連交易」一節。自上市日期起直至本年報日期，本公司已遵守上市規則第14A章項下有關任何關連交易及持續關連交易之適用披露規定。

## 充足公眾持股量

根據本公司公開可得資料及據董事所知，董事確認，本公司自上市日期起直至本年報日期已按上市規則規定就其股份維持足夠公眾持股量。



# Report of the Directors

## 董事會報告

### Events After the Reporting Period

The outbreak of the COVID-19 and the subsequent quarantine measures imposed by the Hong Kong government had no material impact on the Group's operation.

The Directors are monitoring the situation and will continue to assess and react actively to the impact of COVID-19 outbreak on the Group's operations, financial position and financial performance accordingly.

### Risks and Uncertainties

The Group's results of operation may vary significantly from time to time depending on, among other factors, the political and economic environment, level of competitiveness, the quality of service and timeliness of subcontractors, and the adequacy and efficiency of internal processes implemented by staff and systems. The Group believes that there are certain risks and uncertainties involved both in the markets and in the operations which can be summarised as below.

#### Operational Risks

Due to unexpected circumstances such as bad weather and geological issues, the actual time and costs incurred in construction projects may exceed the Group's estimation at the time of tendering submission and the work in progress may be interrupted. As a result, such variation could adversely affect the Group's operations and financial results. In such situations, the Group will implement measures such as re-allocating human resources and recruiting additional manpower including subcontracting the works in order to expedite the work progress.

On the other hand, it is inevitable that there could be chance of industrial accidents happened. In order to minimise the rate of accidents, the Group has already recruited sufficient safety officers to regularly monitor the work environment, implementation of safety rules and regulations and establishing safety policies. In addition, the Group also appointed a registered safety auditor to conduct corporate safety audit semi-annually to maximise the effectiveness of safety management.

It is quite common in the construction industry that collection of receivables takes longer time and it may lead to late settlement by customers especially at the times of unexpected crises due to political and economic factors. To mitigate the pressure of financial liquidity, the Group produces aging analysis on regular basis and contacts the management level of the customers so as to get a better understanding of their solvency status.

### 報告期後事件

爆發 COVID-19 以及香港政府隨後採取的檢疫措施對本集團的經營並無產生任何重大影響。

董事正密切留意事態進展，並將持續評估爆發 COVID-19 對本集團的營運、財務狀況及財務表現的相應影響及作出積極應對。

### 風險及不明朗因素

本集團的經營業績或不時大幅波動，視乎(其中包括)政治及經濟環境、競爭水平、分包商服務質量及時效性以及僱員實施的內部程序及系統的適當性及有效性而定。本集團認為市場及營運均涉及若干風險及不明朗因素，概述如下。

#### 營運風險

由於惡劣天氣及地質問題等意外情況，建築項目的實際耗時及成本可能超出本集團投標時所預計者，亦可能中斷施工。因此，有關差異可能對本集團的經營及財務業績造成不利影響。於此情況下，本集團將採取重新分配人力資源及增聘人手等措施(包括分包工程)，以加快工程進度。

另一方面，難免有發生工業意外的機會。為盡量減少事故發生，本集團已招聘充足的安全人員定期監察工作環境、實施安全法則及法規以及制定安全政策。此外，本集團亦委任一名註冊安全審核員每半年進行企業安全審核，盡量提高安全管理的效率。

應收款項收款耗時較長，可能導致客戶延遲結算(政治及經濟因素引發意外危機時尤甚)，此乃建築行業慣例。為緩解財務流動資金的壓力，本集團定期進行賬齡分析，並聯繫客戶的管理人員，以更好地了解其償付狀況。

## Market Risks

Due to the construction industry in Hong Kong is dominantly subject to Government's large-scale infrastructure projects and such projects would require prolonged process of legislative approval, it is more passive toward the future's prospect of the industry. Nevertheless, the Group will not just rely on participating in projects from public sector but the Group will also be more involved in projects from the private sectors.

In the meantime, demand of residential and commercial buildings has been growing continuously. The Group perceived that such demand will sustain the booming in the construction industry and attract more competitive entrants to the industry. In order to grip holding of the market shares, the Group acquired new machineries to cope with the demand. With its in-depth experience and knowledge in the field, the Group is capable to continue providing one-stop construction machinery service to meet the needs of various customers.

## Tax Relief

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

## Independent Auditor

The consolidated financial statements for the Year have been audited by Deloitte Touche Tohmatsu, who will retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting of the Company.

## Corporate Governance Code

The Company has complied with all the applicable code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules since the Listing Date and up to the date of this annual report except for the deviation from code provision A2.1 of the CG Code as explained in the Corporate Governance Report.

The details of the Group's compliance with the CG Code are set out in the Corporate Governance Report from pages 36 to 48 of this annual report.

## 市場風險

由於香港建築業多受政府大型基礎設施項目限制，且該等項目的法律審批耗時長，故該行業的未來前景較為被動。但本集團不會僅倚賴於參與公共行業項目，還會參與更多私營行業項目。

同時，住宅及商用樓宇的需求方興未艾。本集團意識到相關需求將於建築行業內持續增長並吸引更多競爭者入行。為保持市場份額，本集團購進新機械設備以滿足需求。本集團的行業經驗及知識豐富，將有能力繼續提供一站式建築機械服務，滿足不同客戶需求。

## 稅項減免

本公司並不知悉有任何因股東持有股份而獲授的稅項減免。股東如對購買、持有、出售、買賣股份或行使任何有關股份的權利所引致的稅務影響有任何疑問，應諮詢彼等專業顧問。

## 獨立核數師

德勤•關黃陳方會計師行已審核本年度的綜合財務報表，其將於本公司應屆股東週年大會上退任，並有資格膺選連任。

## 企業管治守則

自上市日期起及直至本年報日期，本公司已遵守上市規則附錄14所載企業管治守則（「企業管治守則」）內的所有適用守則條文，惟企業管治報告中所述之偏離企業管治守則守則條文第A2.1條者除外。

有關本集團遵守企業管治守則的詳情載於本年報第36至48頁的企業管治報告。



# Report of the Directors

## 董事會報告

### Environmental Policy

Sustainability is one of the key factors to the Group's development, as well as for the viability of its business and the welfare of the community. The Group is committed to offering premium products and services to obtain customer satisfaction all round. In recent years, the Group has been looking for ways to minimise the adverse impact of its businesses on the environment (i.e. air and noise pollution) by improving operational efficiencies and implementing eco-friendly measures. The Group will continue to strive for energy-saving and environmental-friendly equipment and materials for its construction projects. The Group will regularly review related policy to promote awareness and practices on resource usage reduction, waste reduction and energy conservation, and be more active in involving various community programmes and contributing to the society.

### Compliance with Laws and Regulations

Save as disclosed in the Prospectus, as far as the Directors and senior management of the Company are aware, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operations of the Group during the Year.

On behalf of the Board

**Cheung Kwok Fai Adam**

*Chairman and Chief Executive Officer*

Hong Kong, 27 March 2020

### 環境政策

可持續性為本集團發展、業務可行性及社區福利的關鍵因素之一。本集團致力於提供優質產品及服務，以充分迎合客戶。近年來，本集團一直嘗試通過提升經營效率及實施環境友好型措施，將其業務對環境的不利影響（如空氣及噪音污染）降至最低。本集團將繼續於其建築項目中使用節能環保設備及材料。本集團將定期檢視推廣減少資源利用、減少廢棄物及節能的意識及措施的相關政策，更加積極地參與各種社區活動及為社會作貢獻。

### 遵守法律及法規

除招股章程所披露者外，據董事及本公司高級管理層所知，本集團已於本年度在所有重大方面遵守對本集團的業務及營運具有重大影響的相關法律及法規。

代表董事會

*主席及行政總裁*

**張國輝**

香港，二零二零年三月二十七日

# Biographies of the Directors and Senior Management 董事及高級管理層履歷

## Executive Directors

**Mr. Cheung Kwok Fai Adam (張國輝)** (formerly known as Mr. Cheung Kwok Fai (張國輝)), aged 60, is the chairman of the Board, the chief executive officer of the Company, an executive Director and one of the controlling shareholders of the Company (the “**Controlling Shareholders**”). He was appointed as a Director on 30 January 2019 and was re-designated as an executive Director and appointed as chairman of the Board and chief executive officer of the Company on 22 July 2019. He is also the chairman of the Nomination Committee. He is responsible for the overall management and overseeing and monitoring of the projects of the Group.

Mr. Adam Cheung has over 29 years of experience in the construction industry. He joined the Group in April 1990 when he started working as a manager at Pak Fai. He has been a director of Pak Fai and Ma Yau since December 1992 and April 1997 respectively.

Mr. Adam Cheung is the uncle of Mr. Ng Sheung Chung, an executive Director, the uncle of Mr. Ma Kan Sun, an executive Director, and the brother of Ms. LC Cheung, one of the Controlling Shareholders.

**Mr. Ng Sheung Chung (伍尚聰) (“Mr. Ng”)**, aged 45, is an executive Director. He was appointed as a Director on 30 January 2019 and was re-designated as an executive Director on 22 July 2019. He is responsible for the overall management and business development of the Group.

Mr. Ng obtained a Higher Diploma in Computer Engineering (With Credit) from the Hong Kong Technical Colleges in June 1997.

Mr. Ng has over 18 years of experience in the construction industry. Since June 2001, he has been working at Pak Fai and his major job duties are review of contracts, material lists and price lists and assist the company in preliminary project cost estimations. Since January 2010, he has also been working at Ma Yau as a manager. Since September 2011, he has been a director of both Pak Fai and Ma Yau.

Mr. Ng is the nephew of Mr. Adam Cheung, an executive Director and one of the Controlling Shareholders, the cousin of Mr. Ma Kan Sun, an executive Director, and the nephew of Ms. LC Cheung, one of the Controlling Shareholders.

## 執行董事

張國輝先生(英文名Cheung Kwok Fai Adam, 曾用名Cheung Kwok Fai), 60歲, 為董事會主席、本公司的行政總裁、執行董事及其中一名本公司控股股東(「**控股股東**」)。彼於二零一九年一月三十日獲委任為董事, 並於二零一九年七月二十二日調任執行董事及獲委任為董事會主席及本公司行政總裁。彼亦為提名委員會主席。彼負責本集團的整體管理和項目監督及監控。

張先生於建築行業擁有逾29年經驗。彼於一九九零年四月加入本集團, 最初於栢輝擔任經理一職。彼分別於一九九二年十二月及一九九七年四月起出任栢輝及馬友的董事。

張先生為伍尚聰先生(執行董事)及馬庚申先生(執行董事)之舅父及張女士(其中一名控股股東)之弟弟。

伍尚聰先生(「伍先生」), 45歲, 為執行董事。彼於二零一九年一月三十日獲委任為董事, 並於二零一九年七月二十二日調任為執行董事。彼負責本集團的整體管理及業務發展。

伍先生於一九九七年六月取得香港工業專門學院電腦工程(榮譽)高級文憑。

伍先生於建築行業擁有逾18年經驗。彼自二零零一年六月起於栢輝任職, 其主要工作職責為審閱合約、材料清單及價格清單, 並協助公司初步估計項目成本。自二零一零年一月起, 彼亦於馬友擔任經理。自二零一一年九月起, 彼一直擔任栢輝及馬友的董事。

伍先生為張先生(執行董事及其中一名控股股東)之外甥、馬庚申先生(執行董事)之表兄及張女士(其中一名控股股東)之外甥。



# Biographies of the Directors and Senior Management

## 董事及高級管理層履歷

**Mr. Ma Kan Sun (馬庚申) (“Mr. Ma”)**, aged 39, is an executive Director. He was appointed as a Director on 30 January 2019 and was redesignated as an executive Director on 22 July 2019. He is responsible for the overall project management, administrative matters and safety management of the Group.

Mr. Ma completed the Safety & Health Supervisor Training Course (Construction Industry) in August 2012. Since then, he has supervised the Safety Department and is also responsible for the safety management system of the Group. Mr. Ma received secondary education in Canada.

Mr. Ma first joined the Group when he was employed by Pak Fai as a site foreman from May 2002 to June 2004. After pursuing other career opportunities, he returned to Pak Fai as an office manager in March 2011. He has been a director of Pak Fai and Ma Yau since March 2017 and September 2011 respectively.

Mr. Ma is the nephew of Mr. Adam Cheung, an executive Director and one of the Controlling Shareholders, the cousin of Mr. Ng Sheung Chung, an executive Director, and the son of Ms. LC Cheung, one of the Controlling Shareholders.

### Independent non-executive Directors

**Mr. Pak Shek Kuen (白錫權) (“Mr. Pak”)**, aged 61, was appointed as an independent non-executive Director on 21 July 2019. He is also the chairman of the Audit Committee, and a member of the Remuneration Committee and Nomination Committee. He is primarily responsible for providing independent judgment to bear on issues of strategy, policy, performance, accountability, resource, key appoints and standard of conduct of the Group.

Mr. Pak obtained a Master of Business Administration from City University of Hong Kong in November 1995. He further obtained a Master of Science in Electronic Commerce and Internet Computing from The University of Hong Kong in December 2003. Mr. Pak has been an associate of The Hong Kong Society of Accountants (currently known as the Hong Kong Institute of Certified Public Accountants) since April 1988. He was admitted an associate of The Chartered Association of Certified Accountants in July 1988 and further admitted a fellow of The Chartered Association of Certified Accountants in July 1993.

馬庚申先生(「馬先生」)，39歲，為執行董事。彼於二零一九年一月三十日獲委任為董事及於二零一九年七月二十二日調任為執行董事。彼負責本集團的整體項目管理、行政事宜及安全管理。

馬先生於二零一二年八月完成安全健康督導員訓練課程(建造業)。自此，彼監督安全部門並負責本集團的安全管理系統。馬先生於加拿大接受中等教育。

加入本集團之初，馬先生曾於二零零二年五月至二零零四年六月在栢輝擔任地盤管工。在謀求其他職業發展機會後，彼於二零一一年三月重返栢輝擔任寫字樓經理。自二零一七年三月及二零一一年九月起，彼分別為栢輝及馬友之董事。

馬先生為執行董事及控股股東張先生的外甥、執行董事伍尚聰先生的表弟、及其中一名控股股東張女士的兒子。

### 獨立非執行董事

白錫權先生(「白先生」)，61歲，於二零一九年七月二十一日獲委任為獨立非執行董事。彼亦為本公司審核委員會主席，且為薪酬委員會及提名委員會成員。彼主要負責就本集團策略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

白先生於一九九五年十一月取得香港城市大學工商管理碩士學位。彼於二零零三年十二月進一步取得香港大學理科碩士(電子商貿及互聯網工程)學位。自一九八八年四月起，白先生為香港會計師公會(The Hong Kong Society of Accountants，現稱為Hong Kong Institute of Certified Public Accountants)會員。於一九八八年七月，彼獲認可為英國特許公認會計師公會會員，並於一九九三年七月進一步獲認可為英國特許公認會計師公會資深會員。

## Biographies of the Directors and Senior Management 董事及高級管理層履歷

Mr. Pak has over 39 years of experience in the fields of internal audit, treasury, risk management and business management.

**Mr. Lo Chi Hung (盧志雄) (“Mr. Lo”)**, aged 54, was appointed as an independent non-executive Director on 21 July 2019. He is the chairman of the Remuneration Committee, and also a member of the Audit Committee and the Nomination Committee. He is primarily responsible for providing independent judgment to bear on issues of strategy, policy, performance, accountability, resource, key appoints and standard of conduct of the Group.

Mr. Lo obtained a Bachelor of Laws from Staffordshire University, United Kingdom in July 1996 and a Postgraduate Certificate in Laws from The University of Hong Kong in September 1999. He was admitted as a solicitor of the High Court of Hong Kong in February 2002 and is a member of the Law Society of Hong Kong. Mr. Lo has been appointed as a deputy magistrate in Hong Kong for the period from 17 June 2019 to 20 September 2019.

Mr. Lo has over 17 years of experience in the legal profession. Since admission of solicitors in February 2002, Mr. Lo has worked at various Hong Kong solicitors' firms, including David Y.Y. Fung & Co., Solicitors where he was an assistant solicitor from February 2002 to May 2004, and Christopher Li & Co., Solicitors where he was an assistant solicitor from June 2005 to February 2008. From March 2009, he has been working at Patrick Mak & Tse, a solicitors' firm, where he is currently a consultant.

**Mr. Ho Kwok Lung (何國龍) (“Mr. Ho”)**, aged 39, was appointed as an independent non-executive Director on 21 July 2019. He is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. He is primarily responsible for providing independent judgment to bear on issues of strategy, policy, performance, accountability, resource, key appoints and standard of conduct of the Group.

Mr. Ho obtained a Professional Diploma in Construction Project Management from The University of Hong Kong School of Professional and Continuing Education in July 2005 and a Bachelor of Applied Science (Construction Management and Economics) from Curtin University of Technology in Australia in February 2008.

白先生於內部審計、庫務、風險管理及業務管理方面擁有逾39年經驗。

盧志雄先生(「盧先生」)，54歲，於二零一九年七月二十一日獲委任為獨立非執行董事。彼為薪酬委員會主席，亦為審核委員會及提名委員會成員。彼主要負責就本集團策略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

盧先生於一九九六年七月取得英國史丹佛郡大學(Staffordshire University)法律學士學位，及於一九九九年九月取得香港大學法學專業證書。彼於二零零二年二月成為香港高等法院事務律師，並為香港律師會會員。盧先生已獲委任為香港的一名暫委裁判官，任期自二零一九年六月十七日起至二零一九年九月二十日止。

盧先生於法律專業領域擁有逾17年經驗。自二零零二年二月獲得事務律師資格以來，盧先生於香港不同律師事務所任職，包括自二零零二年二月至二零零四年五月於馮元鉞律師行擔任助理律師，及自二零零五年六月至二零零八年二月於李子明律師行擔任助理律師。自二零零九年三月起，彼任職於麥家榮律師行(事務律師行)，目前在該律師行擔任顧問。

何國龍先生(「何先生」)，39歲，於二零一九年七月二十一日獲委任為獨立非執行董事。彼為審核委員會、薪酬委員會及提名委員會成員。彼主要負責就本集團策略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

何先生於二零零五年七月取得香港大學專業進修學院建築規劃管理專業文憑，並於二零零八年二月取得澳洲科廷科技大學應用科學(建築管理及經濟學)學士學位。



# Biographies of the Directors and Senior Management

## 董事及高級管理層履歷

Mr. Ho has over 19 years of experience in the construction industry. He has worked at various construction contractors in Hong Kong, including Gammon Construction Limited where his last position was construction supervisor from August 2000 to May 2008, Kin Sum Construction Company Limited where he was a site engineer from December 2010 to February 2014, New City Construction Company Limited as a site agent from March 2014 to December 2015, and Chi Sum Engineering Limited as an assistant project manager and director since January 2016.

### Senior management

**Mr. Lee Tai Chung (李帝忠) (“Mr. Lee”)**, aged 62, is our site agent responsible for planning, organising, directing and coordinating activities and resources on the construction site. Mr. Lee has over 12 years of experience in the construction industry. He joined the Group in planning, organising, directing and coordinating activities and resources on the construction site since 2007 when he started working as a site foreman. Mr. Lee has extensive experience as a plasterer having first obtained a trade test certificate as a plasterer in 1999 from the Construction Industry Council. He is currently registered as Skilled Worker (Principal Trade Division: Plasterer) in the Register of Construction Workers with the Construction Industry Council.

### Company Secretary

**Mr. Tsui Chun Hung (崔雋雄) (“Mr. Tsui”)**, aged 32, is our financial controller and company secretary. He was appointed as the financial controller and company secretary of the Company on 30 January 2019. He is responsible for overseeing the Group's finance and accounts function and internal controls, and providing financial and business advice to the Board and senior management of the Group.

Mr. Tsui obtained a Bachelor of Arts with First Class Honours in Accounting from Edinburgh Napier University in the United Kingdom in February 2012. Mr. Tsui has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since March 2014.

何先生於建築行業擁有逾19年經驗。他曾於香港多間承建商工作，包括金門建築有限公司(二零零零年八月至二零零八年五月最後任工程監理)、建森建築有限公司(二零一零年十二月至二零一四年二月任地盤工程師)、新城市建築有限公司(二零一四年三月至二零一五年十二月任地盤總管)及志森營造有限公司(自二零一六年一月起任助理項目經理及董事)。

### 高級管理層

**李帝忠先生(「李先生」)**，62歲，為我們的地盤總管，負責規劃、組織、指導及協調建築地盤的活動及資源。李先生於建造行業擁有逾12年經驗。彼自二零零七年起加入本集團，開始擔任地盤管工一職，規劃、組織、指導及協調建築地盤的活動及資源。自一九九九年首次取得建造業議會批盪工技能測試證書以來，李先生擁有豐富的批盪工經驗。彼目前為建造業議會建造業工人名冊的註冊熟練技工(主要從事工種：批盪工)。

### 公司秘書

**崔雋雄先生(「崔先生」)**，32歲，為財務總監及公司秘書。彼於二零一九年一月三十日獲委任為本公司財務總監及公司秘書。彼負責監督本集團的財務與賬目職能及內部監控，以及提供財務及業務建議予本集團董事會及高級管理層。

崔先生於二零一二年二月取得英國愛丁堡龍比亞大學會計一級榮譽文學士學位。崔先生自二零一四年三月起成為香港會計師公會註冊會計師。

## Biographies of the Directors and Senior Management 董事及高級管理層履歷

Mr. Tsui has over 11 years of experience in the fields of accounting and auditing. He worked in Shinewing (HK) CPA Limited where his last position was assistant audit manager from July 2012 to August 2015. He worked as an assistant financial controller in Deson Development Limited, a subsidiary of Deson Construction International Holdings Limited (a company listed on the Stock Exchange with stock code 8268), from August 2015 to September 2018. He joined the Group in September 2018 when he started working for Pak Fai as its financial controller.

崔先生於會計及審計領域擁有逾11年經驗。他曾於信永中和(香港)會計師事務所有限公司任職(二零一二年七月至二零一五年八月最後任助理審計經理)。於二零一五年八月至二零一八年九月，彼於迪臣建設國際集團有限公司(聯交所上市公司，股份代號：8268)之附屬公司迪臣發展有限公司擔任助理財務總監。彼於二零一八年九月加入本集團，最初於栢輝擔任財務總監。





# Corporate Governance Report

## 企業管治報告

The Company strives to attain and maintain a high standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholders' value and safeguarding interests of shareholders and other stakeholders. Accordingly, the Board attributes a high priority to identifying and implementing appropriate corporate governance practices to ensure transparency, accountability and effective internal controls.

### Code on Corporate Governance Practices

The Company has adopted the CG Code as set out in Appendix 14 to the Listing Rules. Since the Listing Date and up to the date of this annual report, the Company has complied with the code provisions under the CG Code, except for the deviation from code provision A.2.1 of the CG Code as explained below. The Company will continue to enhance its corporate governance practices appropriate to the operation and growth of the business of the Group.

According to code provision A.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. Since the Listing Date and up to the date of this annual report, the role of the chairman and the chief executive officer of the Company are both performed by Mr. Adam Cheung. In view of Mr. Adam Cheung's role in the day-to-day management and operations of the Group, being one of the Controlling Shareholders of the Group and as one of the Directors if not the sole director of other members of the Group, as at the date of this annual report, the Board believes that it is more effective and efficient overall business planning and implementation of business decisions and strategies of the Group that it shall be in the best interests of the Group for Mr. Adam Cheung to take up the dual roles of chairman and chief executive officer of the Company. Therefore, the Board considers that the deviation from code provision A.2.1 of the CG Code is appropriate in such circumstance and that there are sufficient checks and balances in place by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board.

本公司相信有效的企業管治常規為提升股東價值與保障股東及其他利益相關者權益的基礎，因此，其致力達致及維持高標準的企業管治。因此，董事會極為注重訂定及執行適當的企業管治常規，確保具有透明度、富問責精神及有效內部監控。

### 企業管治常規守則

本公司已採納上市規則附錄 14 所載之企業管治守則。自上市日期起及直至本年報日期，本公司一直遵守企業管治守則的守則條文，惟下文所述有關偏離企業管治守則守則條文第 A.2.1 條除外。本公司將繼續加強其企業管治常規，以配合本集團的業務營運及增長。

根據企業管治守則守則條文第 A.2.1 條，本公司主席與行政總裁的職責應有區分，且不應由同一人士兼任。自上市日期起及直至本年報日期，本公司主席及行政總裁由張先生兼任。鑒於張先生負責本集團的日常管理及營運，並為本集團其中一名控股股東，且於本年報日期為本集團其他成員公司的董事之一或唯一董事，董事會相信由張先生兼任本公司主席及行政總裁職務使本集團更有效及高效地進行整體業務規劃及執行業務決策及策略，其符合本集團的最佳利益。因此，董事會認為，於該情況下偏離企業管治守則守則條文第 A.2.1 條屬適當，且透過董事會的運作，已給予足夠的制衡。董事會成員由經驗豐富及富有才幹之人士組成，且董事會組成中具備充分之獨立元素。

The Board will continue to review and consider splitting the roles of chairman and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole. The Directors are aware that the Company is expected to comply with the CG Code. Any deviation from the CG Code should be carefully considered and disclosed in the interim and annual report. Save as disclosed above, the Company will continue to comply with the CG Code to protect the best interests of the shareholders.

### Directors' Securities Transactions

The Company has adopted a code of conduct regarding the transactions of securities of the Company by the Directors and the relevant employees (who likely possess inside information of the Company) (the “**Securities Dealing Code**”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiries by the Company, that they fully complied with the Model Code and the Securities Dealing Code throughout the period from the Listing Date to the date of this annual report.

### Board of Directors

The Board is responsible for formulating business strategies and monitoring the performance of the business of the Group. Other than the daily operational decisions which are delegated to the management of the Group, most of the decisions are made by the Board. All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Company has complied with Rules 3.10(1) and 3.10A of the Listing Rules during the Year. The Board is constituted of six members, including three executive Directors and three independent non-executive Directors.

董事會將持續檢討，並於考慮本集團的整體狀況後，在合宜及適當時候區分本公司主席及行政總裁的職責。董事得悉，本公司預期會遵守企業管治守則。企業管治守則的任何偏離情況均應予仔細考慮，並於中期及年度報告披露。除上文所披露者外，本公司將繼續遵守企業管治守則，以保障股東的最佳利益。

### 董事進行的證券交易

本公司已就董事及相關僱員(可能管有本公司內幕消息之人士)進行本公司證券交易採納一項行為守則(「**證券買賣守則**」)，其條款不遜於上市規則附錄十上市發行人董事進行證券交易的標準守則(「**標準守則**」)所載規定準則。經本公司向董事作出特別查詢，全體董事均已確認彼等自上市日期至本年報日期期間已遵守標準守則及證券交易守則。

### 董事會

董事會負責制定業務策略及監控本集團之業務表現。除本集團管理層獲授權作出日常經營決策外，大部分決策乃由董事會決定。全體董事(包括獨立非執行董事)給董事會帶來廣泛寶貴之業務經驗、知識及專業技能，使其有效且高效運作。

本年度，本公司已遵從上市規則第3.10(1)及第3.10A條的規定。董事會由六名成員組成，包括三名執行董事及三名獨立非執行董事。



# Corporate Governance Report

## 企業管治報告

The composition of the Board is as follows:

### Executive Directors

Mr. Cheung Kwok Fai Adam (*Chairman and Chief Executive Officer*)  
Mr. Ng Sheung Chung  
Mr. Ma Kan Sun

### Independent non-executive Directors

Mr. Ho Kwok Lung  
Mr. Lo Chi Hung  
Mr. Pak Shek Kuen

Biographical details of each Director and relationship between board members are set out on pages 31 to 35 of this annual report.

The Company has signed a letter of appointment with each of the independent non-executive Directors on 21 July 2019. The principal particulars of these appointment letters are (a) each of them agreed to act for an initial term of one year commencing from the Listing Date with a director's fee, which may be terminated by not less than one month' written notice served by either party on the other, and (b) is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles.

Pursuant to article 108(a) of the Articles, one-third of the Directors shall retire from office by rotation at each annual general meeting and every Director shall be subject to retirement by rotation at least once every 3 years. However, a retiring Director shall be eligible for re-election.

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors. The Company is of the view that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines during the Year and up to the date of this annual report. The Company has also complied with Rule 3.10(2) of the Listing Rules. One of the independent non-executive Directors possesses the appropriate professional accounting qualifications and financial management expertise.

