

華和控股集團有限公司 Wah Wo Holdings Group 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 : 9938



2020
Annual Report
年報

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Yuet Wa (*Chairman and Chief Executive Officer*)
Mr. Chan Fai

Independent Non-executive Directors

Mr. Chow Chi Fai
Mr. Chan Hon Ki
Mr. Yu Chi Wing

AUDIT COMMITTEE

Mr. Chow Chi Fai (*Chairperson*)
Mr. Chan Hon Ki
Mr. Yu Chi Wing

REMUNERATION COMMITTEE

Mr. Chan Hon Ki (*Chairperson*)
Mr. Chen Yuet Wa
Mr. Chow Chi Fai

NOMINATION COMMITTEE

Mr. Chen Yuet Wa (*Chairperson*)
Mr. Yu Chi Wing
Mr. Chan Hon Ki

COMPANY SECRETARY

Mr. Lee Kai Ming (*HKICPA*)

AUTHORISED REPRESENTATIVES

Mr. Chen Yuet Wa
Mr. Lee Kai Ming (*HKICPA*)

COMPLIANCE ADVISER

First Shanghai Capital Limited
19/F, Wing On House
71 Des Voeux Road Central
Central, Hong Kong

AUDITORS

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

董事會

執行董事

陳越華先生 (*主席兼行政總裁*)
陳輝先生

獨立非執行董事

周志輝先生
陳漢淇先生
于志榮先生

審核委員會

周志輝先生 (*主席*)
陳漢淇先生
于志榮先生

薪酬委員會

陳漢淇先生 (*主席*)
陳越華先生
周志輝先生

提名委員會

陳越華先生 (*主席*)
于志榮先生
陳漢淇先生

公司秘書

李啟明先生 (*HKICPA*)

授權代表

陳越華先生
李啟明先生 (*HKICPA*)

合規顧問

第一上海融資有限公司
香港中環
德輔道中71號
永安集團大廈19樓

核數師

安永會計師事務所
執業會計師
香港
中環添美道一號
中信大廈二十二樓

REGISTERED OFFICE IN THE CAYMAN ISLANDS

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 01–02, 20/F, Millennium Trade Centre
No. 56 Kwai Cheong Road
Kwai Chung, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKER

Nanyang Commercial Bank, Ltd.
151 Des Voeux Road Central
Hong Kong

COMPANY WEBSITE

www.wahwoalum.com

STOCK CODE

9938

開曼群島註冊辦事處

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

總部及香港主要營業地點

香港
新界葵涌
葵昌路56號
貿易之都20樓01–02室

開曼群島主要股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

主要往來銀行

南洋商業銀行有限公司
香港
德輔道中151號

網站

www.wahwoalum.com

股份代號

9938

Chairman's Statement

主席報告

To all shareholders:

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Wah Wo Holdings Group Limited (the “**Company**”), I am pleased to present the annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2020 (the “**Year**”).

On 17 January 2020 (the “**Listing Date**”), the shares of the Company (the “**Shares**”) were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing**”), marking an important milestone of the Group and laying a solid foundation for our future development. On behalf of the Group, I would like to extend our sincere appreciation to all parties for their assistance in our business buildup over the years, as well as in facilitating the listing of the Shares on the Stock Exchange.

The Group is a Hong Kong-based contractor engaged in façade works, which mainly include windows, window wall system, curtain wall system and other façade members. We principally provide design and build services for new buildings and renovation services for built premises.

The Group's revenue for the Year amounted to approximately HK\$245.5 million, representing an increase of approximately HK\$12.5 million or 5.4% as compared with approximately HK\$233.0 million for the year ended 31 March 2019. Such increase was mainly driven by revenue contributed by some of our existing projects in execution-peak stage during the Year. The Group recorded a lower net profit of approximately HK\$27.7 million for the Year as compared to approximately HK\$33.2 million for the year ended 31 March 2019. Such decrease was mainly due to the increase in non-recurring listing expenses and administrative expenses during the Year.