董事會成員如下：

### 執行董事

張國輝先生 (*主席兼行政總裁*)  
伍尚聰先生  
馬庚申先生

### 獨立非執行董事

何國龍先生  
盧志雄先生  
白錫權先生

各董事之履歷詳情以及董事會成員間的關係載於本年報第31至35頁。

本公司已於二零一九年七月二十一日與各獨立非執行董事簽訂委任函。該等委任函之主要詳情為：(a)其各自同意自上市日期起出任董事，初步為期一年，且享有董事袍金，該委任函可由一方向另一方發出不少於一個月之書面通知予以終止，及(b)須受委任函所載之終止條文及細則所載董事輪值退任條文所規限。

根據細則第108(a)條，三分之一的董事須於各股東週年大會上輪值退任，各董事須至少每3年輪值退任一次，而退任董事合資格重選連任。

本公司已接獲各獨立非執行董事根據上市規則第3.13條作出的年度獨立性確認。本公司認為，全體獨立非執行董事於本年度及直至本年報日期均符合載於上市規則第3.13條之獨立性指引，並根據該指引之條款屬獨立人士。本公司亦已遵從上市規則第3.10(2)條的規定。一名獨立非執行董事具備合適專業會計資格及財務管理專業知識。

# Corporate Governance Report

## 企業管治報告

During the period between the Listing Date and 31 December 2019, one Board meeting was held and the attendance record of each Director is set out in the table below:

於上市日期至二零一九年十二月三十一日止期間，本公司舉行一次董事會會議，各董事出席的記錄載於下表：

<b>Directors</b> 董事		<b>Attendance/ Number of Board Meeting</b> 出席次數／董事會會議次數
<b>Executive Directors</b> 執行董事		
Mr. Cheung Kwok Fai Adam (Chairman and Chief Executive Officer)	張國輝先生 (主席兼行政總裁)	1/1
Mr. Ng Sheung Chung	伍尚聰先生	1/1
Mr. Ma Kan Sun	馬庚申先生	1/1
<b>Independent non-executive Directors</b> 獨立非執行董事		
Mr. Ho Kwok Lung	何國龍先生	1/1
Mr. Lo Chi Hung	盧志雄先生	1/1
Mr. Pak Shek Kuen	白錫權先生	1/1

Every Director is entitled to have access to Board papers and related materials, and the advice and services of the Company Secretary, and has the liberty to seek independent professional advice at the Company's expense if so reasonably required. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. The Company expects to convene at least four regular Board meetings in each financial year at approximately quarterly intervals in accordance with code provision A.1.1 of the CG Code.

各董事有權索取董事會文件及有關材料，亦可請公司秘書提供意見及服務，並可於合理需要時自行尋求獨立專業意見，費用由本公司承擔。董事將獲持續提供上市規則及其他適用監管規定之重大發展之更新資料，以確保彼等遵守及秉持良好的企業管治常規。根據企業管治守則之守則條文A.1.1，本公司預期將於每個財政年度舉行至少四次定期董事會會議，約為每季度一次。

## Continuous Professional Development

The Company encourages the Directors to attend any relevant programme to further enhance their knowledge so as to enable them to discharge their duties and responsibilities more effectively. Prior to the Listing Date, all Directors have been given relevant guideline materials and attended a training regarding the duties and responsibilities of being a Director, the CG Code, the Listing Rules and applicable laws and regulations and duty of disclosure of interest. Such induction materials and briefing will also be provided to newly appointed Directors shortly upon their appointment as Directors. Continuing briefings and professional development to Directors will be arranged from time to time.

## 持續專業發展

本公司鼓勵董事出席任何可進一步提高其知識的相關課程，使其能夠更有效地履行其職責及責任。於上市日期前，所有董事均獲發相關指導材料，以及參加有關身為董事的職責和職權、企業管治守則、上市規則及適用法律法規及權益披露職責的相關培訓。緊接新任董事獲委任為董事後，其亦會獲發該等就職資料及簡報。董事的持續簡報及專業發展將不時進行安排。



# Corporate Governance Report

## 企業管治報告

All Directors have provided record of their training attendance and the Company will continue to arrange and fund the training in accordance with the CG Code provisions.

### Board Committees

The Board has established three committees, namely the audit committee (the “**Audit Committee**”), the nomination committee (the “**Nomination Committee**”) and the remuneration committee (the “**Remuneration Committee**”). The table below provides the membership information of these committees on which certain Board members served:

Directors 董事		Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
Mr. Cheung Kwok Fai Adam	張國輝先生	—	C	—
Mr. Pak Shek Kuen	白錫權先生	C	M	M
Mr. Lo Chi Hung	盧志雄先生	M	M	C
Mr. Ho Kwok Lung	何國龍先生	M	M	M

Notes:

C – Chairman of the relevant Committee  
M – Member of the relevant Committee

### Audit Committee

The Company established the Audit Committee on 22 July 2019 with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph C.3.3 of the CG Code. The primary duties of the Audit Committee include, among others, (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor; (b) reviewing the Company’s financial statements, the annual report and accounts and the half-year report and significant financial reporting judgments contained therein; and (c) reviewing the Company’s financial controls, internal control and risk management systems. The Audit Committee comprises three independent non-executive Directors, namely Mr. Pak Shek Kuen, Mr. Ho Kwok Lung and Mr. Lo Chi Hung. Mr. Pak Shek Kuen is the chairman of the Audit Committee.

全體董事已提供其參加培訓的記錄，本公司亦將繼續根據企業管治守則條文安排及為培訓撥資。

### 董事委員會

董事會已設立三個委員會，即審核委員會（「審核委員會」）、提名委員會（「提名委員會」）及薪酬委員會（「薪酬委員會」）。下表提供在該等委員會擔任職位的若干董事會成員之成員資料：

Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
—	C	—
C	M	M
M	M	C
M	M	M

附註：

C – 相關委員會主席  
M – 相關委員會成員

### 審核委員會

本公司已於二零一九年七月二十二日參考上市規則第3.22條及企業管治守則第C.3.3段規定成立審核委員會並制定書面職權範圍。審核委員會之主要職責是（其中包括）(a) 就委任、續聘及罷免外部核數師向董事會作出推薦建議，並批准委聘外部核數師之薪酬及條款；(b) 審閱本公司之財務報表、年報及賬目、半年報告及其中所載的重大財務報告判斷；及(c) 審閱本公司之財務監控、內部監控及風險管理系統。審核委員會由三名獨立非執行董事組成，即白錫權先生、何國龍先生及盧志雄先生。白錫權先生為審核委員會主席。

During the period from the Listing Date to 31 December 2019, the Audit Committee has held one meeting to review the accounting principles and practices adopted by the Group and the financial results for the six months ended 30 June 2019. The individual attendance record of each member at the meeting of Audit Committee is set out below:

Name of member of the Audit Committee 審核委員會成員姓名		Attendance/ Number of Audit Committee Meeting 出席次數／審核委員會會議次數
Mr. Pak Shek Kuen	白錫權先生	1/1
Mr. Lo Chi Hung	盧志雄先生	1/1
Mr. Ho Kwok Lung	何國龍先生	1/1

### Nomination Committee

The Company established the Nomination Committee on 22 July 2019 with written terms of reference in compliance with paragraph A.5.2 of the CG Code. The primary duties of the Nomination Committee include, among others, (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the corporate strategy; (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; (c) assessing the independence of the independent non-executive Directors; (d) making recommendations to the Board on the appointment or re-appointment of and succession planning for the Directors; (e) reviewing the board diversity policy of the Company (“**Board Diversity Policy**”); and (f) developing and reviewing, as appropriate, the policy for the nomination of Directors. Nomination Committee comprises three independent non-executive Directors, namely Mr. Pak Shek Kuen, Mr. Lo Chi Hung and Mr. Ho Kwok Lung, and one executive Director, namely Mr. Cheung Kwok Fai Adam. Mr. Cheung Kwok Fai Adam is the chairman of the Nomination Committee.

During the period from the Listing Date to 31 December 2019, the Nomination Committee did not hold any meeting.

於上市日期至二零一九年十二月三十一日止期間，審核委員會舉行了一次會議，以審閱本集團採納的會計原則及慣例以及截至二零一九年六月三十日止六個月的財務業績。各成員出席審核委員會會議的個別出席記錄載列如下：

### 提名委員會

本公司已於二零一九年七月二十二日遵照企業管治守則第A.5.2段成立提名委員會並制定書面職權範圍。提名委員會之主要職責是(其中包括)(a)至少每年一次審閱董事會架構、規模及組成(包括技能、知識及經驗)並就配合企業策略而對董事會作出的任何建議變更作出推薦建議；(b)物色合資格成為董事會成員的合適人選，並挑選或就篩選獲提名出任董事職位之人選向董事會作出推薦建議；(c)評估獨立非執行董事的獨立性；(d)就董事委任或續聘及繼任計劃向董事會作出推薦建議；(e)審閱本公司董事會多元化政策(「**董事會多元化政策**」)；及(f)制定及審閱(如適用)董事提名政策。提名委員會由三名獨立非執行董事(即白錫權先生、盧志雄先生及何國龍先生)，以及一名執行董事張國輝先生組成。張國輝先生為提名委員會主席。

於上市日期至二零一九年十二月三十一日期間，提名委員會並未舉行任何會議。



# Corporate Governance Report

## 企業管治報告

### Board Diversity Policy

The Board has adopted the Board Diversity Policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company. In designing the Board's composition, the Board has been considering from a number of perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills, and knowledge. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee will review the the Board Diversity Policy from time to time to ensure its continued effectiveness and monitor its implementation by conducting review of the Board's composition at least once annually.

### Nomination Policy

The Company has adopted a nomination policy (the “**Nomination Policy**”) for the purpose to identify and evaluate a candidate for nomination to the Board for appointment or to the shareholders for election as a Director. The Nomination Committee shall consider, among others, the following criteria in evaluating and selecting candidates for directorships:

- Reputation for integrity;
- Accomplishment, experience and reputation in the relevant industry and other relevant sectors;
- Commitment in respect of sufficient time, interest and attention to the Company's business;
- Diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge;
- The ability to assist and support management and make significant contributions to the Company's success;
- Compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules for the appointment of an independent non-executive Director; and

### 董事會多元化政策

董事會已採納董事會多元化政策，當中載列達致本公司可持續及平衡發展以及提升本公司表現質素之方法。確定董事會成員組成時，董事會已從多個角度考慮，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終決定乃根據向董事會提出之經選定人選之優點及貢獻作出。

提名委員會將不時審閱董事會多元化政策，透過至少每年檢討一次董事會組成以確保其一貫的效力並監控其執行情況。

### 提名政策

本公司已採納提名政策(「**提名政策**」)，目的為識別及評核候選人，供提名委任為董事會成員或供股東選舉為董事。提名委員會於評核及遴選董事職位之候選人時將考慮(其中包括)以下標準：

- 信譽；
- 於相關行業及其他相關界別的成就、經驗及信譽；
- 承諾對本公司業務投放充足時間、利益及關注；
- 各方面多元性，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他)、技能及知識；
- 能夠協助及支持管理層及對本公司成功作出重大貢獻；
- 符合上市規則第3.13條所指就委任獨立非執行董事的獨立性條件；及

- Any other relevant factors as may be determined by the Committee or the Board from time to time.

Each proposed new appointment, election or re-election of a Director shall be assessed and/or considered against the criteria and qualifications set out in the Nomination Policy by the Nomination Committee which shall recommend its views to the Board and/or the shareholders for consideration and determination.

### Remuneration Committee

The Company established the Remuneration Committee on 22 July 2019 with written terms of reference in compliance with Rule 3.26 of the Listing Rules and paragraph B.1.2 of the CG Code. The primary duties of the Remuneration Committee, under the principle that no Director or any of his associates should be involved in deciding his own remuneration include, among others, making recommendations to the Board on (a) the remuneration policy and structure for all of the Directors and senior management; (b) the establishment of a formal and transparent procedure for developing remuneration policies; (c) the remuneration packages of the executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their offices or appointments; and (d) the remuneration of the non-executive Directors. The Remuneration Committee comprises three independent non-executive Directors, namely Mr. Lo Chi Hung, Mr. Pak Shek Kuen and Mr. Ho Kwok Lung. Mr. Lo Chi Hung is the chairman of the Remuneration Committee.

No remuneration committee meeting was held during the period from the Listing Date to 31 December 2019.

Full details of remuneration of the Directors and the five highest paid employees are provided in note 10 to the consolidated financial statements of this annual report.

### Company Secretary

Mr. Tsui Chun Hung, was appointed as the Company Secretary on 30 January 2019. Please refer to the section "Profile of Directors and Senior Management" for his biographical information. During the Year, Mr. Tsui Chun Hung has undertaken no less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules.

- 委員會或董事會可能不時釐定的任何其他相關因素。

每項建議新委任、推選或重選董事將由提名委員會根據提名政策中載列之標準及資格進行評估及／或考量。提名委員會將向董事會及／或股東提供推薦建議，供其考慮及作出決定。

### 薪酬委員會

本公司已於二零一九年七月二十二日遵照上市規則第3.26條及企業管治守則第B.1.2段成立薪酬委員會並制定書面職權範圍。在董事或其任何聯繫人士不應參與決定其薪酬的原則下，薪酬委員會之主要職責是(其中包括)就下列事項向董事會作出推薦建議：(a)全體董事及高級管理層的薪酬政策及架構；(b)就發展薪酬政策建立正式及透明程序；(c)執行董事及高級管理層的薪酬待遇，包括實物利益、退休金權利及賠償付款(包括任何因彼等離職或終止委任應付的任何賠償)；及(d)非執行董事之薪酬。薪酬委員會由三名獨立非執行董事組成，即盧志雄先生、白錫權先生及何國龍先生。盧志雄先生為薪酬委員會主席。

自上市日期至二零一九年十二月三十一日止期間，本公司並無舉行薪酬委員會會議。

有關董事及五名最高薪酬人士之薪酬全部詳情載列於本年報綜合財務報表附註10。

### 公司秘書

崔雋雄先生於二零一九年一月三十日獲委任為公司秘書。有關其履歷資料，請參閱「董事及高級管理層履歷」一節。於本年度，崔雋雄先生已遵照上市規則第3.29條之規定接受不少於15個小時的相關專業培訓。



# Corporate Governance Report

## 企業管治報告

### Directors' and Auditors' Responsibility for the Consolidated Financial Statements

The Directors acknowledge their responsibility for overseeing the preparation of the consolidated financial statements of the Group for the Year, which give a true and fair view of the financial position of the Group on a going concern basis and are in compliance with the relevant accounting standard and principles, applicable laws and disclosure provisions of the Listing Rules. The Directors aim to present a clear and understandable assessment of the Group's financial position and prospects. The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The responsibilities of the external auditor with respect to the financial reporting are set out in the Independent Auditor's Report of this annual report.

### Risk Management and Internal Controls

One of the major functions of the Board is to maintain an adequate risk management and internal control systems to safeguard shareholders' investments and the Group's assets, and reviewing their effectiveness annually through the Audit Committee. The Audit Committee reports to the Board on any material issues and makes recommendations to the Board.

Policies and procedures have been designed to safeguard assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with applicable law, rules and regulations. The policies and procedures provide a reasonable assurance that material misstatements or losses are prevented, potential interruption of the Group's management system is detected, and risks existing in the course of arriving at the Group's objectives are properly managed.

During the Year, the Company engaged an external independent consulting firm to review the effectiveness of certain of the Group's risk management and internal controls systems. Relevant recommendations made by the consultant have already been implemented in stages by the Group to further enhance its internal control policies, procedures and practices. The Board considered that the Group's risk management and internal control systems were effective and adequate during the Year.

### 董事及核數師對綜合財務報表所承擔的責任

董事確認彼等有責任監督本集團本年度之綜合財務報表的編製情況，有關報表乃按持續經營基準編製，真實公平地反映本集團的財務情況且遵守有關會計標準及原則、適用法律及上市規則的披露條文。董事旨在就本集團的財務狀況及前景提供清晰及易於理解的評估。董事會並不知悉有任何重大不明朗因素，其涉及可能對本集團持續經營能力產生重大疑問的事件或狀況。

有關外部核數師財務申報的責任載列於本年報的獨立核數師報告。

### 風險管理及內部監控

董事會的主要職責之一乃維持一個充分的風險管理及內部監控系統，以保障股東的投資及本集團資產，並透過審核委員會每年檢討有系統的有效性。審核委員會向董事會報告任何重大事宜並向董事會提供推薦意見。

制訂政策及程序以防止資產未經授權使用或出售、確保會計記錄妥為保存以提供可靠財務資料作內部使用或刊發，以及確保遵守適用法律、法規及規定。該等政策及程序可合理保證防止出現重大錯誤陳述或損失、偵測本集團的管理系統的潛在中斷及合理管理本集團於達標過程中所存在之風險。

於本年度，本公司委聘一家外部獨立顧問公司檢討本集團若干風險管理及內部監控系統的有效性。本集團已分階段執行該顧問提供的相關建議，以進一步加強其內部監控政策、程序及慣例。董事會認為本集團的風險管理及內部監控系統於本年度仍屬有效且充足。

The Group has conducted an annual review on whether there is a need for an internal audit department. Given the Group's relatively simple corporate and operation structure, as opposed to diverting resources to establish a separate internal audit department, the Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness.

### Auditor's Remuneration

For the Year, Deloitte Touche Tohmatsu was engaged as the Group's independent auditor. The statement of the auditor of the Company about their reporting responsibilities on the Group's consolidated financial statements for the Year is set out in the Independent Auditor's Report of this annual report. During the Year, the remuneration paid or payable to the Company's auditor, Deloitte Touche Tohmatsu, and its affiliated firms, in respect of their audit and non-audit services was as follows:

		<b>Service Fee</b> <b>服務費</b> HK\$'000 千港元
Audit services	審核服務	2,230
Non-audit services	非審核服務	
– Interim review	– 中期審閱	380
		2,610

### Directors and Officers Insurance

Appropriate insurance covers on Directors' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure from the business of the Group since the Listing Date.

本集團對是否需要設立內部審核部門，已作年度檢討。鑒於本集團的公司及運作架構相對精簡，為避免分散資源建立獨立的內部審核部門，在審核委員會的協助下，董事會直接負責本集團的風險管理及內部監控系統以檢討其有效性。

### 核數師薪酬

於本年度，德勤•關黃陳方會計師行獲委任為本集團的獨立核數師。本公司核數師關於其對本集團於本年度綜合財務報表的報告責任的聲明載於本年報的獨立核數師報告。於本年度，已付或應付本公司核數師德勤•關黃陳方會計師行及其關聯公司的審核及非審核服務薪酬如下：

### 董事及高級人員保險

就董事須承擔之責任投保的合適保險已生效，以保護本集團董事及高級人員免受自上市日期以來本集團業務的風險。



# Corporate Governance Report

## 企業管治報告

### Investor Relations and Communication with Shareholders

The Board recognises the importance of good communication with all shareholders. The Company believes that maintaining a high level of transparency is a key to enhance investor relations.

The Company has established several communication channels, including (a) the annual and extraordinary general meetings which provide a forum for shareholders to communicate directly with the Board; (b) printed corporate documents mailing to shareholders; (c) announcement disseminating the latest activities of the Group on the websites of the Company and the Stock Exchange; and (d) the Company's website providing an electronic means of communication.

### Shareholders' Rights

#### Procedures for Shareholders to Convene an EGM

The following procedures for shareholders to convene an extraordinary general meeting ("EGM") are subject to the Articles (as amended from time to time), and the applicable legislation and regulation, in particular the Listing Rules (as amended from time to time):

- (a) Pursuant to article 64 of the Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the "**Eligible Shareholder(s)**") carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition;
- (b) The written requisition must state the purposes of the meeting, signed by the Eligible Shareholder(s) and deposited to the Board or the Company Secretary at the Company's principal place of business at Room 9, 2/F, Hang Bong Commercial Centre, 28 Shanghai Street, Jordan, Kowloon, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionists;

### 投資者關係及與股東的溝通

董事會認同與全體股東保持良好溝通的重要性。本公司認為保持高透明度乃加強投資者關係的關鍵。

本公司已建立若干溝通渠道，包括(a)股東週年大會及股東特別大會，為股東提供直接與董事會交流之平台；(b)寄發予股東之公司印副本文件；(c)於本公司及聯交所網站宣佈本集團之最新業務動向之公告；及(d)本公司網站提供電子通訊方式。

### 股東權利

#### 股東召開股東特別大會的程序

下列股東召開股東特別大會(「**股東特別大會**」)的程序乃受細則(經不時修訂)及適用法例及法規(特別是上市規則(經不時修訂))所規限：

- (a) 根據細則第64條，於存放請求書當日持有附帶權利可於本公司股東大會上投票之本公司繳足股本不少於十分之一之任何一名或多名股東(「**合資格股東**」)，有權隨時向董事會或公司秘書發出書面請求書，要求董事會就處理請求書中指明之任何事務召開股東特別大會；及該股東特別大會須於存放請求書後兩個月內舉行；
- (b) 由合資格股東簽署的該書面請求書須列明會議目的，並存放在董事會或本公司主要營業地點(地址為香港九龍佐敦上海街28號恒邦商業中心2樓9室)的公司秘書處。該請求書可能包含若干文件(如表格)，均須由一名或多名請求人簽署；

- (c) The requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding, the reason(s) to convene an EGM and the details of the business(es) proposed to be transacted in the EGM, and must be signed by the Eligible Shareholder(s) concerned together with a deposit of a sum of money reasonable sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned in accordance with the statutory requirements to all the registered shareholders;
- (d) The requisition will be verified with Hong Kong branch share registrar and transfer office of the Company and upon their confirmation that the requisition is proper and in order, the Board will convene an EGM by serving sufficient notice in accordance with the requirements under the Articles to all the registered shareholders. On the contrary, if the requisition has been verified as not in order or the shareholders concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Eligible Shareholder(s) concerned will be advised of this outcome and accordingly, the Board will not call for an EGM; and
- (e) If within 21 days of such deposit the Board fails to proceed to convene such meeting the Eligible Shareholder(s) himself/ herself/ themselves may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) by the Company.
- (c) 請求書必須清楚列明有關合資格股東的姓名、持股量、召開股東特別大會的原因及於股東特別大會提呈處理事宜的詳情，並須由有關合資格股東簽署及隨附合理足夠款項，用以支付本公司根據法定要求向全體登記股東發出決議案通知及傳遞有關股東所呈交陳述書產生的開支；
- (d) 請求書將由本公司的香港股份過戶登記分處核實，於確定請求書為合適及適當時，董事會將根據細則的規定向全體登記股東送達充分通知以召開股東特別大會。相反，倘請求書核實為不適當或有關股東未能繳存足夠款項作為本公司上述用途的開支，則有關合資格股東將獲知會此結果，而董事會不會因此召開股東特別大會；及
- (e) 倘董事會於存放請求書後21日內未召開該大會，則合資格股東可自行以同樣方式召開大會，合資格股東因董事會未召開大會而產生之所有合理開支將由本公司補償予合資格股東。

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

Shareholders may, at any time, direct enquiries to the Board. Such enquiries can be addressed to the Company Secretary in writing by mail to the Company's principal place of business in Hong Kong at Room 9, 2/F, Hang Bong Commercial Centre, 28 Shanghai Street, Jordan, Kowloon, Hong Kong.

### 向董事會作出提問的程序

股東可隨時向董事會直接作出書面提問，該等提問可郵寄至本公司於香港的主要營業地點，地址為香港九龍佐敦上海街28號恒邦商業中心2樓9室，註明收件人為公司秘書。



# Corporate Governance Report

## 企業管治報告

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

There are no provisions in the Articles or the Companies Law of the Cayman Islands for Shareholders to put forward new resolutions at general meetings. Shareholders who wish to put forward a new resolution may request the Company to convene a general meeting in accordance with the procedures set out in the above paragraph headed "Procedures for Shareholders to Convene an EGM".

### Significant Changes in Constitutional Documents

As of the Listing Date to the date of this annual report, there were no changes made to the constitutional documents of the Company.

### 在股東大會提出建議的程序

細則或開曼群島公司法並無有關股東在股東大會上提呈新決議案之條文。擬提呈新決議案之股東可要求本公司根據上段「股東召開股東特別大會的程序」所載程序召開股東大會。

### 章程文件的重大變動

截至上市日期至本年報日期，並未對本公司的章程文件作出任何更改。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THE COMPANY, MANAGEMENT SYSTEMS AND GOVERNANCE STRUCTURE

#### About the Company

As an established subcontractor in Hong Kong, Hands Form Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) principally engages in the provision of wet trades works and other wet trades related ancillary works. Wet trades works include plastering on floors, walls and ceilings, tile laying on internal and external walls and floors, brick laying and marble works. The Group provides wet trades works through our principal operating subsidiaries, namely, Pak Fai Engineering Limited (“**Pak Fai**”) and Ma Yau Engineering Limited (“**Ma Yau**”).

#### Environmental, Social and Governance (“ESG”) Management System Certification

To ensure the effective implementation of ESG development strategies, the Group highly values the establishment of various management systems. Based on different international standards for ESG related management systems, the Group formulates and implements sustainable development strategies at all levels. Meanwhile, the Group has obtained the following major certifications:

- ISO 14001:2015 Environmental Management Certification;
- OHSAS 18001:2007 Occupational Health and Safety Management Certification; and
- ISO 9001:2015 Quality Management Certification.

#### ESG Governance Structure

The board of directors of the Company (the “**Board**”) acknowledges its responsibility for the management of the Group and is collectively responsible to ensure the sustainability of the Group’s development. The Board is responsible to formulate the ESG strategies of the Group, monitors the ESG performance of its operation, reviews the effectiveness of the ESG management system and determines the ESG policies of the Group. The chairman of the Board is responsible for overseeing the strategic planning and leadership of the Group, while senior management is responsible for effective implementation of the strategies decided by the Board.

#### 有關本公司、管理體系及管治架構

##### 有關本公司

作為香港知名的分包商，恆新豐控股有限公司（「**本公司**」，連同其附屬公司，統稱「**本集團**」）主要從事提供泥水工程及其他與泥水工程相關的配套工程。泥水工程包括地台、牆壁及天花板批盪、內外牆壁及地台鋪砌瓦片、砌磚及雲石工程。本集團透過其主要營運附屬公司栢輝工程有限公司（「**栢輝**」）及馬友工程有限公司（「**馬友**」）提供泥水工程。

##### 環境、社會及管治（「環境、社會及管治」）管理體系認證

為確保有效執行環境、社會及管治發展策略，本集團高度重視建立各項管理體系。根據有關管理體系的不同環境、社會及管治國際標準，本集團制定及執行所有層面的可持續發展策略。同時，本集團已獲得以下主要認證：

- ISO 14001:2015 環境管理認證；
- OHSAS 18001:2007 職業健康及安全管理認證；及
- ISO 9001:2015 質量管理認證。

##### 環境、社會及管治管治架構

本公司董事會（「**董事會**」）承認其對本集團管理層的責任，並共同負責確保本集團發展的可持續性。董事會負責制定本集團環境、社會及管治策略、監察其經營的環境、社會及管治表現、檢討環境、社會及管治管理體系的效能及釐定本集團的環境、社會及管治政策。董事會主席負責監察策略計劃及領導本集團，而高級管理層負責有效實施董事會決定的策略。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THE REPORT

#### Scope of Reporting

Unless stated otherwise, this Environmental, Social and Governance Report (the “**ESG Report**”) summarises the initiatives, policies, and related ESG key performance indicator (“**KPI**”) data of the Group’s major operating revenue activities which are limited in Hong Kong. The Group will continue to assess the major ESG aspects of different businesses to determine whether they need to be included in the ESG reporting.

#### Reporting Framework

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in the Appendix 27 to the Rules Governing the Listing of Securities on Main Board of the Stock Exchange. Information relating to the Group’s corporate governance practices has been set out in the Corporate Governance Report on pages 36 to 48 of this annual report.

#### Reporting Period

The ESG Report specifies the ESG activities, challenges and measures being taken during the financial year ended 31 December 2019 (the “**Year**” or “**2019**”).

### 有關本報告

#### 報告範疇

除非另有所述，此環境、社會及管治報告（「**本環境、社會及管治報告**」）概述本集團僅限於香港的主要收入營運活動的行動、政策及環境、社會及管治相關的關鍵績效指標（「**關鍵績效指標**」）數據。本集團將繼續評估不同業務的主要環境、社會及管治層面以釐定其是否需納入環境、社會及管治報告內。

#### 報告框架

本環境、社會及管治報告乃根據聯交所主板證券上市規則附錄二十七所載的環境、社會及管治報告指引（「**環境、社會及管治報告指引**」）編製。有關本集團企業管治慣例的資料已載於本年報第36至48頁的企業管治報告。

#### 報告期間

本環境、社會及管治報告詳述截至二零一九年十二月三十一日止財政年度（「**本年度**」或「**二零一九年**」）於環境、社會及管治方面參加的活動、面臨的挑戰及採取的措施。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### STAKEHOLDER ENGAGEMENT

In formulating operational strategies and ESG measures, the Group takes into account our stakeholders' expectations and concerns, and strives to improve our performance through mutual cooperation with stakeholders. The Group has maintained close communication with our key stakeholders by utilising diversified key communication channels, shown as below:

### 持份者參與

在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望及關注，並致力透過與持份者的相互合作以改善我們的表現。本集團已透過動用多樣化主要溝通渠道與我們的主要持份者維持緊密溝通，有關詳情如下：

Stakeholders 持份者	Communication Channels 溝通渠道	Expectations and Concerns 期望及關注
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"> <li>Annual general meeting and other shareholder meetings 股東週年大會及其他股東大會</li> <li>Financial reports 財務報告</li> <li>Announcements and circulars 公告及通函</li> <li>Company website 公司網站</li> </ul>	<ul style="list-style-type: none"> <li>Complying with relevant laws and regulations 遵守相關法律及法規</li> <li>Financial results 財務業績</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>Tender meetings 招標會議</li> <li>Project briefings 項目簡報</li> <li>Construction site regular meetings (including status meeting and safety meeting) 施工現場例會(包括進度會議及安全會議)</li> </ul>	<ul style="list-style-type: none"> <li>Service quality 服務質量</li> <li>Service delivery time and quality 服務交付時間及質量</li> </ul>
Suppliers and contractors 供應商及承包商	<ul style="list-style-type: none"> <li>Telephone interviews and communication 電話訪問及溝通</li> </ul>	<ul style="list-style-type: none"> <li>Supply chain management 供應鏈管理</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>Regular management meetings 定期管理層會議</li> <li>Regular performance appraisals 定期績效評估</li> <li>Internal announcements 內部公告</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety 職業健康與安全</li> <li>Equal opportunities 平等機會</li> <li>Remuneration and benefits 薪酬及福利</li> <li>Career development 職業發展</li> </ul>
The community, non-governmental organisations and media 社區、非政府機構及媒體	<ul style="list-style-type: none"> <li>Charity events 慈善活動</li> <li>ESG reports 環境、社會及管治報告</li> </ul>	<ul style="list-style-type: none"> <li>Giving back to society 回饋社會</li> <li>Environmental protection 環境保護</li> </ul>



# Environmental, Social and Governance Report

## 環境、社會及管治報告

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

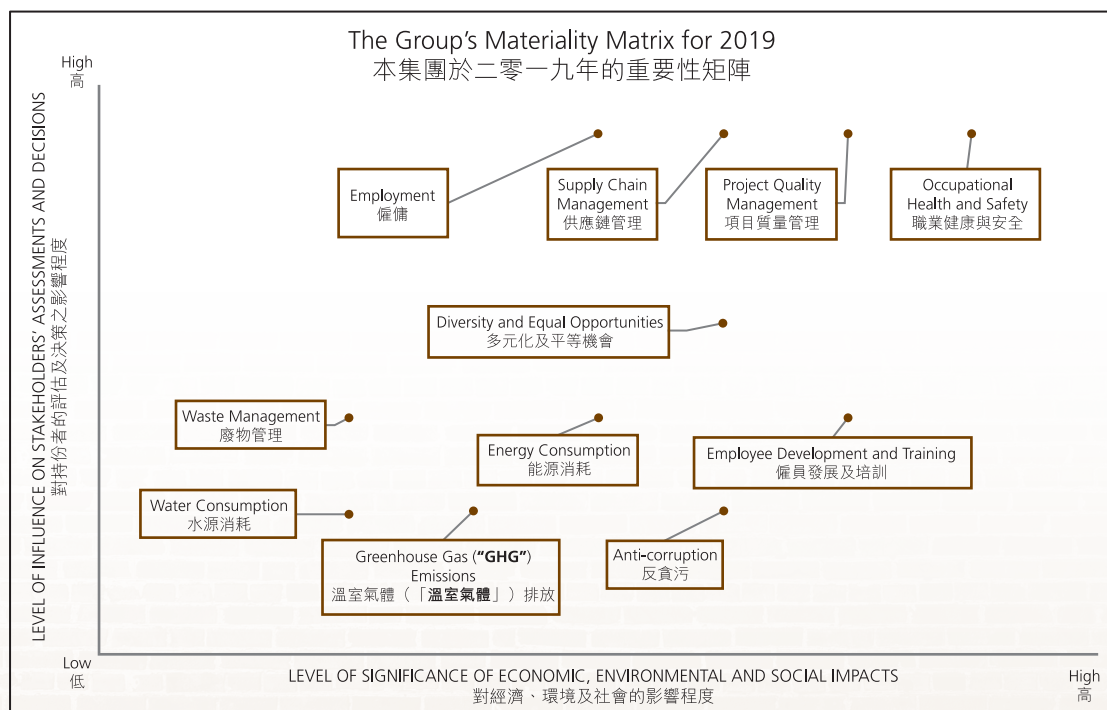
本集團旨在與持份者共同努力以提升我們的環境、社會及管治表現，不斷為更廣泛的社區創造更大的價值。

### MATERIALITY ASSESSMENT

A materiality assessment in the form of surveys was conducted during the Year, where the Group identified sustainability factors that were material to our business operations. The management and employees who are responsible for the key functions of the Group have participated in preparing the ESG Report, assisted the Group in reviewing its operations, identifying key ESG issues and assessing the importance of these issues to our businesses and stakeholders. The Group has compiled a questionnaire in reference to the identified material ESG aspects to collect the information from relevant departments and business units of the Group. The Group's material sustainability aspects will be covered in the ESG Report and the materiality matrix is as follow:

### 重要範疇評估

於本年度，本集團以調查形式進行重要範疇評估，確定對我們業務營運至關重要的可持續發展因素。負責本集團各主要職能的管理層及僱員均有參與編製本環境、社會及管治報告，協助本集團檢討其營運、甄別關鍵環境、社會及管治事宜以及評估該等事宜對我們的業務及持份者的重要性。本集團已參考經甄別的重大環境、社會及管治層面以編製調查問卷，用以向本集團相關部門及業務單位收集資料。本環境、社會及管治報告將涵括本集團的重大可持續發展層面，其重要性矩陣如下：



During the Year, the Group confirmed that appropriate and effective management policies and internal control systems for ESG issues are in place and confirmed the information disclosed in the ESG Report complies with the requirements of the ESG Reporting Guide.

於本年度，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及監控系統，並確認本環境、社會及管治報告所披露資料符合環境、社會及管治報告指引的要求。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### CONTACT US

Comments and suggestions are welcome from our stakeholders. You may provide comments on the ESG Report or towards our performance in respect of sustainable development via the following channels:

Address: Room 9, 2/F., Hang Bong Commercial Centre,  
28 Shanghai Street, Jordan, Kowloon, Hong Kong  
Email: info@handsform.com  
Telephone: 2127 4675

### A. ENVIRONMENTAL ASPECTS

#### A1. Emissions

The Group strives to protect the environment through the implementation of relevant policies and measures in its business activities and workplace. The Group has formulated relevant policies relating to environmental management in accordance with the ISO 14001:2015 certification to govern environmental management and minimise the impact caused by our operations. The Group carries out a series of environmental management measures at construction sites, covering planning, procurement and various project procedures.

During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste including but not limited to, the Air Pollution Control Ordinance, Waste Disposal Ordinance and Noise Control Ordinance, that would have a significant impact on the Group.

### 聯絡我們

我們歡迎持份者提供意見及建議。閣下可透過以下渠道就本環境、社會及管治報告或我們在可持續發展方面的表現提供意見：

地址：香港九龍佐敦上海街28號  
恆邦商業中心2樓9室  
電郵：info@handsform.com  
電話：2127 4675

### A. 環境層面

#### A1. 排放物

本集團透過在業務活動及工作場所執行相關政策及措施致力保護環境。本集團已根據ISO 14001：2015認證制定與環境管理相關的政策，以管治環境管理並最大程度地減少我們的營運帶來的影響。本集團在建築工地執行一系列環境管理措施，涵括規劃、採購及各種項目程序。

於本年度，本集團並不知悉任何可能對本集團產生重大影響的嚴重違反有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生之任何香港法例法規的情況，該等法例法規包括但不限於《空氣污染管制條例》、《廢物處置條例》及《噪音管制條例》。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Exhaust Gas Emissions

As a corporation providing wet trades works and other wet trades related ancillary works, the Group's exhaust gas emissions are limited to emission generated by forklifts, and the Group considers the relevant exhaust gas emissions generated are insignificant. However, the Group still strives to mitigate the exhaust gas generated from our business as much as possible. Fuel consumption reduction measures for forklifts have been carried out and will be described in the section headed "GHG Emissions" under this aspect.

### GHG Emissions

The major sources of GHG emissions of the Group are diesel consumption for forklifts (Scope 1) and electricity consumption for the office (Scope 2). During the Year, the Group had generated a total of approximately 78.07 tCO<sub>2</sub>e GHG emissions<sup>1</sup> which consisted of approximately 74.41 tCO<sub>2</sub>e Scope 1 GHG emissions and approximately 3.66 tCO<sub>2</sub>e Scope 2 GHG emissions. Based on the total revenue of the Group during the Year, the intensity of total GHG emissions was approximately 0.14 tCO<sub>2</sub>e/million HK\$ revenue<sup>2</sup>.

#### Notes:

1. GHG emissions data is presented in terms of carbon dioxide equivalent and was based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG report – Appendix II: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 ("AR5") and the 2019 Sustainability Report published by the CLP Power Hong Kong Limited.
2. During the Year, the total revenue of the Group was approximately HK\$558.1 million. This number would also be used for calculating other intensity data in the ESG Report.

### 廢氣排放

作為提供泥水工程及其他泥水相關配套工程的公司，本集團的廢氣排放量僅限於剷車產生的排放量，並且本集團認為所產生的相關廢氣排放量微不足道。然而，本集團仍致力盡量減少我們業務產生的廢氣。我們已採取減少剷車燃油消耗的措施，並將在此層面的「溫室氣體排放」一節中進行說明。

### 溫室氣體排放

本集團溫室氣體排放的主要來源是剷車的柴油消耗(範圍1)及辦公室的電力消耗(範圍2)。於本年度，本集團產生的溫室氣體排放量<sup>1</sup>合共約78.07噸二氧化碳當量，包括範圍1溫室氣體排放量約74.41噸二氧化碳當量及範圍2溫室氣體排放量約3.66噸二氧化碳當量。根據本集團於本年度的總收益，溫室氣體總排放密度約為0.14噸二氧化碳當量／百萬港元收益<sup>2</sup>。

#### 附註：

1. 溫室氣體排放量數據以二氧化碳當量的形式呈列，基於但不限於世界資源研究所及世界企業永續發展委員會發佈的《溫室氣體盤查議定書：企業會計與報告標準》、聯交所發佈的《如何準備環境、社會及管治報告—附錄二：環境關鍵績效指標匯報指引》、政府間氣候變化專門委員會發佈的《第五次評估報告(2014年)》(「AR5」)的《全球升溫潛能值》，以及中華電力香港有限公司刊發的《2019可持續發展報告》。
2. 於本年度，本集團的總收入為約558.1百萬港元。有關數據亦會用於計算本環境、社會及管治報告的其他密度數據。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

To mitigate GHG emissions, the Group encourages workers to switch off engine whenever the forklifts are idled and plan routes ahead of time to reduce route repetition. Our forklifts undergo regular maintenance service to ensure optimal engine performance and fuel use. With such measures implemented, emissions from diesel consumption for forklifts have been minimised and employees' awareness on GHG emissions reduction has been enhanced.

### **Sewage Discharge**

As the Group does not consume significant volume of water in our business activities, our business activities did not generate material discharges into water during the Year. Moreover, wastewater of the Group is discharged into the municipal sewage pipeline network for processing and the majority of the water supply and discharge facilities are provided and managed by the property management company.

### **Waste Management**

#### ***Hazardous Wastes***

Due to our business nature, the Group did not generate a significant amount of hazardous wastes during the Year. In case there are any hazardous wastes produced, the Group must engage a qualified chemical waste collector to handle such wastes in order to comply with the relevant environmental laws and regulations.

為減少溫室氣體排放，本集團鼓勵工人在剷車閒置時關閉發動機，並提前計劃路線以減少路線重複。我們的剷車接受定期維修服務，以確保最佳的發動機性能及燃油使用。通過實施此類措施，剷車柴油消耗的排放量已降至最低，僱員對減少溫室氣體排放的意識亦有所增強。

### **污水排放**

由於本集團的業務活動不會大量耗水，因此我們的業務活動於本年度不會大量排放污水。此外，本集團的廢水排入市政污水管道網絡進行處理，而大部分供水及排水設施則由物業管理公司提供及管理。

### **廢物管理**

#### ***有害廢物***

鑒於本集團的業務性質，我們於本年度並無產生大量有害廢物。倘產生任何有害廢物，本集團須聘請合格的化學廢物收集商處理該等廢物，以遵守相關環境法例法規。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### *Non-hazardous Wastes*

As the construction projects of the Group are outsourced to subcontractors, the non-hazardous wastes generated by the Group's operations mainly consist of paper consumed in the office. During the Year, the Group had generated a total of approximately 289.40 kg non-hazardous wastes with an intensity of approximately 0.52 kg/million HK\$ revenue.

The Group regularly monitors the consumption of paper, and encourages the use of electronic media for communication and double-sided printing wherever possible. To promote reusing paper, a collection box for single-sided used paper is placed next to each printer and reminders are posted in the office. With such measures implemented, employees' awareness on paper consumption reduction has been enhanced.

## A2. Use of Resources

The Group continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations, and is committed to optimising the use of resources in all of its business operations.

During our daily operation, fuel and electricity are the major energy consumed. The Group has established relevant policies and procedures in governing the efficient use of resources, in reference to the objective of achieving higher energy efficiency and reducing the use of unnecessary materials.

### *Energy Consumption*

The Group's major sources of energy consumption are diesel consumption for forklifts and purchased electricity for the office. During the Year, the Group had consumed a total of approximately 304,400.00 kWh diesel and approximately 7,322.14 kWh electricity. Total energy consumption was approximately 311,722.14 kWh and the intensity was 558.54 kWh/million HK\$ revenue.

### *無害廢物*

由於本集團的建設項目乃外包予分包商，因此本集團的營運產生的無害廢物主要包括辦公室消耗的紙張。於本年度，本集團共產生約289.40公斤無害廢物，密度約為0.52公斤／百萬港元收益。

本集團定期監控紙張的消耗量，以及鼓勵僱員盡可能使用電子媒體進行溝通及雙面打印。為促進紙張的重複利用，我們在每台打印機旁放置單面廢紙收集箱，並在辦公室張貼提示。通過實施此類措施，僱員對減少紙張消耗的意識有所增強。

## A2. 資源利用

本集團繼續採取措施將節能及環保措施融入其營運中，並致力於在其所有業務營運中優化資源利用。

於我們的日常營運中，燃油及電力是消耗的主要能源。本集團已根據達致更高能源效率及減少非必要材料使用的目標，制訂相關政策及程序以有效利用資源。

### *能源消耗*

本集團的主要能源消耗來源為用於剷車的柴油消耗以及用於辦公室的外購電力。於本年度，本集團已消耗合共約304,400.00千瓦時柴油及約7,322.14千瓦時電力。總能源消耗量約為311,722.14千瓦時，密度約為558.54千瓦時／百萬港元收益。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Apart from the reduction measures for forklifts mentioned, the Group places great emphasis on electricity conservation in order to minimise the impact brought by the Group's operation to the environment. The Group encourages our employees to set room temperature ranges from 23°C to 25°C and switches off electrical appliances to avoid unnecessary consumption. The Group selects energy-efficient equipment where applicable and will adopt immediate maintenance once damage is reported. With such measures implemented, employees' awareness on energy conservation has been enhanced.

### Water Consumption

The Group's water consumption mainly consists of water consumed in the office. The Group's water consumption expenses are included in the property management fee, and therefore the Group did not have water consumption record during the Year. Due to our operating locations, the Group does not encounter any significant issue in sourcing water that is fit for purpose. Still, the Group is dedicated to promoting behavioural changes in water usage at offices and encouraging water conservation. Environmental signages on water-saving messages are posted in prominent places to remind employees to conserve water.

### Use of Packaging Materials

As the Group does not involve in any production process, it does not consume packaging materials, hence this aspect is considered as irrelevant to the Group.

除上文所述剷車的減少措施外，本集團高度重視節電以盡量減小本集團營運給環境帶來的影響。本集團鼓勵僱員將室內溫度調設23°C至25°C的範圍內，並關閉電器以避免不必要的消耗。本集團在適用情況下選用節能設備，一旦有損壞上報，將立即進行維修。隨著有關措施的實施，僱員的節能意識亦隨之提高。

### 水源消耗

本集團的水源消耗主要包括辦公室用水。本集團的耗水開支已包括在物業管理費內，因此，本集團於本年度並無耗水記錄。鑒於我們的營運位置，本集團於求取適用水源方面並無重大問題。本集團仍然致力於促進辦公室用水的行為變化，並鼓勵節約用水。節約用水資訊的環境標誌張貼在顯著位置，以提醒僱員節約用水。

### 包裝材料使用

由於本集團並無涉及任何產品流程，我們並無消耗包裝材料，因此，此部份被視為與本集團不相關。



### A3. The Environment and Natural Resources

#### Noise Management

The Group recognises that noise pollution may be generated as a result of our business nature. Therefore, the Group has implemented a number of measures to reduce noise level and ensured that the quality of life of the neighbourhood would not be severely disrupted. Whenever the noise level exceeds the prescribed level regulated by the Noise Control Ordinance and other relevant guidelines issued by the Environmental Protection Department, the Group will investigate the underlying factors and make respective arrangements. Silent equipment will be used where available and will be maintained regularly. With the relevant measures, the Group aims to minimise the impact brought to our neighbourhood.

#### Indoor Air Quality

Good indoor air quality is important for employees who work in the office. Indoor air quality in our workplace is regularly monitored. The Group has adopted several measures to ensure a good indoor air quality at the office, which include but not limited to conducting regular cleaning of air conditioning system. With such measures, indoor air quality is maintained.

### A3. 環境及自然資源

#### 噪音管理

本集團意識到我們的業務性質可能會造成噪音污染。因此，本集團實施多項措施降低噪音水平，確保鄰近居民的生活質素不會受到嚴重滋擾。當噪音水平超過環境保護署發佈的《噪音管轄條例》及其他相關規例所訂明的規定水平時，本集團將調查有關原因並作出相應安排。若情況許可，我們將使用靜音設備並進行定期維護。透過有關措施，本集團致力於減小對鄰近居民造成的影響。

#### 室內空氣質素

良好的室內空氣質素對在辦公室工作的僱員非常重要。我們定期監控工作場所的室內空氣質素。本集團已採取多項措施以確保辦公室室內空氣質素良好，此包括但不限於對空調系統進行定期清潔。透過有關措施，室內空氣質素得以維持。

## B. SOCIAL ASPECTS

### B1. Employment

#### Recruitment, Promotion and Dismissal

Employees' qualification, professional skills and experiences exert significant influence on the quality of services. As an equal opportunity employer, the Group emphasises a fair, open, objective and non-discriminatory selection process. The Group's "Human Resources and Payroll Management Policies and Procedures" regulates the recruitment procedures with the principles of fairness and justice. The promotion of employees is determined by appraisals, that are conducted regularly by the Human Resources ("HR") Department to evaluate staffs' work performance. The "HR Processes Manual" has detailly listed the process of appraisals and the types of appraisals, namely quarterly appraisals and yearly appraisals. The termination of employment contract is governed by internal policies to ensure all dismissal comply with relevant laws and regulations in Hong Kong. The Group strictly prohibits any kinds of unfair or illegitimate dismissals. Our management conducts face-to-face interviews with the resigned staff in order to understand our employees' opinions.

During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to employment including but not limited to, the Employment Ordinance and the Minimum Wage Ordinance, that would have a significant impact to the Group.

As at 31 December 2019, the Group had a total of 42 full-time employees (including executive Directors and independent non-executive Directors), all of whom were from Hong Kong. 37 of our employees were male and 5 of them were female.

## B. 社會層面

### B1. 僱傭

#### 招聘、晉升及解聘

僱員的資質、專業技能及經驗對服務質量影響重大。作為提供平等機會的僱主，本集團重視公平、公開、客觀及無差別的甄選流程。本集團的《人力資源與工資管理政策及程序》以公平公正為原則規範招聘流程。僱員的晉升乃由人力資源（「人力資源」）部門定期開展的評估而定，以此評估員工的工作表現。《人力資源流程手冊》詳列評估流程及評估類別，即季度評估與年度評估。終止僱員合約受到內部政策的規管，以確保所有解聘符合香港的有關法例及法規。本集團嚴禁任何形式的不公正或非法解聘。我們的管理層會與離職員工進行面對面訪談，以了解僱員的意見。

於本年度，本集團並不知悉任何可能對本集團產生重大影響的嚴重違反有關僱傭的香港法例及法規（包括但不限於《僱傭條例》及《最低工資條例》）的情況。

於二零一九年十二月三十一日，本集團擁有合共42名全職僱員（包括執行董事及獨立非執行董事），均來自香港。其中，37名僱員為男性，5名僱員為女性。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Remuneration and Benefits

In order to attract and retain skilful employees, the remuneration policy and package of the Group's employees are periodically reviewed. The salary and benefit levels of the Group's employees are competitive, and they are referenced to market conditions, individual qualifications and experience. Apart from the Mandatory Provident Fund ("MPF"), medical insurance and labour insurance are purchased for employees once they join the Group, while salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance and market conditions.

### Diversity and Equal Opportunities

The Group is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive. The Group is dedicated to maintaining workplaces that are free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation. The Group also has zero tolerance of sexual harassment or abuse in the workplace in any forms. Any employee who is intimidated, humiliated, bullied or harassed (including sexual harassment) may report to the employee's representative, or file complaints directly to the management representative or the general manager, and the Group will take serious approaches to resolve these issues upon receiving the said complaints.

### 薪酬及福利

為吸引並挽留優秀僱員，本集團僱員的薪酬政策及待遇會定期進行審閱。本集團僱員的工資及福利水平具備競爭力，並參考市況、個人資質及經驗而定。除強制性公積金計劃（「**強制性公積金計劃**」）外，醫療保險及勞工保險於僱員加入本集團時購買，而僱員可根據個人表現評估及市況獲發加薪及酌情花紅。

### 多元化及平等機會

本集團致力於創造及維護一個包容和協作的工作場所文化，令所有員工均可茁壯成長。本集團致力確保員工在工作場所內不會因種族、宗教、膚色、性別、身體或精神殘疾、年齡、出生地、婚姻狀況、性取向而遭受歧視、任何身體或言語騷擾。本集團對工作場所內的任何形式的性騷擾或虐待採取零容忍態度。任何員工受到恫嚇、受辱、受欺負或受到騷擾（包括性騷擾）時，可直接向員工代表反映或直接向管理者代表或總經理進提出投訴，本集團於收到投訴後將採取嚴厲措施予以解決該等事項。

### B2. Health and Safety

Employees' safety is regarded as the top priority due to high-risk activities and critical exposure of employees during specific works such as construction at heights during the delivery of the Group's services. The Group is committed to providing healthy and safe working environment for all employees and contractors, and strives to achieve zero tolerance toward hazards, incidents, non-compliance and accidents.

Accredited by the OHSAS 18001:2007 certification, the Group has established the "Safety and Health Policy" which is reviewed by the Group's management annually or once there is a significant change in relevant regulations, the Group's governance structure or working environment. The Safety Committee, which consists of managers, Safety Officer and supervisors, is responsible for the effective implementation of the policy. A "Safety Plan" is written for each project to support the policy. To ensure the policy is up to date and applicable for the current status of the project, our Safety Officer conducts interviews with the construction site supervisors as well as the site workers on the understanding of the policy.

During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to health and safety including but not limited to, the Occupational Safety and Health Ordinance and the Employees' Compensation Ordinance, that would have a significant impact to the Group.

### B2. 健康與安全

由於在因應本集團服務需要而進行的高空建築等特定工作時，我們的僱員從事高危活動及承擔極大風險，因此我們將僱員的安全視為首要任務。本集團致力於為所有僱員及承包商提供健康及安全的工作環境，並努力實現對危害、事件、違規及事故的零容忍。

經OHSAS 18001:2007認證，本集團已建立《安全與健康政策》，該政策將每年或倘有關條例、本集團的治理結構或工作環境出現重大更改時由本集團管理層進行審閱。安全委員會（包括管理人員、安全主任及監督員）負責對政策的有效實施。各個項目均含支持該政策的《安全計劃》。為確保該政策的持續更新，並適合項目的現狀，我們的安全主任將就了解該政策與建築場地監督員以及場地工人進行面談。

於本年度，本集團並不知悉任何可能對本集團產生重大影響的嚴重違反健康與安全相關的香港法律法規的情況，包括但不限於《職業安全及健康條例》及《僱員補償條例》。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Occupational Health and Safety

In order to control and mitigate the safety risks in our construction projects, which may involve high-risk activities, safety is treated as our first priority during the delivery of our services. Clearly stated in the "Safety Plan", all workers must obtain the Construction Industry Safety Training Certificate (also known as the green card). Our construction sites are equipped with first-aid boxes and fire extinguishers. Various reminders are also posted around the construction sites to ensure our workers are wearing safety gears and aware of the dangerous area, and accident statistics are prominently displayed at the same time.

The Group also demands our workers to be equipped with personal protective equipment and ensure that the personal protective equipment is effective. Personal protective equipment can only be purchased from suppliers after consulting the security consultant and discussing with the Safety Committee. Relevant personal protective equipment, including but not limited to helmets, safety goggles, hearing protectors, fall arrestors and full-body safety harnesses, are provided to all on-site workers in order to prevent accidents in high risks activities especially at heights. Workers must receive trainings and instructions on the correct usage of the personal protective equipment and procedures for the maintenance, storage and replacement of personal protective equipment.

### Safety Trainings

In order to reduce incidents and enhance the Group's image, the Group aims to raise the employees' awareness of health and safety through safety trainings. There are mainly four types of safety trainings, namely the guided courses, the Construction Industry Safety Training Certificate programme, specific trainings, and safety and health lectures. The Group provides appropriate safety trainings to all management personnel, supervisors and front-line employees. Employees are encouraged to take initiatives to notify relevant safety trainings course. All new employees must receive internal one-hour safety guidance training within one week after on board.

### 職業健康與安全

為控制及減輕建築項目(可能涉及高風險活動)的安全風險,我們在服務過程中把安全放在首位。《安全計劃》明確規定,所有工人必須取得建造業安全訓練證明書(亦稱為平安咭)。我們的施工現場配備急救箱及滅火器。在施工現場附近亦會張貼各種提醒,以確保我們的工人佩戴安全裝備並意識到危險區域,同時亦會突出顯示事故統計數據。

本集團亦要求工人配備個人防護設備,並確保個人防護設備有效。只有在諮詢安全顧問並與安全委員會討論後,才能從供應商處購買個人防護設備。我們為所有現場工人提供相關的個人防護設備,包括但不限於頭盔、安全鏡、聽力保護器、防墜器及全身安全帶,以防止發生高風險活動(尤其是高空活動)的事故。工人必須接受有關正確使用個人防護設備的培訓和指導,以及有關維護、儲存及更換個人防護設備的程序。

### 安全培訓

為減少事故及提升本集團的形象,本集團致力透過安全培訓提高員工的健康與安全意識。安全培訓主要分為四種類型,分別為指導課程、建造業安全訓練證明書計劃、專門培訓以及安全與健康講座。本集團為所有管理人員、監理及前線員工提供適當的安全培訓。我們鼓勵員工主動留意相關安全培訓課程。所有新員工必須於入職後一週內接受一個小時的內部安全指導培訓。

### B3. Development and Training

#### Employee Development and Training

The Group recognises that staff training and development is a strong pillar to the sustainable operation of the business and driving force to drive future business growth. Adopting the “Training & Development Policy”, the Group encourages our employees to attend training programmes designed by the Group, take initiative to assess skills and seek development activities that match needs. Training officers and supervisors shall work with staff to assess and provide feedback on their skills and interests, advice and arrange training programs and develop training materials and activities that match their needs of career development objectives. They develop an annual development plan to support employee development and plan a training schedule for each employee.

#### Training Programmes

Training programmes mainly consist of two types, namely internal trainings and external trainings. External trainings include conferences and forums. The HR Department encourages employees to attend external training programs that focus on topics of relevance to their position. For internal trainings, the Group designs trainings for its employees regarding their own needs of their job duty, position status, or experience. For new hired employees, a set of orientation training materials including company structure, “Code of Conduct” and “Safety Procedures” and other relevant information developed by HR Department will be provided on their first working day.