Uncertainties continue to loom over the global economy, including China-U.S. trade tensions, the outbreak of the novel coronavirus disease (the “**COVID-19**”) and local social incidents in Hong Kong, may weigh on the overall construction market in Hong Kong. Specifically, the Chinese government and Hong Kong government have introduced mandatory quarantine and new border control measures to prevent the spread of the COVID-19, hindering the production and logistics of construction materials. Looking forward, we will remain committed to pursuing our long-term goals and sustainable development despite challenges and keen competition among the industry. The Board will efficiently utilize and manage its resources, including proactively bidding for profitable projects and taking different cost-saving measures, to mitigate any adverse impacts on the Group.

致各位股東：

本人謹代表華和控股集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)欣然提呈本公司及其附屬公司(統稱「**本集團**」)截至2020年3月31日止年度(「**本年度**」)的年度業績。

於2020年1月17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股份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外牆工程的承判商，工程類型主要為窗戶、窗口牆系統、幕牆系統及其他外牆組件。我們現專注於就新建樓宇提供設計及建造服務及就現有樓宇提供翻新服務。

本集團於本年度的收益達約245.5百萬港元，較截至2019年3月31日止年度的約233.0百萬港元增加約12.5百萬港元或5.4%。該增加主要是由於受年內我們處於高峰期的部分現有項目所貢獻的收益驅動所致。較截至2019年3月31日止年度的約33.2百萬港元，本集團於本年度錄得較低純利約為27.7百萬港元。有關減少乃主要由於年內非經常性上市開支及行政開支增加所致。

全球的經濟仍有不明朗因素，包括中美貿易關係轉趨緊張，新型冠狀病毒疫情(「**COVID-19**」)爆發以及香港本地社會事件皆或會對香港整體建築市場施加壓力。具體影響如中國政府及香港政府分別引進強制檢疫及新的邊境管制措施以防止新型冠狀病毒傳播，阻礙了建築材料的生產及物流。展望未來，儘管行業存在挑戰及激烈的競爭，我們仍將不忘我們的長遠目標及可持續發展。董事會將善用及管理其資源，包括積極投取具盈利的項目以及採取不同的節流措施，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 convey our heartfelt gratitude to our committed staff and Directors for their dedication and contributions. I also wish to express our sincere appreciation to our distinguished shareholders, customers, suppliers, business partners and management team for their continuous support and trust.

On behalf of the Board

Mr. Chen Yuet Wa

Chairman and Chief Executive Officer

Hong Kong, 30 June 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，亦向各位尊貴的股東、客戶、供應商、業務夥伴、管理團隊的持續支持及信任表達誠摯的感謝。

代表董事會

陳越華先生

主席兼行政總裁

香港，2020年6月30日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW AND OUTLOOK

The Group is an established contractor engaged in façade works with a focus on window in Hong Kong. Façade works can be classified into window, window wall system, curtain wall system and other façade members. We principally provide design and build services for new buildings and renovation services for built premises. Our services generally include developing designs, conducting structural calculations and preparing shop drawings, as well as management and coordination of various aspects of a project which involve procurement of building materials from material suppliers and/or subcontracting of installation works to our subcontractors, on-site project management and post-project completion and maintenance services.

Our design and build services are typically conducted on new buildings and involve the installation of windows and other façade components such as metal doors, louvres, balustrades, grilles and canopy (referred to as “**design and build projects**”). Our renovation services on the other hand are typically conducted on built premises and usually involve the repair, replacement, upgrade or maintenance of windows, metal doors and other façade components (referred to as “**renovation projects**”). We provide design and build services and renovation services for different types of buildings, including residential apartments, commercial buildings, retail premises, universities and hotels in Hong Kong. These different types of buildings can be broadly classified as (i) residential buildings; and (ii) non-residential buildings.

On 17 January 2020, the shares of the Company were successfully listed on the Main Board of the Stock Exchange, making an important milestone of the Company’s business.

As at 31 March 2020, the Group has a total of 11 ongoing projects, each with an awarded contract sum (exclusive of variation orders) of over HK\$5 million. The aggregate contract sums (inclusive of variation orders and contract sum adjustments as at 31 March 2020) of these ongoing projects as at 31 March 2020 amounted to approximately HK\$798.9 million.

業務回顧與展望

本集團為一家於香港發展成熟的外牆工程承判商，專注窗戶方面。外牆工程可分為窗戶、窗口牆系統、幕牆系統及其他外牆組件。我們專注於就新建樓宇提供設計及建造服務及就現有樓宇提供翻新服務。我們的服務通常包括準備設計、進行結構計算及繪製施工圖以及項目各方面的管理及統籌，當中包括自材料供應商採購建築材料及／或分包安裝工程予我們的次承判商、現場項目管理及項目後竣工及維修服務。

我們的設計及建造服務通常在新建樓宇上進行，並涉及窗戶及其他外牆部件的安裝，例如金屬門、百葉窗、欄杆、格柵及天篷（統稱「**設計及建造項目**」）。另一方面，我們的翻新服務通常在現有樓宇上進行，通常涉及窗戶、金屬門及其他外牆部件的維修、更換、升級或維護（統稱「**翻新項目**」）。我們為不同類型的建築物提供設計、建造服務及翻新服務，包括香港的住宅公寓、商業建築、零售店、大學及酒店。該等不同類型的建築物大致可分為(i)住宅樓宇及(ii)非住宅樓宇。

於2020年1月17日，本公司股份成功在聯交所主板上市，成為本公司業務的重要里程碑。

於2020年3月31日，本集團共有11個在建項目，各自合約總金額均超過（不包括變更訂單）5百萬港元。該等在建項目於2020年3月31日的合約總金額（包括於2020年3月31日的變更訂單及合約總額調整）為約798.9百萬港元。

Management Discussion and Analysis

管理層討論與分析

It has been a challenging year to the Group as the business environment in Hong Kong was adversely affected by the uncertainties due to the continuous social incidents in Hong Kong since the mid of 2019 and the impact of COVID-19 pandemic since early 2020. Due to the outbreak of the COVID-19, progress of certain projects were being delayed as (i) certain main contractors of the Group has postponed the schedule of resumption of work at work sites after the Chinese New Year and (ii) the Group had experienced temporary insufficient supply of construction materials due to delay in the supply chain logistics from the People's Republic of China. The supply of construction materials was gradually resumed before the end of the Group's financial year. The Directors are aware that apart from the challenges posed by the above factors, the Group also encountered greater competition and faced greater pressure when bidding for new projects among the industry.

Looking forward, the outbreak of the COVID-19 following months of social unrest will likely lead to a further contraction of the economy of Hong Kong in 2020. In light of these, the Group has introduced the use of new technology in 3D model-based process to improve the efficiency in design and shop drawings process. We will also actively explore any possible vertical expansion opportunities to ensure a stable supply of construction materials. Capitalised on our expertise and industry experience and extensive supplier network, the Group will continue to actively explore and consider any suitable development opportunities in the industry that can broaden our revenue base and are beneficial to the Group and its shareholders as a whole.

自2019年年中以來香港持續發生社會事件以及2020年年初COVID-19疫情爆發引發的不確定因素對香港的營商環境造成不利影響，對本集團而言，本年度充滿挑戰。由於爆發COVID-19疫情，若干項目的進度被推遲，原因為：(i)本集團若干主承判商推遲了農曆新年後工地的復工時間表；以及(ii)由於中華人民共和國的供應鏈物流延遲，本集團暫時出現建築材料供應不足的情況。建築材料的供應已於本集團財政年度結束前逐步恢復。董事意識到，除上述因素帶來的挑戰外，本集團在行業中競標新項目時亦遇到了更大的競爭並面臨更大的壓力。

展望未來，在數月的社會動盪之後爆發的COVID-19可能會導致香港經濟在2020年進一步萎縮。有鑒於此，本集團已就基於3D模型的流程引入新技術的使用，以提高設計及繪製施工圖流程的效率。我們亦將積極探索任何可能的縱向擴展機會，以確保穩定的建築材料供應。憑藉我們的專業知識及行業經驗以及廣泛的供應商網絡，本集團將繼續積極探索並考慮行業內可擴大我們的收益基礎及對本集團及其股東整體有利的任何適宜的發展機會。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$12.5 million or approximately 5.4% from approximately HK\$233.0 million for the year ended 31 March 2019 to approximately HK\$245.5 million for the year ended 31 March 2020. The increase in revenue was mainly driven by the revenue contributed by some of our existing projects in execution-peak stage during the Year.