The Board is encouraged to attend external seminars and training programmes at the Group’s expense to update themselves with legal and regulatory developments, as well as the business and market changes to facilitate the discharge of their responsibilities. Continuing briefing and professional development to directors will be arranged whenever necessary.

### B3. 發展及培訓

#### 僱員發展及培訓

本集團認識到僱員培訓及發展是業務可持續發展的強大支柱，也是推動未來業務增長的動力。本集團採納《培訓與發展政策》，鼓勵員工參加由本集團設計的培訓計劃，主動評估技能並尋求符合需求的發展活動。培訓主任及監理應與員工合作，以評估其技能和興趣及提供相關反饋，建議並安排培訓計劃，制定符合其職業發展目標需求的培訓材料及活動。彼等制定年度發展計劃以支持員工發展，並為每位員工制定培訓計劃。

#### 培訓計劃

培訓計劃主要包括兩類，分別為內部培訓及外部培訓。外部培訓包括會議及論壇。人力資源部門鼓勵員工參加針對其職位相關主題的外部培訓計劃。至於內部培訓，本集團為其員工設計有關其自身職責需要、職位或經驗的培訓。新僱用的員工將在第一個工作日獲提供一系列入職培訓材料，包括公司架構、《行為守則》及《安全程序》以及人力資源部門制定的其他相關信息。

本集團鼓勵董事會參加外部研討會及培訓計劃，以了解法律法規發展以及業務和市場變化的最新情況，從而便利其履行職責，費用由本集團承擔。必要時將向董事安排持續簡介及專業發展。



### B4. Labour Standards

#### Prevention of Child Labour and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by laws and regulations. During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to the prevention of child or forced labour including but not limited to, the Employment of Children Regulations and the Employment Ordinance, that would have a significant impact to the Group.

Personal data is collected during the process to assist in the selection of suitable candidates and to verify candidates' personal data. The HR Department is responsible to ensure identity documents are carefully checked. If violation is involved, it will be dealt with the circumstances as clearly stated in the Group's "Employee Handbook".

Furthermore, employees of the Group work overtime on a voluntary basis to prevent any breaches of labour standards. The Group also prohibits any punishments, management methods and behaviours involving verbal abuse, physical punishment, physical abuse, oppression, sexual harassment, etc. against our employees for any reason.

### B5. Supply Chain Management

#### Supply Chain Management

The Group's suppliers mainly include suppliers of construction materials and tooling, machinery and equipment rental service providers and suppliers of safety consultancy services, repair and maintenance services and logistics services. During the Year, the Group had engaged 191 suppliers and subcontractors while all of them were located in Hong Kong. The Group generally order the relevant construction materials and services on a project-by-project basis, and therefore does not enter into any long-term supply agreements with our suppliers.

### B4. 勞工準則

#### 禁止童工及強制勞工

招聘過程中嚴禁僱用法律法規定義的童工及強制勞工。於本年度，本集團並不知悉任何可能對本集團產生重大影響的嚴重違反禁止童工或強制勞工相關香港法律法規的情況，包括但不限於《僱用兒童規例》及《僱傭條例》。

招聘過程中會收集個人資料，以協助選擇合適的候選人並核實候選人的個人資料。人力資源部門負責確保仔細檢查身份證明文件。倘涉及違規，將按照本集團《僱員手冊》中明確規定的情況處理。

此外，本集團僱員按自願基準加班，以防止違反勞工準則。本集團亦禁止出於任何理由對我們的員工進行任何涉及口頭謾罵、體罰、身體虐待、壓迫、性騷擾等的懲罰、管理方式及行為。

### B5. 供應鏈管理

#### 供應鏈管理

本集團的供應商主要包括建築材料和工具供應商、機械和設備租賃服務供應商以及安全諮詢服務、維修和保養服務以及物流服務的供應商。於本年度，本集團共聘用191名供應商及分包商，均位於香港。本集團一般按個別項目基準訂購相關建築材料及服務，因此並沒有與供應商訂立任何長期供應協議。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

To assess suppliers' and subcontractors' ability to supply materials and deliver works which meet all the requirements and specifications, the Group has formulated "Pre-qualification of Suppliers and Subcontractors" policy to regulate the evaluation on suppliers' and subcontractors' performance. Quotation is asked from at least three suppliers or subcontractors from the supplier list or subcontractor list after tender is confirmed. "Supplier Evaluation Form" is used to evaluate suppliers' performance after the completion of the project on the quality of the materials delivered, ability to meet requirement, competitive prices and deliveries on schedule. The Group attends regular meetings with suppliers and subcontractors in order to evaluate the performance of workers, safety measures in the construction sites and quality of materials. Suppliers or subcontractors may be suspended or removed from the approved list if they fail to fulfil our standards.

### B6. Product Responsibility

Achieving and maintaining high quality standard for projects are the most important for the sustainable growth of the Group. Our direct customers include main contractors and subcontractors of various building construction projects in Hong Kong while the ultimate owners of the projects undertaken by us mainly include the Government and property developers. As a subcontractor, the Group mainly secures our projects from contractors through tenders by invitation. The Group strives to maintain good relationship with our major customers to establish good reputation and to gain future business opportunity.

為評估供應商和分包商的材料供應及工程交付能力是否符合所有要求及規格，本集團已制定《供應商及分包商資格預審》政策，以規範對供應商和分包商的表現評估。確認招標後，將從供應商名單或分包商名單中至少詢問三個供應商或分包商的報價。我們於項目完成後透過《供應商評估表格》評估供應商在所交付材料的質量、滿足要求的能力、具競爭力價格以及按時交付方面的表現。本集團出席與供應商和分包商的定期會議，以評估工人的表現、施工現場的安全措施及材料質量。未能符合我們標準的供應商或分包商可能會被暫停或從核准名單中除名。

### B6. 產品責任

項目達致及維持高水準對本集團的可持續增長而言至關重要。我們的直接客戶包括香港不同建築建造項目的總承建商及分包商，而我們所承接項目的最終擁有人主要包括政府及物業發展商。作為分包商，本集團主要透過受邀競標自承包商獲得項目。本集團致力於與主要客戶維持良好關係，以建立良好聲譽及於日後獲得商機。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to product health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress including but not limited to, the Trade Descriptions Ordinance and Personal Data (Privacy) Ordinance, that would have a significant impact to the Group. There was no complaint received during the Year.

### Project Quality Management

The Group's quality management system has been accredited by the ISO 9001:2015 certification. The Group commits to fulfilling our customers' satisfaction with high quality construction service, and implementing the "Project Tendering and Management Policy" to ensure our clients' requirements and expectations are fully understood and documented. The Project Manager is responsible to monitor the project progress and job workmanship as per contractual and other requirements. The Contract Manager will then review all documents referenced in the tender received by the Group. The Tendering Department prepares preliminaries tender notes after the review to record the project details, specific contract payment terms and conditions, and the information required to be submitted. Such information will be brought to the Board for their acceptance or rejection of tender.

### Privacy Protection

Despite that the Group has limited access to our customers' personal data due to our business nature, as a responsible service provider, the Group has formulated internal policy to regulate the handling of confidential information while protecting customers' privacy. All confidential data related to the Group's business and customer information are securely protected and only used for internal purpose. Any leakage of confidential information to the third parties is strictly prohibited. As such, in carrying out our operations, the Group adheres to the Personal Data (Privacy) Ordinance and expressly reiterates confidentiality obligations.

於本年度，本集團並不知悉就所提供的產品及服務以及補救方法有任何可能對本集團產生重大影響的嚴重違反香港有關產品健康與安全、廣告、標籤及私隱事宜的任何法律及法規的情況，包括但不限於《商品說明條例》及《個人資料(私隱)條例》。於本年度概無接獲投訴。

### 項目質量管理

本集團的質量管理體系已獲ISO 9001:2015認證。本集團致力於以優質建築服務達到客戶滿意，並實施《項目投標及管理政策》確保客戶的要求及預期都能得到充分理解和記錄。項目經理負責監督項目進程及基於合約及其他要求的工程工藝。合同經理會審閱所有本集團收到的投標參考文件。投標部門於審閱後會編製前期投標說明以記錄項目詳情、具體合約付款條款及條件以及須提交的資料。有關資料將提呈董事會供其接納或拒絕標書。

### 私隱保護

儘管本集團因業務性質使然能接觸客戶個人資料的途徑有限，但作為負責任的服務供應商，本集團已制定內部政策以在保障客戶私隱的同時規範機密資料的處理。所有與本集團業務及客戶資料有關的機密資料均得到安全保障，只會供內部使用。嚴禁向任何第三方洩露機密資料。因此，在開展業務時，本集團謹遵《個人資料(私隱)條例》，並明確重申負有保密責任。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group is determined to strengthen the protection of customers' privacy. Our employees are trained to maintain the confidentiality of our customers' information which they may have access to during work. The Group also standardises procedures for filing in order to protect confidential information.

### Advertising and Labelling

As a subcontractor who provides wet trades works and other wet trades related ancillary works, the Group does not have any significant issues on advertising and labelling. Nevertheless, in the Group's dealings with its clients, information provided should be complete, true, accurate, clear, and comply with all relevant laws and regulations regarding the proper advertising, including but not limited to the Trade Descriptions Ordinance.

## B7. Anti-corruption

The Group strives to achieve high standard of ethics in our business operations and does not tolerate any forms of corruptions, frauds and all other behaviours violating work ethics. Unethical or illegal events such as corruption, bribery, and collusion are strictly prohibited. The Group stipulates the disciplinary code in the "Employee Handbook" and employees' "Code of Conduct", and ensure the employees understand the details of the terms. The Group encourages employees to report any suspected misconduct.

During the Year, the Group was not aware of any material non-compliance with any laws and regulations in Hong Kong related to bribery, extortion, fraud and money laundering including but not limited to, the Prevention of Bribery Ordinance, that would have a significant impact to the Group.

本集團矢志加強對客戶私隱的保護。我們的僱員接受培訓以維護其可能在工作中接觸到的客戶資料的機密性。本集團亦規範存檔程序以保護機密資料。

### 廣告及標籤

作為提供泥水工程及其他與泥水工程相關的配套工程的分包商，本集團在廣告及標籤方面並沒有重大問題。儘管如此，本集團在與客戶打交道的過程中，所提供的資料須完整、真實、準確、清晰及遵守有關有效廣告的所有相關法律及法規，包括但不限於《商品說明條例》。

## B7. 反貪污

本集團致力於在業務營運中達致高水準的道德操守，絕不容許任何形式的貪污、欺詐及所有其他違反工作道德的行為。所有不道德或不合法的事件包括貪污、賄賂及串謀等是被嚴格禁止的。本集團在《僱員手冊》及僱員《行為守則》中訂明紀律守則，確保僱員瞭解條款詳情。本集團鼓勵僱員報告任何涉嫌不當行為。

於本年度，本集團並不知悉任何可能對本集團產生重大影響的嚴重違反香港有關賄賂、勒索、欺詐及洗錢的任何法律及法規的情況，包括但不限於《防止賄賂條例》。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Conflict of Interest Management

In order to prevent employees from not taking corresponding measures because of their personal interests, the Group has formulated the “Declaration of Interest” which provides guidelines and procedures to employees in exercising their utmost good faith and honesty in all transactions involving their duties and under no circumstances use their positions or knowledge gained for their own personal benefits. Employees must ensure that there is no conflict of interest between their personal interests and their duties, obligations and responsibilities to the Group. Those who have or have had a personal relationship with related person where a conflict of interest is perceived should provide written declarations at the earliest possible opportunity.

### Whistleblowing Mechanism

Committed to the highest possible standards of openness, probity and accountability, the Group expects and encourages our employees who have concerns about any suspected misconduct or malpractice within the Group to come forward and voice those concerns. Therefore, the Group adopts a “Whistleblowing Policy” for all levels and operations. Complainants are assured of protection against unfair dismissal, victimisation or unwarranted disciplinary action, even if the concerns turn out to be unsubstantiated. The Audit Committee is responsible for monitoring and reviewing the effectiveness of the “Whistleblowing Policy” and make recommendations for further improvement based on investigation results.

### 利益衝突管理

為防止僱員出於個人利益不作出相應措施，本集團已制定《利益聲明書》，當中向僱員提供指引及程序，助其在涉及彼等職責的所有交易中運用最大真誠及誠信，且在任何情況下不得利用職位或知識謀取個人私利。僱員必須確保彼等的個人利益與其對本集團負有的職責、義務及責任之間概不存在利益衝突。如認為存在利益衝突，該等與關連方擁有或一直擁有個人關係的人士須盡早提供書面聲明。

### 舉報機制

本集團致力於盡可能達到最高水準的開放、廉潔及問責，期望並鼓勵任何注意到本集團內部涉嫌不當行為或不良行為的僱員挺身而出，揭發相關行為。因此，本集團對所有層面及業務均採取《舉報政策》。投訴人可得到確切保障，不會遭到不公平解僱、危害或不當紀律行動，即使有關舉報結果被證實不實時仍會如此。審核委員會負責監督及審閱《舉報政策》的有效性，及根據調查結果提出進一步改進的建議。

### B8. Community Investment

#### Corporate Social Responsibility

As part of the strategic development, the Group is committed to supporting the public means of social participation and contribution, and to nurturing the corporate culture and practices of corporate citizen in our daily operation. The Group aims to promote the stability of society, and support underprivileged on rehabilitation to improve the quality of life. The Group also focuses to inspire our employees towards social welfare awareness. The Group embraces the human capital into the social management strategies to sustain our corporate social responsibility as a part of the strategic development of the Group.

As a role model for the employees, the Group has been committed to participating in charitable activities in order to practice the corporate spirit of repaying society. In September 2019, the Group donated HK\$100,000 to Fung Tak Lutheran Home for the Elderly in order to support charitable organisation for helping the needs and improving the elderlies' quality of life. Through various efforts, the Group hopes to establish a corporate image of sunshine and responsibility, and encourages employees and other stakeholders to give back to the society.

### B8. 社區投資

#### 企業社會責任

作為策略發展的一部分，本集團致力於支持各種參與及奉獻社會的公開途徑，並致力於在日常營運中培植企業文化和企業公民實務。本集團旨在提高社會穩定性和幫助弱勢人群復原以提升生活質量。本集團亦注重激勵僱員擁有社會福利意識。本集團在社會管理策略中融入人力資本以維持企業社會責任，藉此作為本集團策略發展的一部分。

作為僱員的榜樣，本集團致力於參與慈善活動以發揮回饋社會的企業精神。於二零一九年九月，本集團為路德會鳳德安老院捐贈100,000港元，以支持慈善組織幫助有需要的人群和改善長者生活質素。本集團期望憑藉各種努力建立起陽光企業形象和責任感，並鼓勵僱員及其他利益相關者也能回饋社會。



# Independent Auditor's Report

## 獨立核數師報告



### TO THE MEMBERS OF HANDS FORM HOLDINGS LIMITED

恆新豐控股有限公司

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

### Opinion

We have audited the consolidated financial statements of Hands Form Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 79 to 163, which comprise the consolidated statement of financial position as at 31 December 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 December 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.

### 致恆新豐控股有限公司股東

*(於開曼群島註冊成立的有限公司)*

### 意見

吾等已審核第79頁至第163頁所載恆新豐控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表，其中包括於二零一九年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，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」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公允地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定妥為擬備。

# Independent Auditor's Report

## 獨立核數師報告

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“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.

### Key Audit Matters

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

### 意見之基準

吾等已根據香港會計師公會頒佈之香港審計準則（「香港審計準則」）進行審計。吾等在該等準則下之責任已於本報告「核數師就審計綜合財務報表承擔之責任」一節中作進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則（「守則」），吾等獨立於貴集團，及吾等根據守則已履行其他道德責任。吾等相信，吾等所獲得之審計憑證能充足及適當地為吾等的意見提供基礎。

### 關鍵審計事項

關鍵審計事項為根據吾等的專業判斷，認為對本期間綜合財務報表之審計最為重要的事項。該等事項於吾等審計整體綜合財務報表及出具意見時處理，吾等不會對該等事項提供獨立意見。



# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matters (Continued)

### 關鍵審計事項 (續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 吾等進行的審計如何處理關鍵審計事項
<p><b>Revenue recognition from provision of construction services (Continued)</b> 提供建築服務的收益確認 (續)</p> <p>We identified the revenue recognition from provision of construction services as a key audit matter due to its significance to the consolidated financial statements as a whole and management's estimate is involved in determining the revenue when contract progresses. 吾等將提供建築服務所得收益確認確定為關鍵審計事項，原因是其對綜合財務報表整體意義重大且釐定合約進行中的收益時會涉及管理層的估計</p> <p>As set out in note 5 to the consolidated financial statements, the Group derived its revenue from provision of wet trades works and other wet trades related ancillary works over time and recognised HK\$558,137,000 for the year ended 31 December 2019. Revenue from provision of such services is recognised over time using input method, i.e. based on the actual costs incurred by the Group to date compared with the total budgeted cost for the project to estimate the revenue recognised during the year. The accounting policy for revenue recognition and the significant accounting estimate are disclosed in notes 3 and 4, respectively, to the consolidated financial statements. 如綜合財務報表附註5所載，貴集團隨著時間的推移從提供泥水工程及其他泥水相關配套工程獲得收益，並於截至二零一九年十二月三十一日止年度確認558,137,000港元。提供此類服務所得收益會隨著時間的推移使用輸入法確認，即根據本集團迄今為止已發生的實際成本與項目的總預算成本進行比較，以估計年內確認的收益。收益確認的會計政策及重大會計估計分別在綜合財務報表的附註3及4中披露。</p>	<p>Our procedures in relation to the revenue recognition from provision of construction services included: 吾等有關提供建築服務的收益確認的審計程序包括以下各項：</p> <ul style="list-style-type: none"> <li>Obtaining an understanding on how the management recognises the revenue from the provision of construction services and how the total budget costs are determined; 了解管理層確認提供建築服務所得收益的方法以及總預算成本釐定的方式；</li> <li>Agreeing the project contract sum to signed contracts and variation orders, if any; 核對項目合約金額與已簽合約及工程變動指令 (如有)；</li> </ul>

Key Audit Matters (Continued)

關鍵審計事項 (續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 吾等進行的審計如何處理關鍵審計事項
<p><b>Revenue recognition from provision of construction services (Continued)</b> 提供建築服務收益確認 (續)</p>	<ul style="list-style-type: none"> <li>• Assessing the accuracy of the actual total costs incurred for the year by checking against the payment certificates or invoices issued by the subcontractors and suppliers, on a sample basis; 抽樣核對分包商及供應商出具的最新付款證明或發票以評估本年度已產生總實際成本的準確性；</li> <li>• Checking the total budget costs by inspecting the underlying contracts and correspondence with subcontractors and suppliers, on a sample basis, of individual projects and understanding the causes for significant variances, if any, made to these budgets during the year; 透過抽樣審查個別項目的有關合約以及與分包商及供應商的通訊以核查預算成本總額，並了解造成該等預算年內出現重大差異的原因 (如有)；</li> <li>• Evaluating the reliability of the management's estimation by comparing their budget costs to actual costs on completed projects, on a sample basis; and 透過抽樣比較管理層預算成本與已完工項目的實際成本，評估管理層估計的可靠性；及</li> <li>• Assessing the accuracy of revenue recognised for the year by recalculating the revenue based on the percentage of completion of the contract based on the input method. 透過根據輸入法重新計算基於合約完成百分比的收益，評估年度確認收益的準確性。</li> </ul>

# Independent Auditor's Report

## 獨立核數師報告

### Other Information

The directors of the Company are responsible for the other information. The other information comprises 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.

### 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載之全部資料，但不包括綜合財務報表及吾等載於其中之核數師報告。

吾等對綜合財務報表之意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式之核證結論。

就吾等對綜合財務報表之審計，吾等的責任乃細閱其他資料，在此過程中，考慮其他資料與綜合財務報表或吾等在審計過程中所知悉之情況是否存在重大不一致之處或似乎存在重大錯誤陳述。基於吾等已執行之工作，倘吾等認為其他資料存在重大錯誤陳述，吾等需要報告該等事實。吾等就此並無任何事項須報告。

### 董事及管治負責人員就綜合財務報表須承擔的責任

貴公司董事須負責按照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，以及落實董事認為編製綜合財務報表所必要的內部監控，以令綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。



## Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements (Continued)

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.

## 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 HKSAs 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.

## 董事及管治負責人員就綜合財務報表須承擔的責任(續)

編製綜合財務報表時，董事須負責評估 貴集團是否有能力繼續持續經營、披露(如適用)與持續經營相關的事宜，並採用持續經營會計基準，除非董事擬將 貴集團清盤或終止經營 貴集團，或除此之外並無實質替代方案，則作別論。

管治負責人員負責監督 貴集團財務申報過程。

## 核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定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，並發出包含吾等意見的核數師報告。按照吾等的協定委聘條款，該報告僅向整體股東作出，除此以外不可作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔法律責任。合理確定屬高層次鑒證，但不能擔保按照香港審計準則進行的審核工作總能發現存有的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者基於該等綜合財務報表作出的經濟決定，則被視為重大錯誤陳述。

# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with HKSAAs, 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.

### 核數師就審核綜合財務報表須承擔的責任(續)

作為按照香港審計準則進行審核工作的一環，吾等運用專業判斷，在整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險，因應此等風險設計及執行審核程序，以及取得充足和適當的審核憑證以為吾等的意見提供基礎。由於欺詐可能涉及合謀串通、偽造、故意遺漏、失實陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述的風險較未能發現因錯誤而導致的重大錯報的風險為高。
- 了解與審核有關的內部監控，以設計適用於有關情況的審核程序，惟並非旨在對貴集團內部監控的成效發表意見。
- 評價董事所用會計政策是否合適，以及董事所作會計估計及相關披露是否合理。

### 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.

### 核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基準是否恰當作出結論，並依照所得的審核憑證，決定是否存在與事件或情況有關的重大不明朗因素，而可能對 貴集團持續經營的能力構成重大疑慮。倘吾等認為存在重大不明朗因素，則須於核數師報告中促請注意綜合財務報表中相關披露資料，而倘有關披露資料不足，則須發出非無保留意見。吾等的結論建基於截至核數師報告日期為止所獲得的審核憑證。然而，未來事件或情況可能導致 貴集團無法繼續持續經營。
- 評價綜合財務報表(包括資料披露)的整體列報方式、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足及適當的審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行 貴集團的審核工作。吾等為吾等的審核意見承擔全部責任。

吾等與管治負責人員溝通(其中包括)計劃審核範圍及時間安排以及重大審核發現，包括吾等在審核過程中識別出的任何內部監控重大缺失。



# Independent Auditor's Report

## 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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.

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 Zhu Chen.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
27 March 2020

### 核數師就審核綜合財務報表須承擔的責任(續)

吾等亦向管治負責人員提交聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性的關係及其他事宜，以及(如適用)相關防範措施。

從與管治負責人員溝通的事宜中，吾等決定對審核本期間綜合財務報表最為重要的事宜，因而構成關鍵審核事項。吾等於吾等之核數師報告中說明該等事宜，除非法律或規例禁止公開披露有關事宜，或在極其罕見的情況下，若合理預期在吾等的報告中指出某事宜所造成的負面後果將會超過其產生的公眾利益，吾等不會在此等情況下在報告中指出該事宜。

獨立核數師報告的審計項目合夥人為朱晨。

**德勤 • 關黃陳方會計師行**  
執業會計師  
香港  
二零二零年三月二十七日

# 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 December 2019 截至二零一九年十二月三十一日止年度

			<b>2019</b>	2018
		NOTES	二零一九年	二零一八年
		附註	<b>HK\$'000</b>	HK\$'000
			千港元	千港元
Revenue	收益	5	<b>558,137</b>	431,819
Costs of services	服務成本		<b>(487,954)</b>	(378,953)
Gross profit	毛利		<b>70,183</b>	52,866
Other income	其他收入	6	<b>359</b>	821
Increase in fair value of an investment property	投資物業的公平值增加	14	–	730
Reversal of (allowance for) impairment losses	減值虧損撥回(撥備)		<b>127</b>	(326)
Administrative expenses	行政開支		<b>(8,964)</b>	(3,588)
Finance costs	融資成本	7	<b>(260)</b>	(82)
Listing expenses	上市開支		<b>(17,586)</b>	(2,024)
Profit before tax	除稅前溢利	8	<b>43,859</b>	48,397
Income tax expense	所得稅開支	9	<b>(8,033)</b>	(8,076)
Profit and total comprehensive income for the year	年度溢利及全面收益總額		<b>35,826</b>	40,321
Earnings per share - Basic (HK cents)	每股盈利 - 基本(港仙)	12	<b>1.63</b>	2.07

# Consolidated Statement of Financial Position

## 綜合財務狀況表

AT 31 December 2019 於二零一九年十二月三十一日

		NOTES 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	11,174	7,918
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		2,745	–
			<b>13,919</b>	7,918
<b>Current assets</b>	<b>流動資產</b>			
Trade receivables	貿易應收款項	15	28,158	31,189
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	16	65,044	4,081
Amount due from a director	應收董事款項	17	–	16,149
Contract assets	合約資產	18	130,126	83,604
Bank balances and cash	銀行結餘及現金	19	24,696	18,123
			<b>248,024</b>	153,146
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	20	19,742	54,846
Contract liabilities	合約負債	18	2,165	2,737
Income tax payable	應付所得稅		14,514	6,570
Bank overdrafts	銀行透支	21	3,815	15,575
Bank borrowing	銀行借款	21	–	5,209
			<b>40,236</b>	84,937
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>207,788</b>	68,209
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>221,707</b>	76,127
<b>Non-current liability</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	22	270	126
<b>Net assets</b>	<b>資產淨值</b>		<b>221,437</b>	76,001
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	23	26,000	600
Reserves	儲備		195,437	75,401
			<b>221,437</b>	76,001

The consolidated financial statements on pages 79 to 163 were approved and authorised for issue by the Board of Directors on 27 March 2020 and are signed on its behalf by:

載於第79頁至163頁的綜合財務報表於二零二零年三月二十七日獲董事會批准及授權發佈，並由以下董事代表董事會簽署：

**Mr. Cheung Kwok Fai Adam**

張國輝先生

Director

董事

**Mr. Ma Kan Sun**

馬庚申先生

Director

董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	600	–	–	35,080	35,680
Profit and total comprehensive income for the year	年內溢利及全面收益總額	–	–	–	40,321	40,321
At 31 December 2018	於二零一八年十二月三十一日	600	–	–	75,401	76,001
Profit and total comprehensive income for the year	年內溢利及全面收益總額	–	–	–	35,826	35,826
Effect of reorganisation (Note a)	重組的影響 (附註 a)	(600)	–	600	–	–
Issue of shares under the Capitalisation Issue* (Note 23(c))	根據資本化發行發行股份* (附註 23(c))	19,500	(19,500)	–	–	–
Issue of shares under the Share Offer* (Note 23(d))	根據股份發售發行股份* (附註 23(d))	6,500	123,500	–	–	130,000
Transaction cost attributable to issue of new shares	發行新股份應佔交易成本	–	(20,390)	–	–	(20,390)
At 31 December 2019	於二零一九年十二月三十一日	26,000	83,610	600	111,227	221,437

\* Both of which are defined in Note 23.

Note:

a. As part of the Reorganisation (as defined and detailed in Note 1) and in streamlining the group structure, Mr. Cheung Kwok Fai Adam ("Mr. Adam Cheung") and Ms. Cheung Lai Chun ("Ms. LC Cheung") transferred their entire equity interest in Pak Fai Engineering Limited ("Pak Fai") to Creative Panda Limited ("Creative Panda") in consideration for Creative Panda allotting and issuing 1 ordinary share to Autumn Well Limited ("Autumn Well"), and transferred their entire equity interest in Ma Yau Engineering Limited ("Ma Yau") to Vintage Charm Limited ("Vintage Charm") in consideration for Vintage Charm allotting and issuing 1 ordinary share to Autumn Well.