Gross Profit and Gross Profit Margin

The gross profit of the Group for the Year amounted to approximately HK\$60.9 million, representing an increase of approximately 9.0% as compared with approximately HK\$55.9 million for the year ended 31 March 2019. The Group's gross profit margin for the Year was approximately 24.8%, as compared with approximately 24.0% for the year ended 31 March 2019. 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\$1.3 million, representing an increase of approximately 175.0% or HK\$805,000 as compared with approximately HK\$460,000 for the year ended 31 March 2019. The increase was primarily due to the increase in bank interest income generated from bank deposits and the government grants received from The Government of the Hong Kong Special Administrative Region for the Year.

Administrative Expenses

The administrative expenses (excluding non-recurring listing expenses of approximately HK\$15.0 million) of the Group for the Year amounted to approximately HK\$11.6 million, representing an increase of approximately 39.8% as compared with approximately HK\$8.3 million for year ended 31 March 2019. 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 the Year and the general increment in salaries and bonus for the Directors and administrative, accounting and finance staff; and (ii) the increase in professional fee.

財務回顧

收益

本集團的收益由截至2019年3月31日止年度約233.0百萬港元增加約12.5百萬港元或約5.4%至截至2020年3月31日止年度約245.5百萬港元。收益增加主要由於本年度處於執行高峰階段的若干現有項目貢獻的收益所致。

毛利和毛利率

本集團於本年度的毛利約為60.9百萬港元，較截至2019年3月31日止年度約55.9百萬港元增加約9.0%。本集團本年度的毛利率約為24.8%，而截至2019年3月31日止年度則約為24.0%。毛利增加主要是由於如上所述的收益增加，而本集團的毛利率仍基本保持穩定。

其他收入

本集團於本年度的其他收入約為1.3百萬港元，較截至2019年3月31日止年度約460,000港元增加約175.0%或805,000港元。該增加主要是由於本年度銀行存款所產生的銀行利息收入及自香港特別行政區政府收取的政府補貼增加所致。

行政開支

本集團於本年度的行政開支（不包括非經常性上市開支約15.0百萬港元）約為11.6百萬港元，較截至2019年3月31日止年度約8.3百萬港元增加約39.8%。該增加主要歸因於(i)本年度加入我們的行政、會計及財務人員增加以及董事及行政、會計及財務人員的薪金及花紅普遍增加導致行政人員成本（包括董事酬金）增加；及(ii)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\$116,000, representing a decrease of approximately 28.8% as compared with approximately HK\$163,000 for the year ended 31 March 2019. The decrease was mainly attributable to the repayment of bank borrowings during the Year.

Profit for the year

Profit attributable to owners of the Company for the Year decreased by approximately HK\$5.6 million or approximately 16.7% from approximately HK\$33.2 million for the year ended 31 March 2019 to approximately HK\$27.7 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\$15.0 million incurred during the Year (2019: approximately HK\$7.5 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 March 2020, the Company's issued capital was HK\$10,000,000 and the number of its issued ordinary shares was 1,000,000,000 of HK\$0.01 each.

As at 31 March 2020, the Group had total cash and bank balances of approximately HK\$182.1 million (2019: approximately HK\$25.2 million). There were no bank borrowings of the Group as at 31 March 2020 (2019: approximately HK\$5.9 million). All bank borrowings as at 31 March 2019 were denominated in Hong Kong dollars. Interests were charged at floating rates. The Group did not carry out any interest rate hedging policy.

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.

融資成本

本集團於本年度的融資成本約為116,000港元，較截至2019年3月31日止年度約163,000港元減少約28.8%。該減少主要由於本年度償還銀行借款。

年內溢利

本年度本公司擁有人應佔溢利由截至2019年3月31日止年度約33.2百萬港元減少約5.6百萬港元或約16.7%至本年度約27.7百萬港元。本集團於本年度的純利減少主要歸因於本年度產生的非經常性上市開支約15.0百萬港元(2019年：約7.5百萬港元)。

流動資金、財務資源與資本架構

股份於上市日期成功在聯交所主板上市，此後本集團的股本架構並無變動。

於2020年3月31日，本公司的已發行股本為10,000,000港元，已發行普通股數目為1,000,000,000股，每股面值0.01港元。

於2020年3月31日，本集團的現金及銀行結餘總額約為182.1百萬港元(2019年：約25.2百萬港元)。於2020年3月31日，本集團無銀行借款(2019年：約5.9百萬港元)。於2019年3月31日，所有銀行借款均以港元計值。利息以浮動利率收取。本集團未執行任何利率對沖政策。

庫務政策

本集團採取審慎之財務庫務政策。董事會密切監控本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構始終能夠滿足其資金需求。

Management Discussion and Analysis

管理層討論與分析

PLEDGE OF ASSETS

As at 31 March 2020, the Group had approximately HK\$4.4 million of time deposits pledged for banking facilities.

As at 31 March 2019, the Group's banking facilities were secured by (i) the pledge of an industrial property of Ms. Wong Chun Siu, the spouse of the Mr. Chen Yuet Wa (the **"Controlling Shareholder"**); (ii) the pledge of a residential property of the Controlling Shareholder; (iii) the pledge of a time deposit of the Controlling Shareholder of approximately HK\$7 million; (iv) the pledge of time deposits of the Group of approximately HK\$9.9 million; and (v) a personal insurance policy of the Controlling Shareholder. All these securities had been fully released and discharged before the Listing.

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 (2019: nil).

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2020, the Group employed a total of 68 employees (including Executive Directors and Independent Non-executive Directors), as compared to a total of 53 employees as at 31 March 2019. Total staff costs which include Directors' emoluments for the Year were approximately HK\$29.4 million (2019: approximately HK\$24.9 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.

資產抵押

於2020年3月31日，本集團就銀行融資抵押約4.4百萬港元的定期存款。

於2019年3月31日，本集團的銀行融資由以下各項作抵押(i)陳越華先生(「**控股股東**」)的配偶黃春笑女士的工業物業的押記；(ii)控股股東住宅物業的押記；(iii)控股股東的定期存款約7百萬港元的押記；(iv)本集團定期存款約9.9百萬港元的押記；及(v)控股股東之個人保險單。所有該等抵押均於上市前獲悉數解除及免除。

外匯風險

本集團主要於香港營運。大多數經營交易及收益以港元結算，而本集團的資產及負債主要以港元計值。由於以外幣計值的貨幣交易及資產所佔比例微不足道，故本集團於本年度並無訂立任何衍生工具協議，亦未使用任何金融工具對沖其外匯風險(2019年：無)。

僱員及薪酬政策

於2020年3月31日，本集團僱有合共68名僱員(包括執行董事及獨立非執行董事)，而2019年3月31日則有合共53名僱員。本年度，總員工成本(包括董事酬金)約為29.4百萬港元(2019年：約24.9百萬港元)。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。

Management Discussion and Analysis

管理層討論與分析

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. The Group strictly complies with the requirements of the Mandatory Provident Fund Schemes Ordinance in making mandatory contributions for its staff. Details of the retirement benefit scheme of the Group are set out in note 2.4 to the financial statements.

GEARING RATIO

As at 31 March 2020, the gearing ratio (calculated as total debts (including bank borrowings and lease liability) divided by the total equity) was approximately 0.3% (2019: approximately 5.7%).

CAPITAL EXPENDITURE

During the Year, the Group invested approximately HK\$112,000 on the acquisition of property, plant and equipment. Capital expenditure was principally funded by internal resources.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2020 and 2019, the Group had no material capital commitments.

As at 31 March 2020, contingent liabilities not provided for in the financial statements are guarantees given to a bank for surety bonds of approximately HK\$4.4 million (2019: approximately HK\$42.6 million).

In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. The Directors of the Company are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

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.