\* 定義均見附註 23。

附註：

a. 作為重組的一部分(定義及詳情見附註1)及於精簡集團架構的進程中，經計及Creative Panda Limited(「Creative Panda」)配發及發行1股普通股予Autumn Well Limited(「Autumn Well」)，張國輝先生(「張先生」)及張麗珍女士(「張女士」)轉讓彼等於栢輝工程有限公司(「栢輝」)的全部股權予Creative Panda及經計及Vintage Charm Limited(「Vintage Charm」)配發及發行1股普通股予Autumn Well，彼等轉讓於馬友工程有限公司(「馬友」)的全部股權予Vintage Charm。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>			
Profit before tax	經營活動 除稅前溢利	43,859	48,397
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	795	311
(Reversal of) allowance for impairment losses	減值虧損(撥回)撥備	(127)	326
Fair value gains on investment property	投資物業公平值收益	-	(730)
Finance costs	融資成本	260	82
Operating cash flow before movement in working capital	營運資金變動前經營現金流量	44,787	48,386
Movements in working capital:	營運資金變動：		
Decrease (increase) in trade receivables	貿易應收款項減少(增加)	3,277	(7,877)
Increase in other receivables, deposits and prepayments	其他應收款項、按金及預付款項增加	(61,539)	(3,683)
Increase in contract assets	合約資產增加	(46,641)	(50,407)
Decrease in contract liabilities	合約負債減少	(572)	(3,454)
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加	(34,843)	24,372
Cash (used in) generated from operations	經營(所用)產生現金	(95,531)	7,337
Income tax paid	已付所得稅	(256)	(8,337)
Income tax refunded	退回所得稅	311	-
Interest paid	已付利息	(260)	(82)
Net cash used in operating activities	經營活動所用現金淨額	(95,736)	(1,082)
<b>INVESTING ACTIVITIES</b>			
Repayment from (advance to) a director	投資活動 一名董事的還款(向一名董事墊款)	16,149	(13,592)
Purchase of property, plant and equipment	購買物業、廠房及設備	(4,051)	(807)
Payment for deposit for acquisition of property, plant and equipment	支付收購物業、廠房及設備之按金	(2,745)	-
Net cash from (used in) investing activities	投資活動所得(所用)現金淨額	9,353	(14,399)
<b>FINANCING ACTIVITIES</b>			
Proceeds from Share Offer	融資活動 股份發售所得款項	130,000	-
New bank borrowing raised	新籌措銀行借款	25,000	5,675
Repayment of bank borrowing	償還銀行借款	(30,209)	(466)
Issue costs paid	已付發行成本	(20,075)	(315)
(Repayment) draw-down of bank overdrafts	(償還)提取銀行透支	(11,760)	15,575
Net cash generated from financing activities	融資活動所得現金淨額	92,956	20,469
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	6,573	4,988
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR, represented by bank balances and cash	年初現金及現金等價物，指銀行結餘及現金	18,123	13,135
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	24,696	18,123

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 1. General, Reorganisation and Basis of Preparation and Presentation of the Consolidated Financial Statements

Hands Form Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 30 January 2019. Its immediate and ultimate holding company is Wonderful Renown Limited (“Wonderful Renown”), a private limited company incorporated in the British Virgin Islands (“BVI”). The controlling shareholders of the Company are Mr. Adam Cheung, Ms. LC Cheung and Wonderful Renown.

In preparation of the proposed listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the companies now comprising the Group have completed a reorganisation on 28 February 2019 (the “Reorganisation”), pursuant to which the Company became the holding company of the companies now comprising the Group on 28 February 2019. Details of the Reorganisation are set out in Note 2 to the historical financial information of the accountants’ report (the “Accountants’ Report”) in Appendix I to the prospectus of the Company dated 6 August 2019 (the “Prospectus”).

The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. The consolidated financial statements have been prepared on the basis as if the Company had always been the holding company of the companies now comprising the Group throughout the year ended 31 December 2019 and 2018.

The shares of the Company have been listed on the Main Board of the Stock Exchange on 16 August 2019.

### 1. 一般資料、重組及綜合財務報表的編製及呈列基準

恆新豐控股有限公司(「本公司」)於二零一九年一月三十日根據開曼群島法例第22章(一九六一年第3號法例，經合併及修訂)公司法在開曼群島註冊成立並登記為獲豁免有限公司。其直接及最終控股公司為Wonderful Renown Limited(「Wonderful Renown」，一間在英屬處女群島(「英屬處女群島」)註冊成立之私人有限公司)。本公司的控股股東為張先生、張女士及Wonderful Renown。

為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)主板的建議上市，本集團現時旗下公司已於二零一九年二月二十八日完成重組(「重組」)，據此，本公司於二零一九年二月二十八日成為本集團現時旗下公司的控股公司。有關重組之詳情載列於本公司日期為二零一九年八月六日的招股章程(「招股章程」)附錄一會計師報告(「會計師報告」)歷史財務資料的附註2。

本集團因重組而由本公司及其附屬公司組成，被視為一個持續經營實體。綜合財務報表乃基於本公司於截至二零一九年及二零一八年十二月三十一日止年度一直為本集團現時旗下公司的控股公司之假設而編製。

本公司股份已於二零一九年八月十六日在聯交所主板上市。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 1. General, Reorganisation and Basis of Preparation and Presentation of the Consolidated Financial Statements (Continued)

The consolidated financial statements have been prepared based on the accounting policies set out in Note 3 which conform with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA, and the principles of common control combination have been applied for the preparation of the consolidated financial statements. The functional currency of the Company is HK dollars (“HK\$”).

The Company is an investment holding company and the principal activities of the Company’s principal subsidiaries are set out in Note 29.

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

For the purpose of preparing and presenting the consolidated financial statements for the year ended 31 December 2019 and 2018, the Group has consistently applied HKFRSs that are effective for the financial year beginning on 1 January 2019 throughout both years, except that the Group adopted HKFRS 16 *Leases* since 1 January 2019 and Hong Kong Accounting Standard 17 *Leases* (“HKAS 17”) for the year ended 31 December 2018.

### 1. 一般資料、重組及綜合財務報表的編製及呈列基準(續)

綜合財務資料已根據附註3所載與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」)一致的會計政策，並應用共同控制合併原則予以編製。本公司的功能貨幣為港元(「港元」)。

本公司為一間投資控股公司，及本公司主要附屬公司的主要業務載於附註29。

### 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」)

就編製及呈列截至二零一九年及二零一八年十二月三十一日止年度之綜合財務資料而言，本集團已於兩個年度貫徹採用自二零一九年一月一日開始的財政年度生效之香港財務報告準則，惟本集團自二零一九年一月一日起採納香港財務報告準則第16號*租賃*及就截至二零一八年十二月三十一日止年度採納香港會計準則第17號*租賃*(「香港會計準則第17號」)則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17, and the related interpretations.

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

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

#### As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, i.e. 1 January 2019. Any difference at the date of initial application is recognised in the opening accumulated profits and comparative information has not been restated.

## 2. 應用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

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號及相關詮釋。

本集團已選用可行權宜方法，將香港財務報告準則第16號應用於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號釐定一項安排是否包含租賃識別為租賃之合約，以及不應用此準則於先前並無識別為包含租賃之合約。因此，本集團並無重新評估於首次應用日期前已存在之合約。

就於二零一九年一月一日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

#### 作為承租人

當應用香港財務報告準則第16號項下的追溯方法時，累計影響於首次應用日期(即二零一九年一月一日)確認。於首次應用日期的任何差額於期初累計溢利確認且比較資料不予重列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 2. Application of New and Amendments to Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

### HKFRS 16 Leases (Continued)

#### As a lessee (Continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application.

The Group applies the short-term lease recognition exemption to leases of warehouse and office premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Total short-term lease expenses of warehouse, office premises and machines recognised in the profit for the year ended 31 December 2019 is HK\$2,195,000.

Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	96
Less: Recognition exemption	減：確認豁免	
– leases with lease term ending within 12 months from the date of initial application	– 租期於自首次應用日期起12個月內到期的租賃	
		(96)
Lease liabilities relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號時確認的有關經營租賃的租賃負債	–

Based on the assessment, the adoption of HKFRS 16 did not have significant impact on the Group's financial position nor on the financial performance. Accordingly, no adjustment has been made to the accumulated profits as at 1 January 2019.

## 2. 應用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)

#### 作為承租人(續)

於採用經修訂追溯方式過渡應用香港財務報告準則第16號時，本集團選擇不就租期於首次應用日期起12個月內到期的租賃確認使用權資產及租賃負債。

本集團將短期租賃確認豁免應用於倉庫及辦公物業的租賃，即自開始日期起計之租期為十二個月或以下並且不包括購買選擇權的租賃。截至二零一九年十二月三十一日止年度，於溢利確認的倉庫、辦公物業及機器的短期租賃開支總額為2,195,000港元。

At  
1 January 2019  
於二零一九年一月一日  
HK\$'000  
千港元

根據評估，採納香港財務報告準則第16號並未對本集團財務狀況及財務表現造成重大影響。因此，於二零一九年一月一日並未對累計溢利作出調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 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 or Hong Kong Accounting Standards (“HKASs”) that have been issued but not yet effective:

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 3	Definition of Business <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>4</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>4</sup>

- 1 Effective for annual periods beginning on or after 1 January 2021
- 2 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- 3 Effective for annual periods beginning on or after a date to be determined
- 4 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(續)

### 已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂本

本集團並無提前應用下列已頒佈但尚未生效之新訂香港財務報告準則(「香港會計準則」)及香港財務報告準則之修訂本：

香港財務報告準則第17號	保險合約 <sup>1</sup>
香港財務報告準則第3號之修訂本	業務之定義 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者及其聯營公司或合營企業出售或注入資產 <sup>3</sup>
香港會計準則第1號及香港會計準則第8號之修訂本	重要之定義 <sup>4</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂本	利率基準改革 <sup>4</sup>

- 1 於二零二一年一月一日或之後開始的年度期間生效
- 2 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
- 3 於將釐定之日期或之後開始的年度期間生效
- 4 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 December 2019 截至二零一九年十二月三十一日止年度

## 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)

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, *the Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs and the Amendments to References to the Conceptual Framework in HKFRS Standards mentioned below, the directors of the Company consider that the application of the other new and amendments to HKFRSs and HKASs is unlikely to have a material impact on the Group’s financial statements in foreseeable future.

### 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 judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and
- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

## 2. 應用新訂及經修訂香港財務報告準則(續)

### 已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂本(續)

除上文之新訂及經修訂香港財務報告準則外，二零一八年頒佈了經修訂香港財務報告之概念框架。其重大修訂、香港財務報告準則之概念框架指引之修訂本，將於二零二零年一月一日或之後開始的年度期間生效。

除上述新訂及經修訂香港財務報告準則以及香港財務報告準則之概念框架指引之修訂本外，本公司董事認為應用其他新訂及經修訂香港財務報告準則於可見未來將不會對本集團財務報表產生重大影響。

### 香港會計準則第1號及香港會計準則第8號之修訂本「重要之定義」

該等修訂透過載入作出重大判斷時的額外指引及解釋，對重要的定義進行修訂。具體而言，有關修訂：

- 包含「掩蓋」重要資料的概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及
- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，該用語被視為過於廣義。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

### Amendments to HKAS 1 and HKAS 8 *Definition of Material* (Continued)

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 January 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.

### Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;
- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

## 2. 應用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號之修訂本「重要之定義」(續)

該等修訂與各香港財務報告準則的定義一致，並將在本集團於二零二零年一月一日開始的年度期間強制生效。預期應用該等修訂不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

### 二零一八年財務報告概念框架(「新框架」)及提述香港財務報告準則概念框架的修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利的新資產定義以及範圍可能比所取代定義更廣的新負債定義，惟不會改變負債與權益工具之間的區別；
- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且於特殊情況下方會使用其他全面收益，且僅用於資產或負債現值產生變動的收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 2. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

#### Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards (Continued)

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

### 2. 應用新訂及經修訂香港財務報告準則(續)

#### 二零一八年財務報告概念框架(「新框架」)及提述香港財務報告準則概念框架的修訂(續)

相應修訂已作出，致使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於二零二零年一月一日或之後開始的年度期間生效，並可提早應用。除仍參考該框架先前版本的特定準則外，本集團將於其生效日期按新框架決定會計政策，尤其是會計準則未有處理的交易、事件或條件。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with the following accounting policies which conform 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.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties that are measured at fair value, as explained in the accounting policies set out below.

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

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

### 3. 重大會計政策

綜合財務報表已根據遵守香港會計師公會頒佈之香港財務報告準則項下之會計政策編製。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所規定之適用披露事項。

綜合財務報表已根據歷史成本基準編製，惟根據下文載列之會計政策所說明以公平值計量之投資物業除外。

歷史成本一般基於為換取貨物及服務而支付代價之公平值。

公平值乃於計量日期市場參與者在有序交易中出售資產可收取或轉讓負債須支付之價格，不論該價格是否直接可觀察或可使用其他估值技術估計。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特點，則本集團於估計資產或負債之公平值時會考慮該等特點。此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，惟屬於香港財務報告準則第2號以股份為基礎的付款範圍內的以股份為基礎的付款交易、根據香港財務報告準則第16號（自二零一九年一月一日）或香港會計準則第17號（採納香港財務報告準則第16號前）入賬的交易以及與公平值有部分類似但並非公平值的計量（例如香港會計準則第2號存貨的可變現淨值或香港會計準則第36號資產減值的使用價值）除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments which are transferred at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

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 adopted are set out below.

### 3. 重大會計政策(續)

非金融資產的公平值計量計及市場參與者能否透過以最高及最佳用途使用其資產或透過將資產出售予將以最高及最佳用途使用資產的另一名市場參與者而產生經濟利益。

就按公平值轉撥的金融工具及於其後期間使用不可觀察輸入數據計量公平值的估值技術而言，估值技術會進行調整，以使估值技術結果等於交易價格。

此外，就財務申報而言，公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體可於計量日期取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債而言可直接或間接觀察之輸入數據，惟第一級所載報價除外；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

所採納之主要會計政策載列如下。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and companies controlled by the Company and its subsidiaries. Control is achieved when a 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.

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 statements 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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in 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.

### 3. 重大會計政策(續)

#### 綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制的公司之財務報表。公司於以下情況獲得控制權：

- 可對被投資方行使權力；
- 因參與被投資方之業務而獲得或有權獲得可變回報；及
- 有能力行使其權力影響其回報。

倘事實及情況表明上文所列三項控制因素其中一項或多項改變，則本集團會重估其是否仍然控制被投資方。

本集團獲得附屬公司控制權時便開始將附屬公司綜合入賬，於喪失附屬公司控制權時則終止入賬。具體而言，年內所收購或出售附屬公司的收入及開支於本集團獲得控制權日期計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司日期為止。

於必要時，會對附屬公司之財務報表作出調整，以使其會計政策與本集團的會計政策一致。

有關本集團成員公司之間交易的所有集團內資產與負債、權益、收入、開支及現金流量會於綜合入賬時全數對銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Merger accounting for business combination involving business under common control

The consolidated financial statements incorporate the financial statements items of the consolidated business in which the common control combination occurs as if they had been consolidated from the date when the combining business first came under the control of the controlling party.

The net assets of the combining business are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statement of profit or loss and other comprehensive income include the results of each of the combining business from the earliest date presented or since the date when the combining business first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is shorter.

#### Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a service (or a bundle of services) that is distinct or a series of distinct services that are substantially the same.

### 3. 重大會計政策(續)

#### 涉及共同控制業務的業務合併的合併會計法

綜合財務報表包括受共同控制合併的合併業務的財務報表項目，猶如有關項目自合併業務首次受到控制方控制當日起已被合併。

合併業務的資產淨值以從控制方角度計算的現有賬面值合併列賬。概不就於共同控制合併時的商譽或議價購買收益確認任何款項。

綜合損益及其他全面收益表包括自最早呈報日期起或自合併業務首次受共同控制當日(以較短期間為準)起各合併業務的業績。

綜合財務報表中的比較金額按猶如已在上一報告期初或首次受共同控制時(以較短者為準)合併業務的情況呈列。

#### 客戶合約所得收益

本集團於(或當)完成履約責任時確認收益，即於特定履約責任相關服務的「控制權」轉讓予客戶時。

履約責任指一項明確服務(或一系列服務)或一系列大致相同之明確服務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Revenue from contracts with customers (Continued)

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 entity's performance as the entity performs; or
- 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 service.

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

### 3. 重大會計政策(續)

#### 客戶合約所得收益(續)

倘符合下列其中一項標準，控制權在一段時間內轉移，而收益確認會按一段時間內已完成相關履約責任的進度進行：

- 客戶於實體履約時同時接受及使用實體履約所提供的利益；或
- 本集團履約創造或增強一項於本集團履約時由客戶控制的資產；或
- 本集團的履約並無創造對本集團而言具替代用途的資產，且本集團對迄今完成的履約付款具可執行權利。

否則，收益於客戶獲得明確服務的控制權時於某一時間點確認。

合約資產指本集團收取代價的權利，作為對本集團向客戶轉讓服務的交換(尚未成為無條件)。根據香港財務報告準則第9號作出減值評估。相反，應收款項指本集團收取代價的無條件權利，即於代價付款到期前僅需時間的推移。

合約負債指本集團向客戶轉讓服務的責任，就此本集團已自客戶收取代價(或代價金額到期)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Revenue from contracts with customers (Continued)

Contract assets and contract liabilities arising from same contract are accounted for and presented on net basis.

Specifically, revenue is recognised as follows:

##### Revenue from provision of wet trades works

The Group provides wet trades works (including plastering on floors, walls and ceilings, tile laying on internal and external walls and floors, brick laying and marble works) and other wet trades related ancillary works under contracts with customers. Such contracts are entered into before the services begin. Under the terms of the contracts, the Group is contractually required to perform the services at the customers' specified sites that the Group's performance creates or enhances an asset that the customer controls as the Group performs. Revenue from provision of such services is therefore recognised over time using input method, i.e. based on the actual costs incurred by the Group to date compared with the total budgeted cost for the project to estimate the revenue recognised during the period. The directors of the Company consider that input method would faithfully depict the Group's performance towards complete satisfaction of these performance obligations under HKFRS 15.

### 3. 重大會計政策(續)

#### 客戶合約所得收益(續)

來自相同合約的合約資產及合約負債按淨額基準入賬及呈列。

具體而言，確認收益如下：

##### 提供泥水工程所得收益

根據與客戶訂立的合約，本集團提供泥水工程，包括地台、牆壁及天花批盪、內外部牆壁及地台鋪砌瓦片、砌磚及雲石工程及其他泥水相關配套工程。有關合約在服務開始前訂立。根據合約條款，本集團須按照合約於客戶指定地點提供服務，而本集團的履約會產生及增強一項於本集團履約時由客戶控制的資產。因此，提供該等服務所得收益隨時間按輸入法確認，即根據本集團至今產生的實際成本與項目總預算成本比較以估計期內所確認的收益。本公司董事認為，根據香港財務報告準則第15號，輸入法將如實描述本集團有關該等履約責任完成進度的表現。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Leasing

Upon the adoption of HKFRS 16 on 1 January 2019 in accordance with transitions in Note 2

##### *Definition of a lease*

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

##### *As a lessee*

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of warehouse and office premises that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 3. 重大會計政策(續)

#### 租賃

根據附註2的過渡於二零一九年一月一日採納香港財務報告準則第16號後

##### *租賃的定義*

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。

就於首次應用日期或之後訂立或修改的合約而言，於初始或修改日期，本集團根據香港財務報告準則第16號項下的定義評估該合約是否為租賃或包含租賃。有關合約將不予重新評估，除非合約的條款及條件隨後發生變動。

##### *作為承租人*

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免適用於倉庫及辦公場所的租賃，即自生效日期起計之租期為十二個月或以下並且不包括購買選擇權的租賃。其亦就低價值資產租賃應用確認豁免。

短期租賃的租賃付款及低價值資產租賃在租賃期內按直線法確認為費用。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Leasing (Continued)

Upon the adoption of HKFRS 16 on 1 January 2019 in accordance with transitions in Note 2 (Continued)

##### As a lessee (Continued)

##### Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

### 3. 重大會計政策(續)

#### 租賃(續)

根據附註2的過渡於二零一九年一月一日採納香港財務報告準則第16號後(續)

##### 作為承租人(續)

##### 使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 在開始日或之前支付的任何租賃付款，減去獲得的任何租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團拆除及移除相關資產、恢復相關資產所在場地或相關資產恢復至租賃條款及條件所規定狀態產生的估計成本。

除短期租賃及低價值資產租賃外，本集團於租賃開始日(即相關資產可供使用之日)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。

本集團合理確認在租期結束時取得相關租賃資產擁有權的使用權資產，從可供使用之日起至使用年限結束時計提折舊。否則，使用權資產在其預計使用年限及租賃期的較短者內按直線法計提折舊。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Leasing (Continued)

Upon the adoption of HKFRS 16 on 1 January 2019 in accordance with transitions in Note 2 (Continued)

##### *As a lessee (Continued)*

##### *Refundable rental deposits*

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

##### *Lease liabilities*

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

### 3. 重大會計政策(續)

#### 租賃(續)

根據附註2的過渡於二零一九年一月一日採納香港財務報告準則第16號後(續)

##### *作為承租人(續)*

##### *退還租金按金*

根據香港財務報告準則第9號，退還已付租金按金按公平值入賬及初步計量。於首次確認的公平值調整被視為額外租賃付款及計入使用權資產成本。

##### *租賃負債*

於租賃開始日期，本集團按當天尚未支付租賃付款的現值確認及計量租賃負債。於計算租賃付款的現值時，如果租賃中所隱含的利率不易確定，則本集團在租賃開始日期使用累計的借貸利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 取決於指數或利率的可變租賃付款，初始使用開始日期的指數或利率計量；
- 預計本集團在殘值擔保下應付的金額；
- (倘本集團合理確定會行使購買選擇權)購買選擇權的行使價；及
- (倘租賃期限反映了本集團行使選擇權終止租賃)就終止租賃支付的罰款。

於開始日期後，租賃負債乃通過利息增量及租賃付款進行調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Leasing (Continued)

Under HKAS 17 (prior to 1 January 2019)

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 lessor*

Rental income from operating leases is recognised in other income on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

#### 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.

#### 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 are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

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. 重大會計政策(續)

#### 租賃(續)

根據香港會計準則第 17 號(於二零一九年一月一日前)

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃均列為融資租賃。所有其他租賃均分類為經營租賃。

##### *本集團作為出租人*

經營租賃之租金收入按直線法在相關租期內於其他收入中確認。協商及安排經營租賃產生之初步直接成本計入租賃資產之賬面值。

#### 借款成本

因收購、興建或生產合資格資產(為需要頗長時間方可用作擬定用途或出售的資產)直接產生的借款成本乃計入該等資產之成本,直至資產大體上可用作擬定用途或出售。

所有其他借款成本均於產生期間於損益確認。

#### 政府補助

本集團在獲得合理保證將遵守政府補助所附帶的條件且將可收取政府補助前,不會確認政府補助。政府補助按系統基準於本集團確認補助擬補償的相關成本為開支的期間在損益內確認。

作為已產生開支或虧損的補償或為不帶任何未來相關費用而直接向本集團提供財務支持的目的的應收政府補助,在成為應收款項期間於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Retirement benefit costs

Payments made to Mandatory Provident Fund (“MPF”) are recognised as expense when employees have rendered service entitling them to the contributions.

#### *Short-term and other long-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 benefits in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deduction of any amount already paid.

#### 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 tax” because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

### 3. 重大會計政策(續)

#### 退休福利成本

向強制性公積金(「強積金」)作出的付款於僱員已提供服務因而有權獲得供款時確認為開支。

#### *短期及其他長期僱員福利*

短期僱員福利於僱員提供服務時按預期應付福利的未貼現金額確認。所有短期僱員福利均確認為開支，除非另有香港財務報告準則規定或允許將福利計入資產成本。

僱員累計福利(如工資及薪金)於扣除已付金額後確認為負債。

#### 稅項

所得稅開支即現時應付的稅項與遞延稅項的總和。

現時應付的稅項乃按年內應課稅溢利計算。應課稅溢利未計其他年度的應課稅或可扣稅收入或開支，亦未計毋須應課稅或不可扣稅項目，因此有別於「除稅前溢利」。本集團的即期稅項負債乃使用於各報告期末前已頒佈或實際已頒佈的稅率計算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

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 assets are generally recognised for all deductible temporary difference 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 (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each 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 each reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

### 3. 重大會計政策(續)

#### 稅項(續)

遞延稅項乃按資產及負債在綜合財務報表的賬面值與計算應課稅溢利所用相應稅基之間的暫時差額予以確認。遞延稅項資產一般就所有可扣稅暫時差額確認，而其乃以應課稅溢利將可能用以抵銷該等可扣稅暫時差額為限。倘初步確認一項交易的其他資產及負債(業務合併除外)所產生的暫時差額不影響應課稅溢利或會計溢利，則不會確認有關資產及負債。

遞延稅項資產的賬面值乃於各報告期末檢討，並以不再可能將存在足夠應課稅溢利以容許收回所有或部分資產為限作出扣減。

遞延稅項資產及負債乃按於各報告期末前已頒佈或實際已頒佈的稅率(及稅法)，按於結清負債或變現資產期間預期適用的稅率予以計量。

遞延稅項負債及資產的計量反映本集團於各報告期末預期遵循以收回或結清其資產及負債賬面值的方式的稅務後果。

就計量遞延稅項而言，利用公平值模式計量之投資物業之賬面值乃假設通過銷售全部收回，惟該假設被推翻則除外。當投資物業可予折舊及於業務模式(其目標是隨時間流逝而非透過銷售消耗投資物業所包含之絕大部份經濟利益)內持有時，有關假設會被推翻。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

#### Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

#### *Ownership interests in leasehold land and building*

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

### 3. 重大會計政策(續)

#### 稅項(續)

遞延稅項資產及負債於可依法以即期稅項資產與即期稅項負債抵銷時，及於該等遞延稅項資產及負債乃與同一稅務機關向同一應課稅實體徵收的所得稅相關時抵銷。

即期及遞延稅項於損益確認，惟與其他全面收益或直接於權益確認的項目有關者除外，在此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

於評估所得稅稅務處理的不確定性時，本集團考慮相關稅務機關是否有可能接受個別集團實體在其各自的所得稅申報中使用或擬使用不確定的稅務處理。倘可能接受的話，即期及遞延稅項的確定與所得稅申報中的稅務處理一致。倘相關稅務機關不太可能接受不確定的稅務處理，則使用最可能的金額或預期價值反映各不確定性的影響。

#### 物業、廠房及設備

持作生產或供應貨品或服務、或作行政用途之物業、廠房及設備乃以成本減去其後累計折舊及累計減值虧損(如有)後列賬。

#### *租賃土地及樓宇的所有權權益*

當本集團支付包括租賃土地及樓宇要素的物業的所有權權益時，全部代價按初始確認時的相對公平值成比例分配在租賃土地與樓宇要素之間。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Property, plant and equipment (Continued)

##### *Ownership interests in leasehold land and building (Continued)*

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 “right-of-use assets” (upon application of HKFRS 16) in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on 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.

#### Investment property

Investment property is a property held to earn rentals or for capital appreciation. Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at their fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

### 3. 重大會計政策(續)

#### 物業、廠房及設備(續)

##### *租賃土地及樓宇的所有權權益(續)*

倘能夠可靠地分配有關付款，則作為經營租賃入賬的租賃土地權益於綜合財務狀況表按「使用權資產」(應用香港財務報告準則第16號後)呈列。當代價於相關租賃土地中不能在非租賃樓宇要素與未分割權益之間可靠分配時，整個物業將分類為物業、廠房和設備。

物業、廠房及設備項目乃在扣除剩餘價值後，採用直線法在其估計可使用年期撇銷其成本確認折舊。估計可使用年期、剩餘價值及折舊方法於各報告期末審閱，而任何估計變動之影響將按預期基準入賬。

物業、廠房及設備項目於出售或預期持續使用該資產不會產生未來經濟利益時終止確認。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該資產賬面值的差額，並在損益內確認。

#### 投資物業

投資物業指持作賺取租金或資本增值的物業。投資物業首次按成本(包括任何直接應佔開支)計量。於首次確認後，投資物業按公平值計量。因投資物業公平值變動產生的損益於變動產生的期間在損益列賬。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Investment property (Continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

#### Impairment of tangible assets

At the end of each reporting period, the director of the Company 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 asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amounts of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, 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 for which the estimates of future cash flows have not been adjusted.

### 3. 重大會計政策(續)

#### 投資物業(續)

投資物業於出售或投資物業永久不再使用及預期不能由其出售獲取任何未來經濟利益時取消確認。因取消確認該物業產生的任何收益或虧損(按該資產的出售所得款項淨額與賬面值的差額計算)於取消確認該物業的期間在損益列賬。

#### 有形資產的減值

本公司董事於各報告期末審閱其有形資產的賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。如存在任何有關跡象，則會估計有關資產的可收回金額以釐定減值虧損的程度(如有)。有形資產的可收回金額乃個別進行估計。當不可能估計個別資產的可收回金額時，本集團會估計該資產所屬現金產生單位的可收回金額。

此外，本集團會評估是否有跡象顯示企業資產可能出現減值。如存在有關跡象，當可識別合理及一致的分配基準時，企業資產亦分配至個別現金產生單位，或分配至可識別合理及一致的分配基準的最小組別的現金產生單位。

可收回金額為公平值減出售成本與使用價值兩者的較高者。於評估使用價值時，乃使用可反映現時市場對貨幣時間值的評估及該資產特有的風險(未來現金流量的估計並無就此作調整)的稅前貼現率，將估計未來現金流量貼現至其現值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Impairment of tangible assets (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 3. 重大會計政策(續)

#### 有形資產的減值(續)

倘估計資產(或現金產生單位)之可收回金額少於其賬面值,資產(或現金產生單位)之賬面值下調至其可收回金額。就未能按合理及一致的基準分配至現金產生單位的企業資產或部分企業資產,本集團會比較一組現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時,減值虧損將首先分配以調低任何商譽之賬面值(如適用),其後根據該單位或該組現金產生單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會扣減至低於其公平值減出售成本(倘可計量)、其使用價值(倘可釐定)及零中的最高者。將另行分配至資產的減值虧損金額按比例分配至該單位或該組現金產生單位的其他資產。減值虧損即時於損益確認。

倘一項減值虧損於其後撥回,則將該資產(或現金產生單位或一組現金產生單位)的賬面值增至經修訂的估計可收回金額,惟增加後的賬面值不得超過過往年度未曾就該項資產(或現金產生單位或一組現金產生單位)確認減值虧損而釐定的賬面值。減值虧損的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 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments

##### Initial recognition

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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.

##### Financial assets

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.

### 3. 重大會計政策(續)

#### 金融工具

##### 初步確認

金融資產及金融負債乃於集團實體成為工具合同條文的訂約方時確認。

金融資產及金融負債初步按公平值計量，惟客戶合約產生的貿易應收款項初步根據香港財務報告準則第15號計量。收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)直接應佔的交易成本乃於初步確認時，計入金融資產或金融負債的公平值內或自當中扣除(如適用)。

實際利率法是計算金融資產或金額負債的攤銷成本及於相關期間分配利息收入及利息開支的方法。實際利率為於金融資產或金額負債的預計年期或(如適用)較短期間內可將估計未來現金收入及付款(包括構成實際利率整體一部分的所有已付或已收費用及利率差價、交易成本及其他溢價或折讓)準確貼現至初步確認的賬面淨值的比率。

##### 金融資產

所有常規金融資產買賣於交易日確認及終止確認。常規金融資產買賣指購買或出售須於有關市場規則或慣例設定的時限內交付之金融資產。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Classification of financial assets*

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

All recognised financial assets of the Group that are within the scope of HKFRS 9 are subsequently measured at amortised cost.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *金融資產的分類*

所有已確認的金融資產其後視乎金融資產類別整體按攤銷成本或公平值計量。

符合下列條件之金融資產其後按攤銷成本計量：

- 金融資產按目的為收取合約現金流量而持有金融資產的業務模式持有；及
- 金融資產的合約條款於特定日期產生的現金流量僅為支付本金及未償還本金的利息。

本集團所有符合香港財務報告準則第9號範圍的已確認金融資產其後均按攤銷成本計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Classification of financial assets (Continued)*

##### *Amortised cost and effective interest method*

Interest income is recognised using the effective interest method for financial asset 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, in subsequent reporting periods, 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.

Interest income is recognised in profit or loss using the effective interest method and is included in the “other income” line item.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *金融資產的分類(續)*

##### *攤銷成本及實際利率法*

就其後按攤銷成本計量的金融資產而言，利息收入採用實際利率法確認。利息收入透過於金融資產賬面總值採用實際利率計算(其後出現信貸減值的金融資產除外)。就其後出現信貸減值的金融資產而言，從下個報告期間起利息收入透過於金融資產的攤銷成本採用實際利率確認。倘於其後報告期間，有關信貸減值的金融工具的信貸風險得到改善，使得有關金融資產不再出現信貸減值，利息收入透過於確定資產不再出現信貸減值後報告期開始在金融資產賬面總值採用實際利率確認。

利息收入採用實際利率法於損益內確認，並計入「其他收入」項目。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under expected credit loss ("ECL") model*

The Group performs impairment assessment under ECL model on financial assets (including trade receivables, other receivables and deposits, amount due from a director and bank balances) and contract assets which are subject to impairment assessment under HKFRS 9. 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, 12-month ECL ("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. Assessment is 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 and contracts assets. The ECL on these assets is assessed individually for debtors based on internal credit rating, 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, 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 instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring since initial recognition.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損(「預期信貸虧損」)模式下的減值*

本集團就須遵守香港財務報告準則第9號項下減值評估規定的金融資產(包括貿易應收款項、其他應收款項及按金、應收董事款項及銀行結餘)及合約資產按預期信貸虧損模式進行減值評估。預期信貸虧損金額於各報告日期進行更新，以反映自初始確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具預計年期內所有可能發生的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預計於報告日期後12個月內可能發生的違約事件導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗作出，並就債務人特定因素、一般經濟狀況以及對於報告日期的當時狀況及未來狀況預測的評估作出調整。

本集團就貿易應收款項及合約資產確認全期預期信貸虧損。該等資產的預期信貸虧損乃就債務人進行個別評估，其中基於內部信貸評級、本集團的過往信貸虧損經歷釐定，並就債務人特定因素、一般經濟狀況以及於報告日期當前情況及預測情況發展方向的評估(包括貨幣的時間價值(如適用))作出調整。

就所有其他金融資產而言，本集團按相當於12個月預期信貸虧損的金額計量虧損撥備，除非信貸風險自初始確認以來顯著上升，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃根據自初始確認以來發生違約的可能性或風險是否顯著上升，而非根據於報告日期金融資產證據出現信貸減值的或自初始確認以來發生的實際違約事件。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under ECL model (Continued)*

##### *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument 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.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- 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.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損模式下的減值(續)*

##### *信貸風險顯著增加*

在評估金融工具自初始確認以來信貸風險是否顯著增加時，本集團比較金融工具於報告日期及於初始確認日期發生違約之風險。作出評估時，本集團考慮合理且可靠的定量及定性資料，包括歷史經驗及無需付出不必要成本或努力可得之前瞻性資料。

尤其是，在評估自初始確認以來信貸風險是否顯著增加時，會考慮以下資料：

- 業務、財務或經濟狀況已發生或將會發生不利變動，預期將導致債務人償債能力明顯下降；
- 債務人的經營業績實際或預期明顯轉差；
- 債務人所處的監管、經濟或技術環境實際或預期發生重大不利變動，導致債務人償債能力顯著下降。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under ECL model (Continued)*

##### *Significant increase in credit risk (Continued)*

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset 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.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default (i.e. no default history), ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

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. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損模式下的減值(續)*

##### *信貸風險顯著增加(續)*

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則金融資產的信貸風險自初始確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理可靠資料，則作別論。

儘管如上文所述，本集團假設倘金融工具於報告日期被釐定為信貸風險較低，則金融工具的信貸風險自初始確認以來並無顯著增加。倘i)金融工具違約風險低(即無違約歷史)，ii)借款人有能力於近期內履行其合約現金流量義務及iii)經濟及業務狀況的長期不利變動可能但未必會削弱借款人履行其合約現金流量義務的能力，則金融工具被釐定為信貸風險較低。當金融工具擁有基於國際公認定義的內部或外部信貸評級「投資級別」，則本集團認為該金融工具具有較低的信貸風險。

本集團定期監察用以識別信貸風險有否顯著增加的標準的有效性，並於適當時候作出修訂，以確保有關標準能在款項逾期前識別出信貸風險的顯著增加。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under ECL model (Continued)*

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group also considers that default has occurred when the instrument 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.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損模式下的減值(續)*

##### *違約的定義*

由於過往經驗表明滿足下列標準的應收款項一般不可收回，本集團認為就內部信貸風險管理而言，下列情況構成違約事件。

- 倘交易對手方違反財務契諾；或
- 內部編製或自外部來源獲得的資料表明，債務人不大可能向其債權人(包括本集團)悉數還款(未計及本集團持有的任何抵押品)。

本集團亦認為，當工具逾期超過90天時，則發生違約事件，除非本集團有合理及支持資料可證明更寬鬆的違約標準更為合適，則作別論。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under ECL model (Continued)*

##### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events 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; or
- d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

##### *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, e.g. 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 past due over one year, whichever is earlier. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised directly in profit or loss.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損模式下的減值(續)*

##### *信貸減值金融資產*

倘發生對金融資產的估計未來現金流量有不利影響的一項或多項事件，則該金融資產出現信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- a) 發行人或借款人出現重大財務困難；
- b) 違反合約，如違約或逾期事件；
- c) 借款人的貸款人因有關借款人財務困難的經濟或合約原因向借款人授出貸款人不會另作考慮的特權；或
- d) 借款人有可能破產或進行其他財務重組。

##### *撇銷政策*

倘有資料顯示交易對手方有嚴重財務困難且沒有實際可收回希望(如交易對手方已進行清算或已進入破產程序)或(倘為貿易應收款項)賬款逾期超過一年(以較早發生者為準)，本集團會撇銷金融資產。根據本集團收回程序並考慮法律建議(如適用)，已撇銷金融資產可能仍受到執法活動的約束。任何已作出的收回均直接於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment under ECL model (Continued)*

##### *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 estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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 and contract assets where the corresponding adjustment is recognised through a loss allowance account.

##### *Derecognition of financial assets*

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 party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *預期信貸虧損模式下的減值(續)*

##### *預期信貸虧損的計量及確認*

預期信貸虧損的計量是違約概率、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乃基於經前瞻資料進行調整的歷史數據。預期信貸虧損的估計乃以發生違約的相關風險為權重而確定的無偏概率加權平均金額。

一般而言，預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預期將收取按於初始確認時釐定的實際利率貼現的所有現金流量之間的差額進行估計。

利息收入乃根據金融資產的賬面總值計算，除非金融資產遭遇信貸減值則另當別論，在此情況下，利息收入乃按金融資產的攤銷成本計算。

本集團通過調整所有金融工具的賬面值確認其在損益中的減值損益，但貿易應收款項及合約資產(通過虧損撥備賬確認相應的調整)除外。

##### *終止確認金融資產*

僅當從資產收取現金流量之合約權利已屆滿，或將金融資產及資產擁有權之絕大部份風險及回報讓渡予另一方時，本集團方會終止確認金融資產。

終止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總和之間的差額於損益內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities

###### *Classification of financial liabilities and equity instruments*

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

###### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

###### *Financial liabilities*

All financial liabilities including trade and other payables, bank borrowing and bank overdrafts are subsequently measured at amortised cost using the effective interest method.

###### *Financial liabilities subsequently measured at amortised cost*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant periods. 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 amortised cost of a financial liability.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融負債

###### *分類金融負債及權益工具*

集團實體發行的金融負債及權益工具按照已訂立的合約安排內容及金融負債與權益工具的定義分類為金融負債或權益工具。

###### *權益工具*

權益工具為證明實體在扣減所有負債後的資產中擁有剩餘權益的任何合約。本公司發行的權益工具按收取的所得款項扣除直接發行成本予以確認。

###### *金融負債*

所有金融負債(包括貿易及其他應付款項、銀行借款及銀行透支)其後使用實際利率法按攤銷成本計量。

###### *其後按攤銷成本計量的金融負債*

實際利率法指於有關期間計算金融負債的攤銷成本及分配利息開支的方法。實際利率指在金融負債的預期年期內或(如適用)更短期間內，將估計未來現金付款(包括所支付或收取屬實際利率組成部分的所有費用及利率差價、交易成本及其他溢價或折讓)準確貼現至金融負債攤銷成本的利率。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities (Continued)

##### *Derecognition of financial liabilities*

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, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### 4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 3, management is required to make 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融負債(續)

##### *終止確認金融負債*

當且僅當本集團的責任獲履行、解除或到期時，本集團終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價(包括任何已轉讓非現金資產或所承擔負債)之間的差額於損益確認。

### 4. 估計不確定因素的主要來源

應用於附註3所述本集團的會計政策時，管理層須就目前不能從其他來源得出的資產及負債的賬面值作出判斷、估計及假設。該等估計及有關假設乃基於過往經驗及被視為相關的其他因素作出。實際結果或會有別於該等估計。

該等估計及相關假設會持續檢討。倘會計估計的修訂僅影響修訂估計的期間，其修訂會在該期間內確認；倘修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. Key Sources of Estimation Uncertainty (Continued)

The following is the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next twelve months.

#### Revenue recognition from provision of Construction Services (as defined in Note 5)

The Group recognises contract revenue and profit of Construction Services according to the management's estimation of the total outcome of the project as well as the progress towards complete satisfaction of a performance obligation measured based on input method. Notwithstanding that management reviews and revises the estimates of both contract revenue and costs for the Construction Services as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

During the year ended 31 December 2019, the Group recognised revenue amounted to HK\$558,137,000 (2018: HK\$431,819,000).

### 4. 估計不確定因素的主要來源 (續)

以下為於各報告期末有關未來的主要假設及估計不確定因素的其他主要來源。該等假設及來源具有對隨後十二個月的資產的賬面值造成須作出大幅調整的重大風險。

#### 提供建築服務(定義見附註5)的收益確認

本集團根據管理層對項目總成果的估計及所計量履約責任中的完成進度按投入法確認合約收益及建築服務溢利。儘管管理層審閱及修訂建築服務合約收益及成本的估計，但合約實際結果在總收益及成本方面可能高或低於估計，而此將影響已確認的收益及溢利。

於截至二零一九年十二月三十一日止年度，本集團確認收益558,137,000港元(二零一八年：431,819,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. Key Sources of Estimation Uncertainty (Continued)

#### Estimated impairment of trade receivables and contract assets

The Group recognises lifetime ECL for trade receivables and contract assets using individual assessment, based on the internal credit rating, 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 as well as the forecast direction of conditions at the reporting date. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise. As at 31 December 2019, the carrying amounts of trade receivables are HK\$28,158,000 (2018: HK\$31,189,000), (net of impairment loss allowance of HK\$217,000 (2018: HK\$463,000)) whereas the carrying amounts of contract assets are HK\$130,126,000 (2018: HK\$83,604,000) (net of impairment loss allowance of HK\$1,013,000 (2018: HK\$894,000)).

### 4. 估計不確定因素的主要來源 (續)

#### 貿易應收款項及合約資產之估計減值

本集團就貿易應收款項及合約資產使用個別評估確認全期預期信貸虧損，其中乃基於內部信貸評級、本集團的歷史信貸虧損經驗，並根據債務人特定因素、一般經濟狀況及對報告日期當前情況及預測情況發展方向的評估進行調整。基於預期信貸虧損模式的減值虧損金額乃按根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量的差額計量，並按初步確認時釐定的實際利率貼現。倘未來現金流量少於預期，或因事實及情況變動而需下調，則可能產生重大減值虧損。於二零一九年十二月三十一日，貿易應收款項的賬面值為28,158,000港元(二零一八年：31,189,000港元)(扣除減值虧損撥備217,000港元(二零一八年：463,000港元))，而合約資產的賬面值為130,126,000港元(二零一八年：83,604,000港元)(扣除減值虧損撥備1,013,000港元(二零一八年：894,000港元))。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. Key Sources of Estimation Uncertainty (Continued)

#### Estimated impairment of trade receivables and contract assets (Continued)

During the year ended 31 December 2019, a net reversal of impairment losses of HK\$246,000 (2018: impairment losses of HK\$78,000) and impairment losses of HK\$119,000 (2018: HK\$248,000, net of reversal of impairment losses) are recognised and charged to profit or loss in respect of trade receivables and contract assets, respectively.

### 5. Revenue and Segment Information

Revenue represents the fair value of amounts received and receivable from provision of construction services including wet trades works (including plastering on floors, walls and ceilings, tile laying on internal and external walls and floors, brick laying and marble works) and other wet trades related ancillary works ("Construction Services").

#### (i) Disaggregation of revenue from contracts with customers

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Type of services</b>	<b>服務類型</b>		
Construction Services	建築服務	558,137	431,819
<b>Type of customer</b>	<b>客戶類型</b>		
Private sector projects	私營界別項目	555,552	396,933
Public sector projects	公營界別項目	2,585	34,886
		<b>558,137</b>	<b>431,819</b>

### 4. 估計不確定因素的主要來源 (續)

#### 貿易應收款項及合約資產之估計減值(續)

於截至二零一九年十二月三十一日止年度，分別就貿易應收款項及合約資產確認減值虧損撥回淨額246,000港元(二零一八年：減值虧損78,000港元)及減值虧損119,000港元(二零一八年：248,000港元，扣除減值虧損撥回)並於損益扣除。

### 5. 收益及分部資料

收益指就提供泥水工程等建築服務(包括地台、牆壁及天花批盪、內外部牆壁及地台鋪砌瓦片、砌磚及雲石工程)及其他泥水相關配套工程(「建築服務」)的已收及應收款項之公平值。

#### (i) 客戶合約收益分類

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. Revenue and Segment Information (Continued)

#### (ii) Performance obligations for contracts with customers

The Group derives its revenue from provision of wet trades works and other wet trades related ancillary works are recognised over time. All the Group's services are rendered directly with the customers. Contracts with the Group's customers are agreed in fixed-price with terms from 1 month to 33 months.

#### (iii) Transaction price allocated to the remaining performance obligation for contracts with customers that remain outstanding as at reporting date and the expected timing of recognising revenue are set out as below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Provision of wet trades works	提供泥水工程		
– Within one year	– 一年內	133,674	357,953
– More than one year but not more than two years	– 超過一年但不超過兩年	24,720	1,857
		<b>158,394</b>	<b>359,810</b>

#### (iv) Segment information

Information is reported to the executive directors of the Company, who are also the chief operating decision maker (“CODM”) of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews the overall results and financial performance of the Group as a whole. No analysis of the Group's results, assets or liabilities and no discrete financial information is regularly provided to the CODM. Accordingly, only entity-wide disclosures on revenue, major customers and geographical information are presented in accordance with HKFRS 8 *Operating Segments*.

The accounting policies for segment information are the same as Group's accounting policies described in Note 3.

### 5. 收益及分部資料(續)

#### (ii) 與客戶之合約的履約責任

本集團自其提供的泥水工程及其他泥水相關配套工程中獲得的收益隨時間確認。本集團直接向客戶提供所有服務。本集團客戶合約乃按固定價格協定，為期1個月至33個月。

#### (iii) 分配至與客戶之合約(於報告日期尚未完成)的餘下履約責任的成交價及預期確認收益的時間載列如下：

#### (iv) 分部資料

本公司執行董事(亦為本集團主要營運決策者(「主要營運決策者」))獲呈報資料，以進行資源分配及表現評估。主要營運決策者審閱本集團整體的全面業績及財務表現。概無定期向主要營運決策者提供本集團的業績、資產或的分析負債及個別財務資料。因此，僅按照香港財務報告準則第8號經營分部呈列實體層面的收益、主要客戶及區域資料的披露。

分部資料的會計政策與於附註3所述的本集團會計政策一致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. Revenue and Segment Information (Continued)

#### (v) Geographical information

The Group principally operates in Hong Kong, which is also its place of domicile. The Group's non-current assets are all located in Hong Kong.

#### (vi) Information about major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group during the year are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer I	客戶 I	331,949	181,738
Customer II	客戶 II	92,057	45,460
Customer III	客戶 III	N/A 不適用 *	108,959

\* Revenue did not contribute over 10% of the total revenue of the Group for the corresponding reporting period.

### 5. 收益及分部資料(續)

#### (v) 區域資料

本集團主要於香港(亦為其原居地)經營業務。本集團之非流動資產均位於香港。

#### (vi) 有關主要客戶的資料

年內，來自個別佔本集團總收益超過10%的客戶的收益如下：

\* 相關收益於各報告期間佔本集團總收益並未超過10%。

### 6. Other Income

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest income	利息收入	180	—
Sundry income	雜項收入	179	16
Rental income	租金收入	—	135
Government subsidy (Note)	政府補貼(附註)	—	670
		<b>359</b>	<b>821</b>

Note: Government grants mainly include subsidy from Construction Industry Council's Employers Subsidy Scheme, all are compensations for incurred expenses and not asset related.

### 6. 其他收入

附註：政府補助主要包括來自建造業議會資助僱主訓練學徒計劃的補助，均作為已產生的開支的補償而非與資產相關。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 7. Finance Costs

### 7. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interests on:	以下各項之利息：		
Bank overdrafts	銀行透支	71	14
Bank borrowing	銀行借款	189	68
		<b>260</b>	<b>82</b>

### 8. Profit Before Tax

### 8. 除稅前溢利

Profit before tax has been arrived at after charging (crediting):

除稅前溢利乃經扣除(計入)以下各項後達致：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬	2,610	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊		
– Recognised as costs of services	– 確認為服務成本	536	208
– Recognised as administrative expenses	– 確認為行政開支	259	103
Total depreciation	折舊總額	795	311
Directors' remuneration (Note 10)	董事薪酬(附註10)	2,110	1,523
Other staff costs	其他員工成本		
– Salaries and other benefits	– 薪金及其他福利	13,694	7,023
– Contributions to MPF	– 強制性公積金供款	538	260
Total staff costs	員工成本總額	16,342	8,806
Cost of materials and toolings recognised as costs of services	確認為服務成本的材料及工具成本	16,971	12,820
Subcontracting fees recognised as costs of services	確認為服務成本的分包商費用	446,972	351,054
Gross rental income from an investment property recognised as other income	確認為其他收入的投資物業總租金收入	-	(135)
Less: Direct operating expenses incurred for an investment property that generated rental income	減：產生租金收入之投資物業之直接經營開支	-	3
		-	(132)
Rental expense on short-term leases in respect of warehouse, office premises and machines	倉庫、辦公物業及機器短期租賃的租金開支	2,195	-
Operating lease rentals in respect of warehouse, office premises and machines	倉庫、辦公物業及機器的經營租賃租金	-	840

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 9. Income Tax Expense

### 9. 所得稅開支

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Income tax expense comprises:	所得稅開支包括：		
Hong Kong Profits Tax	香港利得稅		
– Current tax	– 即期稅項	9,824	8,062
– Over-provision in prior years	– 過往年度超額撥備	(1,935)	–
– Deferred tax (Note 22)	– 遞延稅項(附註22)	144	14
		<b>8,033</b>	<b>8,076</b>

Pursuant to the relevant tax ordinance of the Hong Kong Special Administrative Region, Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the years ended 31 December 2019 and 2018.

根據香港特別行政區有關稅務條例，香港利得稅就於截至二零一九年及二零一八年十二月三十一日止年度在香港產生的估計應課稅溢利按16.5%稅率撥備。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before tax	除稅前溢利	43,859	48,397
Tax at applicable tax rate of 16.5% (2018: 16.5%)	按適用稅率 16.5% (二零一八年：16.5%) 計算的稅項	7,237	7,986
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(55)	(120)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	2,951	375
Over-provision in respect of prior years	過往年度超額撥備	(1,935)	–
Tax effect on two-tiered tax rate (Note)	兩級制稅率的稅務影響(附註)	(165)	(165)
Income tax expense for the year	年內所得稅開支	<b>8,033</b>	<b>8,076</b>

Note: On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

附註：於二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日經簽署成為法律，並於翌日刊憲。根據利得稅兩級制，合資格集團實體首2百萬港元溢利按8.25%的稅率繳稅，而超過2百萬港元的溢利按16.5%的稅率繳稅。不符合利得稅兩級制資格的集團實體的溢利將繼續按16.5%的劃一稅率繳稅。

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 10. Directors' and Chief Executive's Emoluments and Employees' Remuneration

#### Directors' and chief executive's emoluments

Mr. Adam Cheung, Mr. Ng Sheung Chung and Mr. Ma Kan Sun were appointed as executive directors of the Company on 30 January 2019. Mr. Pak Shek Kuen, Mr. Lo Chi Hung and Mr. Ho Kwok Lung were appointed as independent non-executive directors of the Company on 21 July 2019.

The emoluments paid or payable to the directors and chief executive of the Company (including emoluments for services as employees/directors of the Group prior to becoming the directors of the Company) by entities comprising the Group are as follows:

Year ended 31 December 2019

### 10. 董事及最高行政人員酬金及員工薪酬

#### 董事及最高行政人員酬金

張先生、伍尚聰先生及馬庚申先生於二零一九年一月三十日獲委任為本公司執行董事。白錫權先生、盧志雄先生及何國龍先生於二零一九年七月二十一日獲委任為本公司獨立非執行董事。

組成本集團的實體已付或應付本公司董事及最高行政人員的酬金(包括於成為本公司董事前作為本集團僱員/董事提供服務的酬金)如下:

截至二零一九年十二月三十一日止年度

		Salaries and Contributions				Total
		Discretionary Fees	bonus	allowances	to MPF	
		袍金	酌情花紅	薪金及津貼	強積金供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Adam Cheung	張先生	270	–	445	18	733
Mr. Ng Sheung Chung	伍尚聰先生	189	300	312	18	819
Mr. Ma Kan Sun	馬庚申先生	124	60	204	17	405
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Pak Shek Kuen	白錫權先生	54	–	–	–	54
Mr. Lo Chi Hung	盧志雄先生	54	–	–	–	54
Mr. Ho Kwok Lung	何國龍先生	45	–	–	–	45
		736	360	961	53	2,110



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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 10. Directors' and Chief Executive's Emoluments and Employees' Remuneration (Continued)

#### Directors' and chief executive's emoluments (Continued)

Year ended 31 December 2018

### 10. 董事及最高行政人員酬金及員工薪酬(續)

#### 董事及最高行政人員酬金(續)

截至二零一八年十二月三十一日止年度

		Fees 袍金 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元	Salaries and allowances 薪金及津貼 HK\$'000 千港元	Contributions to MPF 強積金供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. Adam Cheung	張先生	-	-	656	18	674
Mr. Ng Sheung Chung	伍尚聰先生	-	-	462	18	480
Mr. Ma Kan Sun	馬庚申先生	-	60	294	15	369
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Mr. Pak Shek Kuen	白錫權先生	-	-	-	-	-
Mr. Lo Chi Hung	盧志雄先生	-	-	-	-	-
Mr. Ho Kwok Lung	何國龍先生	-	-	-	-	-
		-	60	1,412	51	1,523

(i) Mr. Adam Cheung acts as chief executive of the Company with effect from 22 July 2019 and his emoluments disclosed above included those for services rendered by him as the chief executive in management of the affairs of the Group.

(ii) The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

(i) 張先生自二零一九年七月二十二日起擔任本公司最高行政人員，上文所披露其酬金包括其作為管理本集團事務的最高行政人員所提供服務的酬金。

(ii) 酌情花紅乃經參考相關人士於本集團的職責及責任以及本集團的表現後釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 10. Directors' and Chief Executive's Emoluments and Employees' Remuneration (Continued)

#### Directors' and chief executive's emoluments (Continued)

- (iii) No other retirement benefits were paid to directors in respect of their respective services in connection with the management of the affairs of the Company or its subsidiaries undertaking.
- (iv) The executive directors' emoluments shown above were for their services in connection with the management affairs of the Group.
- (v) The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

During both years: (i) no remuneration was paid by the Group to any director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office;

- (ii) there was no early termination of appointment of directors, and accordingly, no termination benefit was provided to or receivable by any director;
- (iii) no consideration was provided to or receivable by third parties for making available directors' services; and
- (iv) save as disclosed in this annual report, there were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities, and the Company's holding company.

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2019 or at any time during the year.

### 10. 董事及最高行政人員酬金及員工薪酬(續)

#### 董事及最高行政人員酬金(續)

- (iii) 概無就董事各自有關本公司或其附屬公司業務的事務管理提供的服務而向彼等支付其他退休福利。
- (iv) 上述執行董事酬金為彼等有關係本集團管理事務的服務酬金。
- (v) 上述獨立非執行董事酬金為彼等有關係作為本公司董事的服務酬金。

於兩個年度：(i)本集團概無向本公司任何董事支付任何薪酬，作為加入本集團或於加入本集團後的獎勵或離任補償；

- (ii) 概無提前終止委任董事，因此並無向任何董事提供終止福利或其就此而應收的終止福利；
- (iii) 概無就獲取董事服務而向第三方提供代價或其就此而應收的代價；
- (iv) 除本年報所披露者外，概無以董事、彼等的控制法團及關連實體，以及本公司的控股公司為受益人的貸款、準貸款及其他交易。

於截至二零一九年十二月三十一日止年度或年內任何時間，本公司概無訂立與本集團業務有關而本公司董事於其中直接或間接擁有重大權益的重大交易、安排或合約。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 10. Directors' and Chief Executive's Emoluments and Employees' Remuneration (Continued)

#### Employees' remuneration

The five highest paid employees of the Group during the year included two directors (2018: two directors), details of whose remunerations are disclosed above.

The remunerations in respect of the remaining highest paid individuals during the year are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and discretionary bonuses	2,189	1,809
Contributions to MPF	36	36
	<b>2,225</b>	<b>1,845</b>

During the year, the remunerations of the five highest paid individuals including two (2018: two) directors, are within following band:

	2019 二零一九年	2018 二零一八年
Emolument band		
Nil to HK\$1,000,000	5	5

During the year ended 31 December 2019 and 2018, no remuneration was paid by the Group to the five highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company or any of the five highest paid individuals waived or agreed to waive any remuneration during the year ended 31 December 2019 and 2018.

### 10. 董事及最高行政人員酬金及員工薪酬(續)

#### 員工薪酬

於年內，本集團五名最高薪人士包括兩名董事(二零一八年：兩名董事)，彼等之薪酬詳情於上文披露。

於年內，有關其餘最高薪人士之薪酬如下：

於年內，五名最高薪人士(包括兩名(二零一八年：兩名)董事)之薪酬介乎以下範圍：

於截至二零一九年及二零一八年十二月三十一日止年度，本集團概無向本集團五名最高薪人士中的任何人士支付任何薪酬，作為加入本集團或於加入本集團後的獎勵或離職補償。於截至二零一九年及二零一八年十二月三十一日止年度，本公司董事或五名最高薪人士中的任何人士均無放棄或同意放棄任何薪酬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 11. Dividends

No dividend was paid or proposed for ordinary shareholders of the Company during 2019 and 2018, nor has any dividend been proposed since the end of the reporting period.

### 11. 股息

於二零一九年及二零一八年，本公司概無向其普通股股東支付或建議派發任何股息，自報告期結束起亦無建議派發任何股息。

### 12. Earnings Per Share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

### 12. 每股盈利

計算本公司擁有人應佔每股基本盈利乃基於以下數據：

		2019 二零一九年	2018 二零一八年
Earnings for the purpose of basic earnings per share (profit for the year) (HK\$'000)	用於計算每股基本盈利的盈利 (年內溢利)(千港元)	35,826	40,321
		<b>Number of shares</b> 股份數目	
Weighted average number of ordinary shares for the purpose of basic earnings per share (in thousand)	用於計算每股基本盈利的普通股加權平均數(千股)	2,195,753	1,950,000

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share during the years ended 31 December 2019 and 2018 are retrospectively adjusted based on the Reorganisation as described in Note 1 and taking into account the effect arising from Capitalisation Issue as defined and described in Note 23(c).

用於計算於截至二零一九年及二零一八年十二月三十一日止年度每股基本盈利的普通股加權平均數根據附註1所載重組及計及附註23(c)界定及所載資本化發行產生的影響追溯調整。

No diluted earnings per share is presented as there were no potential dilutive shares in issue for the years ended 31 December 2019 and 2018.

截至二零一九年及二零一八年十二月三十一日止年度，由於概無潛在已發行攤薄股份，故並無呈列每股攤薄盈利。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元 (Note 21) (附註21)	Fixtures 裝置 HK\$'000 千港元	Machinery and equipment 機器及設備 HK\$'000 千港元	Office equipment 辦公設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST						
At 1 January 2018	於二零一八年一月一日	2,769	147	1,652	65	4,633
Additions	添置	–	–	1,003	–	1,003
Transferred from investment property	自投資物業轉撥	5,260	–	–	–	5,260
At 31 December 2018						
At 31 December 2018	於二零一八年十二月三十一日	8,029	147	2,655	65	10,896
Additions	添置	–	2,041	2,010	–	4,051
Written off	撇銷	–	–	(138)	–	(138)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>8,029</b>	<b>2,188</b>	<b>4,527</b>	<b>65</b>	<b>14,809</b>
ACCUMULATED DEPRECIATION						
At 1 January 2018	於二零一八年一月一日	1,314	87	1,201	65	2,667
Charge for the year	年內開支	73	29	209	–	311
At 31 December 2018						
At 31 December 2018	於二零一八年十二月三十一日	1,387	116	1,410	65	2,978
Charge for the year	年內開支	160	99	536	–	795
Written off	撇銷	–	–	(138)	–	(138)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>1,547</b>	<b>215</b>	<b>1,808</b>	<b>65</b>	<b>3,635</b>
CARRYING VALUES						
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>6,482</b>	<b>1,973</b>	<b>2,719</b>	<b>–</b>	<b>11,174</b>
At 31 December 2018						
At 31 December 2018	於二零一八年十二月三十一日	6,642	31	1,245	–	7,918

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 13. Property, Plant and Equipment (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis over the following useful lives after taking into account the residual values:

Leasehold land and buildings	50 years
Fixtures	Shorter of 5 years and lease term
Machinery and equipment	4 years
Office equipment	5 years

### 14. Investment Property

FAIR VALUE	公平值
At 1 January 2018	於二零一八年一月一日
Increase in fair value recognised in profit or loss	於損益內確認的公平值增加
Transferred to property, plant and equipment	轉撥至物業、廠房及設備

At 31 December 2018 and 2019

於二零一八年及二零一九年十二月三十一日

Investment property  
投資物業  
HK\$'000  
千港元

4,530

730

(5,260)

—

All of the Group's property interests held under leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment property.

本集團根據租賃持有以賺取租金或作資本增值目的之全部物業權益均以公平值模式計量，並作投資物業分類及入賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 14. Investment Property (Continued)

The fair value of the Group's investment property as at 31 October 2018 (i.e. the date of transfer) has been arrived at on the basis of a valuation carried out on the respective dates by Valtech Valuation Advisory Limited (the "Valuer"), an independent qualified professional valuer, not related to the Group, whose method of valuation has been disclosed below. The address of the Valuer is at Room 1901, 19/F, Remington Centre, 23 Hung To Road, Kwun Tong, Hong Kong. The investment property is categorised within level 2 of the fair value hierarchy.

The fair value was determined based on the direct comparison approach that reflects sale of the property in its existing state with the benefit of vacant possession and by making reference to recent comparable sales transactions as available in the relevant market. There has been no change in the valuation technique during the period up to 31 October 2018.

During the year ended 31 December 2018, investment property with carrying amount of HK\$5,260,000 was transferred to property, plant and equipment as the management had changed the use of the property to owner occupation purpose as the warehouse.

### 14. 投資物業(續)

於二零一八年十月三十一日(即轉讓日期)，本集團投資物業之公平值已根據獨立合資格專業估值師方程評估有限公司(「估值師」)(與本集團並無關連)於相關日期所進行之估值得出，其估值方法已披露如下。估值師之地址為香港觀塘鴻圖道23號利登中心19樓1901室。投資物業按公平值層級之第2級進行分類。

公平值乃基於直接比較法(假設按物業現況交吉出售)並參考有關市場可得近期可資比較銷售交易釐定。直至二零一八年十月三十一日止期間，估值技術並無任何變動。

於截至二零一八年十二月三十一日止年度，由於管理層將該等物業的用途變更為業主自用倉庫，賬面值5,260,000港元的投資物業轉撥至物業、廠房及設備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 14. Investment Property (Continued)

In estimating the fair value of the property, the highest and best use of the property is their current use.

### 14. 投資物業(續)

於估計物業之公平值時，物業之最高及最佳用途為其現時用途。

	Valuation technique 估值技術	Significant input 重大輸入值
Flat 5, 6 Floor, Fashion Centre, 51–53 Wing Hong Street, Cheung Sha Wan, Hong Kong 香港 長沙灣 永康街51至53號 時穎中心6樓5室	Direct comparison approach 直接比較法	Based on price per square feet, using market observable comparable prices of similar properties ranging from HK\$6,520 to HK\$6,647 per square feet at 31 October 2018 (i.e. the date of transfer) and adjusted taking into account of locations and other individual factors such as floor level, size and condition of the properties 根據使用相似物業於二零一八年十月三十一日(即轉讓日期)的市場可觀察可比較價格範圍每平方呎6,520港元至6,647港元得出的每平方呎價格，並經考慮位置及樓層、面積及物業狀況等其他個別因素而作出調整

### 15. Trade Receivables

### 15. 貿易應收款項

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables, net 貿易應收款項淨額	28,158	31,189

As at 1 January 2018, the balance of trade receivable at net arising from contracts with customers amounted to HK\$23,390,000.

於二零一八年一月一日，來自客戶合約之貿易應收款項淨額結餘為23,390,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 15. Trade Receivables (Continued)

The Group grants credit terms to customers for a period ranging from 17 – 60 days from the invoice date for trade receivables. The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30日內	20,524	20,853
31 days to 60 days	31至60日	7,634	9,921
61 days to 90 days	61至90日	–	415
		<b>28,158</b>	<b>31,189</b>

As at 31 December 2019, included in the Company's trade receivables balance are debtors with aggregate carrying amount of HK\$7,638,000 (2018: HK\$11,677,000), which are past due as at the reporting date. None of the past due balances have been past due 90 days or more as at 31 December 2019 and 2018.

Before accepting any new customer, the Group has assessed the potential customer's credit quality and defined credit limit to each customer on an individual basis. Limits attributed to customers are reviewed when necessary. The Group does not charge interest nor hold any collateral over the balances.

#### *Impairment assessment subject to ECL model*

The Group applies simplified approach to measure ECL prescribed by HKFRS 9. To measure the ECL of trade receivables, trade receivables have been assessed based on individual assessment. As at 1 January 2018, the impairment loss allowance on the trade receivables of HK\$385,000 has been recognised against accumulated profits.

### 15. 貿易應收款項(續)

本集團向客戶授予之信貸期自貿易應收款項之發票日期起介乎17至60天。以下為貿易應收款項於報告期末根據發票日期呈列的賬齡分析：

於二零一九年十二月三十一日，本公司之貿易應收款項結餘包括賬面總值為7,638,000港元(二零一八年：11,677,000港元)的應收款項，該款項於報告日期已逾期。於二零一九年及二零一八年十二月三十一日，並無逾期結餘逾期90日或以上。

在接納任何新客戶前，本集團已對潛在客戶的信貸質素進行評估，並按個別基準設定每名客戶的信貸額度。劃撥予客戶的限額會於必要時檢討。本集團並無變更利息或持有任何抵押品。

#### *根據預期信貸虧損模式進行減值評估*

本集團根據香港財務報告準則第9號規定應用簡化方法計量預期信貸虧損。為計量貿易應收款項的預期信貸虧損，貿易應收款項已逐項進行評估。於二零一八年一月一日，貿易應收款項之減值虧損撥備385,000港元於累計溢利中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 15. Trade Receivables (Continued)

#### Impairment assessment subject to ECL model (Continued)

As part of the Group's credit risk management, the Group applied individual assessment for its customers. The following table provides information about the exposure to credit risk and ECL for trade receivables which are assessed individually as at 31 December 2019 and 2018.

### 15. 貿易應收款項(續)

#### 根據預期信貸虧損模式進行減值評估(續)

作為本集團信貸風險管理其中一環，本集團對其客戶應用個別評估。下表載列於二零一九年及二零一八年十二月三十一日有關進行個別評估的貿易應收款項之信貸風險及預期信貸虧損之資料。

Range of loss rate 虧損率範圍	As at 31 December 2019		As at 31 December 2018	
	於二零一九年十二月三十一日		於二零一八年十二月三十一日	
	Gross carrying amount	Impairment loss allowance	Gross carrying amount	Impairment loss allowance
	賬面總值	減值虧損撥備	賬面總值	減值虧損撥備
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Internal credit rating				
內部信貸評級				
Low risk*	2019: 0.14% – 2.84%			
低風險*	二零一九年：0.14% – 2.84%			
– Lifetime ECL, not credit impaired	(2018: 0.06% – 2.25%)	<u>28,375</u>	<u>217</u>	<u>31,652</u>
– 全期預期信貸虧損， 未發生信貸減值	(二零一八年：0.06% – 2.25%)			<u>463</u>

#### Internal credit rating

##### 內部信貸評級

Low risk*	2019: 0.14% – 2.84%
低風險*	二零一九年：0.14% – 2.84%
– Lifetime ECL, not credit impaired	(2018: 0.06% – 2.25%)
– 全期預期信貸虧損， 未發生信貸減值	(二零一八年：0.06% – 2.25%)

\* Referring to debtors have a low risk of default and do not have any prior default records and are considered as not credit impaired.

\* 指具有較低違約風險及並無任何先前的違約紀錄且被視為並無發生信貸減值的應收賬款。

The expected loss rates are estimated based on historical observed default rates over the expected life of the debtors and internal credit rating by reference to a study of other corporates' default and recovery data from international credit rating agencies, and are adjusted for forward-looking information (for example, the current and forecasted economic growth rates in Hong Kong, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue costs or efforts. Such forward-looking information is used by the directors of the Company to assess both the current as well as the forecast direction of conditions at each of the reporting date.

預期虧損率乃基於應收賬款之預期年內觀察所得之歷史違約率，以及內部信貸評級(參考國際信貸評級機構對其他企業違約及回收數據之研究)而估計，並就毋須付出不必要之成本或精力而可得之前瞻性資料(如香港當前及預測經濟增長率，可反映債務人經營所在行業的整體經濟狀況)作出調整。本公司董事於各報告日期使用有關前瞻性資料評估當前及預測狀況。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 15. Trade Receivables (Continued)

#### *Impairment assessment subject to ECL model (Continued)*

During the year ended 31 December 2019, the Group recognised a net reversal of impairment losses allowance of HK\$246,000 (2018: a net impairment losses allowance of HK\$78,000), based on individual assessment.

The movement in the impairment loss allowance in respect of trade receivables during the year was as follows:

### 15. 貿易應收款項(續)

#### *根據預期信貸虧損模式進行減值評估(續)*

於截至二零一九年十二月三十一日止年度，本集團根據個別評估確認減值虧損撥備撥回淨額246,000港元(二零一八年：減值虧損撥備淨額78,000港元)。

於年內貿易應收款項之減值虧損撥備變動如下：

		<b>Impairment loss allowance</b> 減值虧損撥備 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	–
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	385
Impairment loss reversed	已撥回減值虧損	(365)
Impairment loss recognised	已確認減值虧損	443
At 31 December 2018	於二零一八年十二月三十一日	463
Impairment loss reversed	已撥回減值虧損	(463)
Impairment loss recognised	已確認減值虧損	217
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>217</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 16. Other Receivables, Deposits and Prepayments 16. 其他應收款項、按金及預付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other receivables and deposits	其他應收款項及按金	413	171
Prepayments (Note)	預付款項(附註)	64,631	–
Prepaid listing expenses	預付上市開支	–	3,334
Deferred issue costs	遞延發行成本	–	576
		<b>65,044</b>	<b>4,081</b>

Note: The balance represents prepayment to certain subcontractors which are expected to be utilised within six months after the reporting period.

附註：該結餘指預付予若干分包商預付款項，預期將於報告期後六個月內獲動用。

### 17. Amount Due from a Director

### 17. 應收一名董事款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	Maximum amounts outstanding during the year 於年內尚未收回 之最大金額	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-trade related	非貿易相關				
– Mr. Adam Cheung	– 張先生	–	16,149	16,149	16,149

The balance as at 31 December 2018 is non-trade related, unsecured, repayable on demand and interest-free. The balance is fully repaid during the year ended 31 December 2019.

於二零一八年十二月三十一日之結餘為非貿易相關、無抵押、須應要求償還及免息。於截至二零一九年十二月三十一日止年度已全數償還結餘。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 18. Contract Assets/Liabilities

The following is the analysis of the contract assets and contract liabilities:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract assets	合約資產	131,139	84,498
Less: Impairment loss allowance	減：減值虧損撥備	(1,013)	(894)
		<b>130,126</b>	<b>83,604</b>
Contract liabilities	合約負債	<b>(2,165)</b>	<b>(2,737)</b>

#### Contract assets

Amounts represent the Group's rights to considerations from customers for the provision of Construction Services, which arise when: (i) the Group completed the relevant services under such contracts; or (ii) the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts for a period of generally 12 months (defect liability period) after completion of the relevant works. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional.

### 18. 合約資產／負債

以下為合約資產及合約負債之分析：

#### 合約資產

合約資產指本集團提供建築服務而向客戶收取代價的權利，該等代價乃於：(i) 本集團完成該等合約項下的相關服務；或(ii) 客戶預扣應付本集團部分金額作為保留金以保證於相關工程完成後一段期間（一般為12個月）（缺陷責任期）妥善履行合約而產生。先前確認為合約資產的任何金額在其變為無條件時重新分類至貿易應收款項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 18. Contract Assets/Liabilities (Continued)

#### Contract assets (Continued)

The Group's contract assets are analysed as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Construction contracts – current	建築合約 – 流動		
Unbilled revenue*	未開單收入*	104,199	61,441
Retention receivables	應收保固金	25,927	22,163
		<b>130,126</b>	<b>83,604</b>

\* It represented the revenue not yet been billed to the customers which the Group has completed the relevant services under such contracts but yet certified by representatives appointed by the customers.

As at 1 January 2018, gross contract assets amounted to HK\$34,091,000.

Changes of contract assets during the year ended 31 December 2019 were mainly due to increase in: (1) the amount of retention receivables in accordance with the number of ongoing and completed contracts under the defect liability period; and (2) the size and number of contracts in respect of Construction Services that the relevant services were completed but yet certified by representatives appointed by the customers at the end of reporting period.

The Group's retention receivables included in the Group's contract assets will be settled at the expiry of the defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts. The balances are classified as current as they are expected to be received in its normal operating cycle.

### 18. 合約資產／負債(續)

#### 合約資產(續)

本集團的合約資產分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Construction contracts – current	建築合約 – 流動		
Unbilled revenue*	未開單收入*	104,199	61,441
Retention receivables	應收保固金	25,927	22,163
		<b>130,126</b>	<b>83,604</b>

\* 其指本集團已完成該等合約項下的相關服務但尚未向客戶開票的收入，而該等金額尚未由客戶指定的代表核實。

於二零一八年一月一日，合約資產總值為34,091,000港元。

於截至二零一九年十二月三十一日止年度，合約資產之變動主要由於：(1)根據進行中及處於缺陷責任期內的已完成合約數量的應收保固金額；及(2)於報告期末已完成相關服務但尚未由客戶指定的代表核實建築服務合約的規模及數量增加。

本集團合約資產中的應收保固金將於相關合約之缺陷責任期屆滿時或按照相關合約訂明之條款結算。該等結餘分類為流動，原因為其預期將於一般經營週期內接獲。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 18. Contract Assets/Liabilities (Continued)

#### Contract assets (Continued)

##### Impairment assessment subject to ECL model

The Group applies simplified approach to measure ECL prescribed by HKFRS 9. To measure the ECL of contract assets, contract assets have been assessed based on individual assessment. As at 1 January 2018, the impairment loss allowance on the contract assets of HK\$646,000 has been recognised against accumulated profits.

As part of the Group's credit risk management, the Group applied internal credit rating for its customers. The following table provides information about the exposure to credit risk and ECL for contract assets which are assessed individually as at 31 December 2019 and 2018.

### 18. 合約資產／負債(續)

#### 合約資產(續)

##### 根據預期信貸虧損模式進行減值評估

本集團應用簡化方法計量香港財務報告準則第9號規定的預期信貸虧損。為計量合約資產的預期信貸虧損，會按個別評估基準對合約資產進行評估。於二零一八年一月一日，合約資產的減值虧損撥備646,000港元已對照累計溢利確認。

作為本集團信貸風險管理其中一環，本集團對其客戶應用內部信貸評級。下表載列於二零一九年及二零一八年十二月三十一日有關進行個別評估的合約資產之信貸風險及預期信貸虧損之資料。

Range of loss rate 虧損率範圍	As at 31 December 2019 於二零一九年十二月三十一日		As at 31 December 2018 於二零一八年十二月三十一日	
	Gross carrying amount 賬面總值 HK\$'000 千港元	Impairment loss allowance 減值虧損撥備 HK\$'000 千港元	Gross carrying amount 賬面總值 HK\$'000 千港元	Impairment loss allowance 減值虧損撥備 HK\$'000 千港元

#### Internal credit rating

##### 內部信貸評級

Low risk 低風險	2019: 0.14% – 2.84% 二零一九年：0.14% – 2.84%	<u>131,139</u>	<u>1,013</u>	<u>84,498</u>	<u>894</u>
– Lifetime ECL not credit impaired – 全期預期信貸虧損， 未發生信貸減值	(2018: 0.06% – 2.25%) (二零一八年：0.06% – 2.25%)				

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 18. Contract Assets/Liabilities (Continued)

#### Contract assets (Continued)

##### Impairment assessment subject to ECL model (Continued)

The internal credit rating classification and the expected loss rates are classified or estimated based on the same manner as those determined for trade receivables disclosed in Note 15.

During the year ended 31 December 2019, the Group recognised an net impairment losses allowance of HK\$119,000 (2018: HK\$248,000), based on individual assessment.

The movement in the allowance for impairment in respect of contract assets during the year was as follows:

### 18. 合約資產／負債(續)

#### 合約資產(續)

##### 根據預期信貸虧損模式進行減值評估(續)

內部信貸評級分類及預期虧損率乃按附註15所披露的就貿易應收款項釐定的相同方式進行分類或估計。

於截至二零一九年十二月三十一日止年度，本集團根據個別評估確認減值虧損撥備淨額119,000港元(二零一八年：248,000港元)。

年內，合約資產之減值撥備變動如下：

		HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	–
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	646
Impairment loss reversed	已撥回減值虧損	(107)
Impairment loss recognised	已確認減值虧損	355
At 31 December 2018	於二零一八年十二月三十一日	894
Impairment loss reversed	已撥回減值虧損	(894)
Impairment loss recognised	已確認減值虧損	1,013
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>1,013</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 18. Contract Assets/Liabilities (Continued)

#### Contract liabilities

The Group's contract liabilities are analysed as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Construction Services contracts – current 建築服務合約 – 流動	2,165	2,737

At 31 December 2019, the contract liabilities mainly represent the excess portion of certified revenue over the recognised revenue, the balance will be recognised as revenue for the year ending 31 December 2020.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year 年初計入合約負債結餘的已確認收益	2,737	6,191

### 19. Bank Balances and Cash

Bank balances and cash are interest-free or at nominal rate as at 31 December 2019 and 2018.

### 18. 合約資產／負債(續)

#### 合約負債

本集團之合約負債分析如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Construction Services contracts – current 建築服務合約 – 流動	2,165	2,737

於二零一九年十二月三十一日，合約負債主要指已確認收益中的已核證收益的超逾部分，有關結餘將於截至二零二零年十二月三十一日止年度確認為收益。

下表列示已確認收益中結轉合約負債有關的收益金額。

### 19. 銀行結餘及現金

於二零一九年及二零一八年十二月三十一日，銀行結餘及現金均為免息或按票面利率計息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 20. Trade and other Payables

### 20. 貿易及其他應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	貿易應付款項	16,065	52,445
Payroll and MPF payables	工資及強積金應付款項	1,179	959
Accrued expenses	應計開支	2,427	–
Accrued share issue costs	應計股份發行成本	–	261
Accrued listing expenses	應計上市開支	–	966
Purchase of machinery payables	購置機械應付款項	–	196
Others	其他	71	19
		<b>3,677</b>	2,401
Total	總計	<b>19,742</b>	54,846

The credit period on purchases from suppliers is 30 days or payable upon delivery.

自供應商購買的信貸期為30日或應於交付時支付。

The following is an aging analysis of trade payables presented based on the invoice date at the end of the reporting period:

下表載列於報告期末按發票日期呈列的貿易應付款項的賬齡分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30日內	16,065	52,415
31 days to 60 days	31日至60日	–	30
		<b>16,065</b>	52,445

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 21. Bank Overdrafts/Bank Borrowing

### 21. 銀行透支／銀行借貸

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank overdrafts (Notes i and ii)	銀行透支 (附註 i 及 ii)	3,815	15,575
Bank borrowing	銀行借貸		
– secured and guaranteed (Note ii)	– 有抵押及有擔保 (附註 ii)	–	5,209
		<b>3,815</b>	<b>20,784</b>
The carrying amount of bank overdrafts and bank borrowing that contain a repayment on demand clause (shown under current liabilities) but repayable:	載有按要求償還條款的銀行透支及銀行借貸的賬面值 (於流動負債項下列示) · 惟按以下日期償還:		
– within one year	– 一年內	<b>3,815</b>	<b>20,784</b>

\* The amount due are based on scheduled repayment dates set out in the loan agreement.

Notes:

- (i) Bank overdrafts carry interests at market rates of Hong Kong Interbank Offered Rate (“HIBOR”) plus 2.5% per annum, also the effective interest rate, and were repayable on demand.
- (ii) At 31 December 2019, the banking facilities of the Group were secured by the legal charge over (1) the leasehold land and buildings (Note 13) of the Group, (2) corporate guarantee executed by the Company.

At 31 December 2018, the banking facilities of the Group were secured by the legal charge over (1) the leasehold land and buildings (Note 13) of the Group, (2) property of Mr. Adam Cheung, and (3) personal guarantee executed by Mr. Adam Cheung. The personal guarantee by Mr. Adam Cheung was released during the year ended 31 December 2019.

The specified fixed rate of the bank borrowing was 2.97% per annum which is also the effective interest rate, during the year ended 31 December 2018. The bank borrowing is fully repaid during the year ended 31 December 2019.

\* 該到期款項以貸款協議所載預定還款日期為基準。

附註:

- (i) 銀行透支按香港銀行同業拆息率 (「HIBOR」) 加每年 2.5% 的市場利率 (亦為實際利率) 計息及須按要求償還。
- (ii) 於二零一九年十二月三十一日, 本集團的銀行融資由 (1) 本集團租賃土地及樓宇 (附註 13), (2) 本公司簽立的公司擔保之法定押記作抵押。

於二零一八年十二月三十一日, 本集團的銀行融資由 (1) 本集團租賃土地及樓宇 (附註 13), (2) 張先生的物業, 及 (3) 張先生簽立的個人擔保之法定押記作抵押。張先生的個人擔保已於截至二零一九年十二月三十一日止年度解除。

截至二零一八年十二月三十一日止年度銀行借貸訂明的固定利率為每年 2.97% (亦為實際利率)。銀行借款已於截至二零一九年十二月三十一日止年度獲悉數償還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 22. Deferred Tax Liabilities

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset.

The following is the analysis of the deferred tax balances for financial reporting purposes:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	203	224
Deferred tax liabilities	遞延稅項負債	(473)	(350)
		<b>(270)</b>	<b>(126)</b>

The following are the deferred tax liabilities (assets) recognised and the movements thereon:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	ECL provision 預期信貸 虧損撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	282	(170)	112
Charged (credited) to profit or loss for the year	年內扣除自(計入)損益	68	(54)	14
At 31 December 2018	於二零一八年十二月三十一日	350	(224)	126
Charged to profit or loss for the year	年內扣除自損益	123	21	144
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>473</b>	<b>(203)</b>	<b>270</b>

### 22. 遞延稅項負債

就綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已被抵銷。

下表為就財務申報目的之遞延稅項結餘分析：

已確認遞延稅項負債(資產)及其變動載列如下：



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 22. Deferred Tax Liabilities (Continued)

The deferred tax liabilities resulted from temporary taxable differences arising from accelerated depreciation in relation to capital allowance claims on qualified assets in accordance with prevailing tax laws in Hong Kong.

The Group has no other significant unrecognised deferred tax assets for deductible temporary differences at 31 December 2019 and 2018.

### 23. Share Capital

The issued share capital as at 1 January 2018, 31 December 2018 and 1 January 2019 represented the combined share capital of Pak Fai and Ma Yau. Pak Fai was incorporated on 21 April 1989 with a paid up capital of HK\$300,000 divided into 300,000 shares. Ma Yau was incorporated on 24 March 1997 with a paid up capital of HK\$300,000 divided into 300,000 shares.

The issued share capital as at 31 December 2019 represented the share capital of the Company.

### 22. 遞延稅項負債(續)

根據香港現行稅法，遞延稅項負債乃來自與合資格資產資本減免請求有關的加速折舊產生的暫時應課稅差額。

於二零一九年及二零一八年十二月三十一日，本集團並無其他重大未確認遞延稅項資產作可扣除暫時差額。

### 23. 股本

於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日之已發行股本指栢輝及馬友之合併股本。栢輝於一九八九年四月二十一日註冊成立，實繳資本為300,000港元，分為300,000股股份。馬友於一九九七年三月二十四日註冊成立，實繳資本為300,000港元，分為300,000股股份。

於二零一九年十二月三十一日之已發行股本指本公司股本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 23. Share Capital (Continued)

Details of movement of the share capital of the Company are as follows:

### 23. 股本(續)

本公司股本的變動詳情如下：

		Notes 附註	Number of shares 股份數目	Amount 金額 HK\$ 港元
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股			
<i>Authorised:</i>	法定：			
At 30 January 2019 (date of incorporation)	於二零一九年一月三十日 (註冊成立日期)	(a)	10,000,000	100,000
Increase in authorised share capital of HK\$0.01 each	法定股本增加每股0.01港元	(c)	3,990,000,000	39,900,000
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>		<b>4,000,000,000</b>	<b>40,000,000</b>
<i>Issued and fully paid:</i>	已發行及繳足：			
At date of incorporation	於註冊成立日期	(a)	1	— *
New shares issued for the Reorganisation on 28 February 2019	於二零一九年二月二十八日 就重組發行之新股份	(b)	9,999	100
Capitalisation Issue	資本化發行	(c)	1,949,990,000	19,499,900
Issue of shares upon listing	上市後發行股份	(d)	650,000,000	6,500,000
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>		<b>2,600,000,000</b>	<b>26,000,000</b>

# All shares issued rank *pari passu* therewith.

\* The amount is less than HK\$1.

Notes:

- (a) On 30 January 2019, the Company was incorporated in the Cayman Islands as an exempted company with limited liability, the authorised share capital of the Company was HK\$100,000 divided into 10,000,000 shares of par value HK\$0.01 each at the time of incorporation. One nil-paid share was issued to the initial subscriber and transferred to Wonderful Renown on the same date.
- (b) On 28 February 2019, Wonderful Renown as vendor and the Company as purchaser entered into a sale and purchase agreement, pursuant to which the Company acquired 1 ordinary share of par value US\$1.00 of Autumn Well (representing its only issued share) from Wonderful Renown. The consideration for acquisition was satisfied by (i) the Company credited as fully paid at par the 1 nil-paid share held by Wonderful Renown, and (ii) the Company issued and allotted 9,999 shares, credited as fully paid, to Wonderful Renown.

# 所有股份均與當時已發行股份享有同等地位。

\* 金額少於1港元。

附註：

- (a) 於二零一九年一月三十日，本公司於開曼群島註冊成立為獲豁免有限公司。於註冊成立時，本公司法定股本為100,000港元，分為10,000,000股每股面值0.01港元之股份。一股未繳股款股份已於同日發行予初始認購人並轉讓予Wonderful Renown。
- (b) 於二零一九年二月二十八日，Wonderful Renown (作為賣方)與本公司(作為買方)訂立買賣協議，據此本公司向Wonderful Renown收購1股面值1.00美元的Autumn Well普通股(即其唯一已發行股份)。收購事項之代價已由本公司透過(i)將Wonderful Renown持有之1股未繳股款股份按面值入賬列為繳足，及(ii)本公司向Wonderful Renown發行及配發9,999股入賬列作繳足的股份方式支付。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 23. Share Capital (Continued)

Notes: (Continued)

- (c) On 22 July 2019, pursuant to the resolution of the Company's sole shareholder, the Company's authorised share capital was increased from HK\$100,000 to HK\$40,000,000 by the creation of an additional 3,990,000,000 shares of par value HK\$0.01 each. Further, the Company allotted and issued a total of 1,949,990,000 new ordinary shares credited as fully paid by way of capitalisation of a sum of HK\$19,499,900 to share premium of the Company ("Capitalisation Issue") to shareholders whose names appeared on the Company's register of members on 22 July 2019.
- (d) On 16 August 2019, the shares of the Company were listed on the Stock Exchange. 650,000,000 ordinary shares ("Share Offer") at an offer price of HK\$0.2 per share were issued upon listing.

All shares allotted and issued during the year rank pari passu in all respect with the existing issued shares.

### 24. Retirement Benefit Plan

The Group participates in a MPF scheme established under the Mandatory Provident Fund Ordinance in December 2000 for its qualified employees in Hong Kong. For the year ended 31 December 2019 and 2018, the Group contributes 5% of the eligible employees' salaries, with each employee's qualifying salary capped at HK\$1,500 per month to the MPF scheme.

An amount of HK\$591,000 (2018: HK\$311,000) representing contributions to the retirement benefits scheme by the Group, was charged to profit or loss for the year ended 31 December 2019.

Contributions of approximately HK\$46,000 (2018: HK\$36,000) were accrued at 31 December 2019. The amounts were paid subsequent to the end of the year.

### 23. 股本(續)

附註：(續)

- (c) 於二零一九年七月二十二日，根據本公司唯一股東的決議案，通過增設3,990,000,000股每股面值0.01港元的股份，本公司的法定股本由100,000港元增加至40,000,000港元。此外，本公司以資本化本公司股份溢價19,499,900港元的方式配發及發行合共1,949,990,000股入賬列為繳足的新普通股(「資本化發行」)予於二零一九年七月二十二日名列本公司股東名冊內的股東。
- (d) 於二零一九年八月十六日，本公司股份於聯交所上市。發售價為每股0.2港元的650,000,000股普通股(「股份發售」)於上市後獲發行。

於年內配發及發行的所有股份於所有方面與現有已發行股份享有同等地位。

### 24. 退休福利計劃

本集團為其於香港的合資格僱員參加於二零零零年十二月根據強制性公積金計劃條例設立的強積金計劃。截至二零一九年及二零一八年十二月三十一日止年度，本集團按合資格僱員薪金的5%向強積金計劃供款，每名僱員的合資格薪金上限為每月1,500港元。

已自截至二零一九年十二月三十一日止年度的損益扣除591,000港元(二零一八年：311,000港元)，即本集團支付的退休福利計劃供款。

於二零一九年十二月三十一日，應計供款約為46,000港元(二零一八年：36,000港元)，該等款項已於年末後支付。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 25. Commitments

### Operating lease commitments

#### *The Group as lessee*

At 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of warehouse and office premises which fall due as follows:

	2018 二零一八年 HK\$'000 千港元
Within one year 一年內	96

The leases' tenures are within one year. The lease payments are fixed over the lease term and no contingent rent provisions are included in the contracts.

## 25. 承擔

### 經營租賃承擔

#### *本集團作為承租人*

於二零一八年十二月三十一日，本集團有關倉庫及辦公物業的不可撤銷經營租賃項下未來最低租賃付款承擔的到期情況如下：

租約期限為一年內。租金按租期釐定，且合約內並無載有或然租金條文。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 26. Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank overdrafts and bank borrowing, as disclosed in Note 21, respectively, net of bank balances and cash and equity attributable to owners of the Group, comprising share capital and reserve. The Group is not subject to any externally imposed capital requirement.

The directors of the Company review the capital structure on a regular basis. As a part of this review, the management considers the cost of capital and the risks associated with each class of items in the context of capital structure, and takes appropriate actions to adjust the Group's capital structure. Based on recommendations of the directors, the Group will balance its overall capital structure through continuity of funding of cash flows from operating activities or raising new funds by new share issues as well as the issue of new debts.

### 26. 資本風險管理

本集團管理其資本以確保其將能夠持續經營，同時通過優化債務及權益平衡最大化股東回報。本集團的整體策略於截過往年度保持不變。

本集團的資本架構由債務淨額組成，當中包括分別於附註21披露的銀行透支及銀行借款減去銀行結餘及現金以及本集團擁有人應佔權益（包括股本及儲備）。本集團並無受限於任何外部施加的資本規定。

本公司董事定期檢討資本架構。作為此檢討的一部分，管理層會在資本架構方面考慮資本成本及與各類項目相關的風險，並採取適當的措施調整本集團的資本架構。根據董事的建議，本集團將通過經營活動之持續現金流量資金或以新股發行及發行新債務的方式籌措新資金平衡其整體資本架構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 27. Financial Instruments

## 27. 金融工具

### Categories of financial instruments

### 金融工具分類

		2019	2018
		二零一九年	二零一八年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		千港元	千港元
Financial assets at amortised cost	按攤銷成本計量的金融資產	<b>53,267</b>	65,632
Financial liabilities at amortised cost	按攤銷成本計量的金融負債	<b>19,951</b>	74,403

### Financial risk management objectives and policy

The Group's financial instruments include trade receivables, other receivables and deposits, amount due from a director, bank balances and cash, trade and other payables, bank overdrafts and bank borrowing. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 財務風險管理目標及政策

本集團金融工具包括貿易應收款項、其他應收款項及按金、應收董事款項、銀行結餘及現金、貿易及其他應付款項、銀行透支及銀行借款。該等金融工具的詳情已於相關附註披露。與該等金融工具有關的風險包括市場風險(利率風險)、信貸風險及流動資金風險。如何降低該等風險的政策載於下文。管理層管理及監察該等風險以確保及時有效地執行適當措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. Financial Instruments (Continued)

#### Financial risk management objectives and policy (Continued)

##### Market risk

##### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management has assessed there is minimal exposure of the interest rate risk on the variable rate of interest incurred on the bank overdrafts and bank borrowing. It is the Group's policy to raise borrowing at fixed-rate or variable-rate according to business needs and as to balance the fair value and cash flow interest rate risk.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate risk exposure and will consider interest rate hedging should the need arise.

No sensitivity analysis on the interest risk arising from the variable-rate bank overdrafts and bank borrowing is presented as the amounts involved are insignificant. The management considered the fluctuation on the prevailing market interest rate is minimal.

##### **Credit risk and impairment assessment**

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets and contract assets as stated in the consolidated statement of financial position.

The Group's concentration of credit risk by geographical location is mainly in Hong Kong, which accounted for 100% (2018: 100%) of the total financial assets and contract assets as at 31 December 2019.

### 27. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險

##### *利率風險*

利率風險為市場利率變動將引致金融工具之公平值或未來現金流量波動之風險。經管理層評估，浮息銀行透支及銀行借款可能面臨的利率風險甚微。本集團之政策為根據業務需要按定息或浮息籌措借款，並平衡公平值及現金流量利率風險。

本集團現時並無利率對沖政策。然而，管理層監察利率風險，並將於必要時考慮進行利率對沖。

由於所涉及金額較小，故並無呈列浮息銀行透支及銀行借款利率風險的敏感度分析。管理層認為現行市場利率波動並不重大。

##### **信貸風險及減值評估**

於各報告期末，本集團所面對最高信貸風險將導致本集團因對手方未能履行責任而產生財務虧損，有關虧損乃來自已於綜合財務狀況表確認之金融資產及合約資產賬面值。

本集團按地理位置分類之集中信貸風險主要在香港，其佔於二零一九年十二月三十一日金融資產及合約資產總值的100% (二零一八年：100%)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 27. Financial Instruments (Continued)

### Financial risk management objectives and policy (Continued)

#### Credit risk and impairment assessment (Continued)

Included in the Group's financial assets as at 31 December 2019 is bank balances amounted to HK\$24,696,000 (2018: HK\$18,123,000) placed in a bank in Hong Kong.

The Group has concentration of credit risk in trade receivables and contract assets, as approximately 100% (2018: 95.5%) of total trade receivables outstanding at 31 December 2019, and 82.3% (2018: 85.1%) of contract assets outstanding at 31 December 2019, were due from top five customers.

Other than concentration of credit risk on the trade receivables, contract assets and bank balances, the Group has no other significant concentration risk on recognised financial assets with exposure spread over a number of counterparties.

In order to minimise the credit risk, the Group has policies in place for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting any new customer, the Group carries out research on the credit risk of the new customer and assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed when necessary.

The Group performs impairment assessment under ECL model on trade receivables and contract assets individually. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk since initial recognition on an ongoing basis.

## 27. 金融工具(續)

### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

本集團於二零一九年十二月三十一日的金融資產包括存放於香港一間銀行的銀行結餘24,696,000港元(二零一八年: 18,123,000港元)。

於二零一九年十二月三十一日未償還的貿易應收款項總額中約100%(二零一八年: 95.5%)及於二零一九年十二月三十一日的未償還的合約資產中82.3%(二零一八年: 85.1%)來自五大客戶,令本集團面對貿易應收款項及合約資產的集中信貸風險。

除貿易應收款項、合約資產及銀行結餘的集中信貸風險外,本集團的已確認金融資產並無其他重大風險集中情況,風險分散於多名對手方。

為減少信貸風險,本集團設有釐定信貸限額、信貸審批及其他監察程序的政策以確保採取跟進措施收回逾期債務。於接納任何新客戶之前,本集團對新客戶的信貸風險進行研究並評估潛在客戶的信貸質素及界定客戶的信貸限額。分配予客戶的額度在必要時會予以檢討。

本集團根據預期信貸虧損模式對貿易應收款項及合約資產分別進行減值評估。本集團在資產的初始確認時考慮違約的可能性,也評估信貸風險是否於初始確認後會持續顯著增加。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. Financial Instruments (Continued)

#### Financial risk management objectives and policy (Continued)

##### Credit risk and impairment assessment (Continued)

The Group reassesses the lifetime ECL for trade receivables and contract assets at the end of each reporting period to ensure that adequate impairment losses are made for significant increases in the likelihood or risk of a default occurring since initial recognition. In this regard, directors of the Company considers that the Group's credit risk is significantly reduced.

Relevant information with regard to the exposure of credit risk and expected credit losses for trade receivables and contract assets are set out in Notes 15 and 18, respectively.

For other receivables and deposits and bank balances with gross carrying amounts of HK\$413,000 (2018: HK\$171,000) and HK\$24,696,000 (2018: HK\$18,123,000) respectively, the Group has assessed and concluded that the expected credit loss rate for these financial assets is immaterial under 12m ECL based on the Group's assessment on the risk of the default of the counterparties. 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. The directors concluded that there has been no significant increase in credit risk since initial recognition of the other receivables and deposits and bank balances. Thus, no loss allowance for credit losses for the amounts is recognised during the year ended 31 December 2018 and 31 December 2019 as the Group assessed the ECL was insignificant.

### 27. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 信貸風險及減值評估(續)

本集團於各報告期末重新評估貿易應收款項及合約資產的全期預期信貸虧損，以確保就自初步確認以來發生違約的可能性或風險大幅增加作出足夠的減值虧損撥備。就此而言，本公司董事認為本集團的信貸風險已大幅減少。

有關面臨信貸風險的相關資料及貿易應收款項及合約資產的預期信貸虧損分別載於附註15及18。

就賬面總值分別為413,000港元(二零一八年：171,000港元)及24,696,000港元(二零一八年：18,123,000港元)之其他應收款項、按金及銀行結餘而言，根據本集團對該對手方違約風險的評估，本集團已評估及斷定12個月預期信貸虧損下該等金融資產的預期信貸虧損率並不重大。在進行評估時，本集團會考慮合理且有理據支持的定量及定性資料，包括歷史經驗及無需花費過多成本或精力即可獲得的前瞻性資料。董事認為，自初步確認其他應收款項、按金及銀行結餘以來，信貸風險並無大幅上升。因此，於截至二零一八年十二月三十一日及二零一九年十二月三十一日止年度並無就該等款項確認信貸虧損的虧損撥備，因本集團評估預期信貸虧損微乎其微。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

## 27. Financial Instruments (Continued)

### Financial risk management objectives and policy (Continued)

#### Credit risk and impairment assessment (Continued)

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition, it considers available reasonable and supportive forward looking information, including the below indicators:

- 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.

#### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its financial obligations as and when they fall due. 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 and mitigate the effects of fluctuations in cash flows.

The following table details the remaining contractual maturity of the Group and the Company for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the relevant market rates as at the reporting date where applicable) of financial liabilities based on the earliest date on which the Group or the Company can be required to pay. The table includes both interest and principal cash flows, where applicable.

## 27. 金融工具(續)

### 財務風險管理目標及政策(續)

#### 信貸風險及減值評估(續)

為評估信貸風險是否顯著增加，本集團將資產於報告日期發生違約的風險與於初始確認日期發生違約的風險進行比較，同時亦考慮可獲得的合理及可支持的前瞻性資料，包括以下指標：

- 業務、財務或經濟狀況出現現有或預期的不利變化，預計將導致債務人履行債務義務的能力大大下降；
- 債務人的經營業績實際已出現或預期會出現嚴重惡化；
- 債務人在監管、經濟或技術環境方面出現實際或預期的重大不利變化，導致債務人履行債務義務的能力大大降低。

#### 流動資金風險

流動資金風險指本集團於履行其到期財務責任時遇到困難之風險。為管理流動資金風險，本集團監察現金及現金等價物的水平，將其維持於管理層認為足夠的水平，以為本集團的營運撥資及減低現金流量波動的影響。

下表詳述本集團及本公司非衍生金融負債的餘下合約到期情況。該表乃根據本集團或本公司於金融負債最早之日須支付的未貼現現金流量(包括使用合約利率(或如為浮息，則按報告日期(如適用)相關市場利率)計算的利息付款)而制定。該表包括利息及本金現金流量(如適用)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. Financial Instruments (Continued)

### 27. 金融工具(續)

#### Financial risk management objectives and policy (Continued)

#### 財務風險管理目標及政策(續)

#### Liquidity risk (Continued)

#### 流動資金風險(續)

As at 31 December 2019

於二零一九年十二月三十一日

		Weighted average interest rate	On demand or within 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Total undiscounted cash flow	Carrying amount
		加權平均 利率	按要求或 於3個月內	3至6個月	6至12個月	1至5年	5年以上	未貼現現金 流量總額	賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Non-interest bearing</i>	<i>不計息</i>								
Trade and other payables	貿易及其他應付款項	N/A 不適用	16,136	-	-	-	-	16,136	16,136
<i>Interest bearing</i>	<i>計息</i>								
Bank overdrafts	銀行透支	5.25	3,815	-	-	-	-	3,815	3,815
Total	總計		19,951	-	-	-	-	19,951	19,951

As at 31 December 2018

於二零一八年十二月三十一日

		Weighted average interest rate	On demand or within 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Total undiscounted cash flow	Carrying amount
		加權平均 利率	按要求或 於3個月內	3至6個月	6至12個月	1至5年	5年以上	未貼現現金 流量總額	賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Non-interest bearing</i>	<i>不計息</i>								
Trade and other payables	貿易及其他應付款項	N/A 不適用	53,619	-	-	-	-	53,619	53,619
<i>Interest bearing</i>	<i>計息</i>								
Bank borrowing	銀行借貸	2.97	5,209	-	-	-	-	5,209	5,209
Bank overdrafts	銀行透支	5.25	15,575	-	-	-	-	15,575	15,575
Total	總計		74,403	-	-	-	-	74,403	74,403

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. Financial Instruments (Continued)

#### Financial risk management objectives and policy (Continued)

##### Liquidity risk (Continued)

The table below summarises the maturity analysis of bank borrowing with a repayment on demand clause based on the agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using the specified fixed rate. As a result, these amounts are greater than the amounts disclosed in the “on demand or within 3 months” time band in the maturity analysis above. Taking into account the Group’s financial position, the directors of the Company do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors of the Company believe that such bank borrowing will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

### 27. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 流動資金風險(續)

下表概述銀行借貸的到期分析，該等銀行借款以貸款協議所載之協定計劃還款期為基礎並附帶按要求還款條款。該等款額包括使用訂明固定利率計算的利息付款。因此，該等款額高於上述到期分析所列「按要求或3個月內」時段中所披露的金額。考慮到本集團的財務狀況，本公司董事認為有關銀行將不大可能行使其酌情權要求即時還款。本公司董事相信該等銀行借貸將根據貸款協議所載之計劃還款日期償還。

Maturity Analysis – Term loans subject to a repayment on demand clause based on scheduled repayments							
到期分析 – 以計劃還款期為基礎並附帶按要求還款之條款的定期貸款							
	0 to 90 days	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount
	0至90日	3至6個月	6至12個月	1至5年	5年以上	未貼現現金流量總額	賬面值
	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
As at 31 December 2018 於二零一八年十二月三十一日	1,442	3,845	–	–	–	5,287	5,209



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. Financial Instruments (Continued)

#### Fair value

#### Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on recurring basis

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing model 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 value.

### 28. Related Party Transactions

Apart from disclosure elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties during the year ended 31 December 2019:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Short-term lease expense for renting office premises from a controlling shareholder of the Company</i>	<i>向本公司一名控股股東租賃辦公室物業之短期租賃開支</i>		
Mr. Adam Cheung	張先生	189	—
		189	—

### 27. 金融工具(續)

#### 公平值

本集團並非按經常性基準以公平值計量的金融資產及金融負債的公平值

金融資產及金融負債的公平值乃按貼現現金流量分析根據公認定價模式釐定。

本公司董事認為，於綜合財務報表中按攤銷成本列賬的金融資產及金融負債的賬面值與其公平值相若。

### 28. 關聯方交易

除於綜合財務報表其他部分所披露者外，本集團於截至二零一九年十二月三十一日止年度與關聯方訂立以下交易：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 28. Related Party Transactions (Continued)

The directors of the Company are also key management personnel of the Group whose remunerations are disclosed in Note 10. Other than that, the remuneration of a close family member of a director of the Company and other members of key management personnel of the Group during the year was as follows:

### 28. 關聯方交易(續)

本公司董事(亦為本集團主要管理人員)的薪酬披露於附註10。除此之外，年內本公司董事近親家庭成員及本集團主要管理人員其他成員的薪酬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short term benefits	短期福利	1,871	204
Post-employment benefits	離職後福利	52	8
		<b>1,923</b>	<b>212</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 29. Particulars of Subsidiaries

As at the date of issuance of the consolidated financial statements, the Company has direct or indirect equity interests in the following subsidiaries:

Name of subsidiary 附屬公司名稱	Place and date of incorporation 註冊成立地點及日期	Issued and fully paid capital 已發行及繳足股本	Equity interest attributable to the owners of the Group 本集團擁有人應佔股本權益		Principal activities 主要業務活動
			2019 二零一九年	2018 二零一八年	
<i>Directly held:</i> 直接持有：					
Autumn Well	BVI 英屬處女群島 26 October 2018 二零一八年十月二十六日	US\$1 1美元	100%	100%	Investment holding 投資控股
<i>Indirectly held:</i> 間接持有：					
Pak Fai 栢輝	Hong Kong 香港 21 April 1989 一九八九年四月二十一日	HK\$300,000 300,000港元	100%	100%	Provision of wet trades works services 提供泥水工程服務
Ma Yau 馬友	Hong Kong 香港 24 March 1997 一九九七年三月二十四日	HK\$300,000 300,000港元	100%	100%	Provision of wet trades works services 提供泥水工程服務
Creative Panda	BVI 英屬處女群島 26 October 2018 二零一八年十月二十六日	US\$1 1美元	100%	100%	Investment holding 投資控股
Vantage Charm	BVI 英屬處女群島 26 October 2018 二零一八年十月二十六日	US\$1 1美元	100%	100%	Investment holding 投資控股

All subsidiaries now comprising the Group adopted 31 December as their financial year end date except for Ma Yau which has 31 March as its financial year end date.

### 29. 附屬公司詳情

於刊發綜合財務報表日期，本公司於下列附屬公司中直接或間接擁有權益：

本集團現時旗下所有附屬公司均採納十二月三十一日作為彼等之財政年度結算日，惟馬友已採納三月三十一日作為其財政年度結算日。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 30. 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 statements of cash flows as cash flows from financing activities.

		Bank borrowing 銀行借貸 HK\$'000 千港元	Bank overdrafts 銀行透支 HK\$'000 千港元	Accrued share issue costs 應計股份 發行成本 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	–	–	–	–
Financing cash flows	融資現金流量	5,209	15,575	(315)	20,469
Non-cash changes	非現金變動				
Issue costs recognised	已確認發行成本	–	–	576	576
At 31 December 2018	於二零一八年十二月三十一日	5,209	15,575	261	21,045
Financing cash flows	融資現金流量	(5,209)	(11,760)	(20,075)	(37,044)
Non-cash changes	非現金變動				
Issue costs recognised	已確認發行成本	–	–	19,814	19,814
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>–</b>	<b>3,815</b>	<b>–</b>	<b>3,815</b>

### 30. 融資活動產生負債之對賬

下表詳述融資活動產生之本集團負債的變動，包括現金及非現金變動。融資活動產生之負債乃現金流量或未來現金流量將於本集團綜合現金流量表分類為融資活動所得現金流量之負債。

### 31. Performance Bonds

As at 31 December 2018, performance bonds of HK\$3,603,000 were given by a bank in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the bank to pay to them the sum or sum stipulated in such demand. In the event of the non-performance, the Group will only become liable to compensate such customers for any performance obligation over and above the performance bond amounts given to them, the performance guarantees will be released upon completion of the contracts. No performance bonds are outstanding as at 31 December 2019.

### 31. 履約保證金

於二零一八年十二月三十一日，一間銀行以本集團客戶為受益人提供履約保證金3,603,000港元，作為本集團妥善履行及遵守其與客戶所訂立合約項下責任的擔保。倘本集團的履約情況未能令已獲授履約保證金的客戶滿意，有關客戶可要求銀行支付有關金額或有關要求訂明的金額。倘出現未履行情況，本集團將僅有責任就超過有關客戶獲授的履約保證金金額的履約責任作出補償。履約擔保將於合約完成後解除。於二零一九年十二月三十一日，概無尚未償還的履約保證金。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 32. Statement of Financial Position and Reserves of the Company 32. 本公司財務狀況表及儲備

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

有關本公司於報告期末之財務狀況表之資料如下：

		2019 二零一九年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>	
Investment in a subsidiary	於附屬公司之投資	– *
Amount due from a subsidiary	應收一間附屬公司款項	67,668
		67,668
<b>Current asset</b>	<b>流動資產</b>	
Bank balances and cash	銀行結餘及現金	24,558
<b>Total assets</b>	<b>總資產</b>	92,226
<b>Capital and reserves</b>	<b>資本及儲備</b>	
Share capital	股本	26,000
Reserves	儲備	66,226
		92,226

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 32. Statement of Financial Position and Reserves of the Company (Continued)

### 32. 本公司財務狀況表及儲備 (續)

A summary of the Company's reserves is as follows:

本公司之儲備概述如下：

		Share Premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 30 January 2019 (date of incorporation)	於二零一九年一月三十日 (註冊成立日期)	—	—	—
Loss and total comprehensive expense for the period	期內虧損及全面開支總額	—	(17,384)	(17,384)
Issue of shares under the Capitalisation Issue (Note 23(c))	根據資本化發行發行股份 (附註23(c))	(19,500)	—	(19,500)
Issue of shares under the Share Offer (Note 23(d))	根據股份發售發行股份 (附註23(d))	123,500	—	123,500
Transaction cost attributable to issue of new shares	發行新股份應佔交易成本	(20,390)	—	(20,390)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>83,610</b>	<b>(17,384)</b>	<b>66,226</b>

\* The amount is less than HK\$1,000.

\* 金額少於1,000港元。

### 33. Subsequent Events

### 33. 期後事項

The outbreak of the 2019 Novel Coronavirus ("COVID-19") in early 2020 and the subsequent quarantine measures imposed by the Hong Kong government has had no material impact on the Group's operation.

二零二零年年初爆發的新型冠狀病毒(「COVID-19」)以及香港政府隨後採取的檢疫措施對本集團的經營並無產生任何重大影響。

The directors of the Company are monitoring the situation and continue to assess and react actively to the impact of COVID-19 outbreak on the Group's operations, financial position and financial performance accordingly.

本公司董事正密切留意事態進展，並持續評估爆發COVID-19對本集團的營運、財務狀況及財務表現的相應影響及作出積極應對。

# FINANCIAL SUMMARY

## 財務摘要

A Summary of the results and assets, liabilities and equity of the Group for the last four financial years, as extracted from the Prospectus and the published audited financial statements, is set out below. This summary does not form part of the audited financial statements.

摘錄自招股章程及已刊發經審核財務報表在過往四個財政年度之本集團業績及資產、負債及權益概要載列如下。本概要並不構成經審核財務報表之一部分。

### Results

### 業績

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	558,137	431,819	245,034	151,978
Gross profit	毛利	70,183	52,866	27,945	16,023
Listing expenses	上市開支	17,586	2,024	–	–
Profit for the year attributable to equity holders of the Company	本公司權益持有人應佔年度溢利	35,826	40,321	21,270	11,394

### Assets, Liabilities and Equity

### 資產、負債及權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產	13,919	7,918	6,496	5,865
Current assets	流動資產	248,024	153,146	75,456	41,601
Total assets	總資產	261,943	161,064	81,952	47,466
Current liabilities	流動負債	40,236	84,937	45,129	31,918
Net current assets	流動資產淨值	207,788	68,209	30,327	9,683
Total assets less current liabilities	總資產減流動負債	221,707	76,127	36,823	15,548
Net assets	資產淨值	221,437	76,001	36,541	15,271
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	221,437	76,001	36,541	15,271



**恆新豐控股有限公司**  
**HANDS FORM HOLDINGS LIMITED**