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

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

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。本集團嚴格遵守強制性公積金計劃條例的規定，為其員工作出強制性供款。本集團退休福利計劃的詳情載於財務報表附註2.4。

資產負債比率

於2020年3月31日，資產負債比率(按債務總額(包括銀行借款及租賃負債)除以權益總額計算)約為0.3%(2019年：約5.7%)。

資本開支

於本年度，本集團投資約112,000港元用於收購物業、廠房及設備。資本開支主要由內部資源提供資金。

資本承擔及或然負債

於2020年及2019年3月31日，本集團並無重大資本承擔。

於2020年3月31日，未於財務報表撥備的或然負債為向銀行作出的履約保證擔保約4.4百萬港元(2019年：約42.6百萬港元)。

在本集團建造業務的日常過程中，本集團或本集團次承判商的僱員因在受僱期間發生意外導致人身傷害而向本集團提出若干索賠。本公司董事認為，有關索賠屬於保險的承保範圍，不會對本集團的財務狀況、業績及經營構成任何重大不利影響。

有關附屬公司及聯營公司之重大收購及出售事項

本集團於本年度並無有關附屬公司或聯營公司之重大收購及出售事項。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司自上市日期起及直至本報告日期止概無購買、出售或贖回本公司任何上市證券。

Management Discussion and Analysis

管理層討論與分析

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 “**Prospectus**”) of the Company dated 31 December 2019, the Group does not have any other plans for material investments or capital assets.

USE OF PROCEEDS FROM THE LISTING

The net proceeds from the Listing amounted to approximately HK\$78.9 million (after deducting the underwriting fees and commissions and all related expenses), which is slightly lower than the estimated net proceeds of approximately HK\$82.5 million as disclosed in the announcement of allotment results of the Company dated 16 January 2020 (the “**Allotment Results**”). The net proceeds has been adjusted in the same manner and same proportion to the use of proceeds as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. An analysis of the utilisation of the net proceeds up to 31 March 2020 is set out below:

所持重大投資

於本年度，本集團並無持有任何重大投資。

重大投資或資本資產的未來計劃

除本公司日期為2019年12月31日的招股章程(「招股章程」)「未來計劃及所得款項用途」一節所披露者，本集團概無任何其他重大投資或資本資產的計劃。

上市所得款項用途

上市所得款項淨額(扣除包銷費用及佣金以及所有相關開支)約為78.9百萬港元，略低於本公司日期為2020年1月16日之分配結果(「分配結果」)公告所披露之估計所得款項淨額約82.5百萬港元。該所得款項淨額已按招股章程「未來計劃及所得款項用途」一節所披露的所得款項用途的相同方式及相同比例調整。直至2020年3月31日動用所得款項淨額之分析載列如下：

		Estimated net proceeds as per Allotment Results 根據分配結果 所得之估計 所得款項淨額 HK\$ million 百萬港元	Adjusted net proceeds from the Listing 經調整上市 所得款項淨額 HK\$ million 百萬港元	Actual utilised amount from the Listing date to 31 March 2020 自上市日期至 2020年 3月31日 實際動用金額 HK\$ million 百萬港元	Unutilised amount as at 31 March 2020 於 2020年 3月31日 未動用金額 HK\$ million 百萬港元
Satisfying surety bond requirement	支付書面保證要求	32.7	31.2	–	31.2
Upfront costs of our awarded projects	獲授項目的前期成本	32.8	31.4	2.0	29.4
Expansion of project management team, design team, supporting staff and rent a new office	擴大項目管理團隊、設計團隊、支援人員，並租賃新辦公室	12.0	11.5	0.1	11.4
General working capital	一般營運資金	5.0	4.8	–	4.8
		82.5	78.9	2.1	76.8

Management Discussion and Analysis

管理層討論與分析

The unutilised net proceeds as at 31 March 2020 are placed as interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong.

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. As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds and the unutilised net proceeds will be applied and utilised in the manner consistent with the proposed allocations and the proposed timeline.

RISKS AND UNCERTAINTIES

The Group believes that the risk management practices are important and uses its best effort to ensure it has sufficiently mitigated the risks present in our operations and financial position as efficiently and effectively as possible.

- Our projects are non-recurring in nature and we generally have to go through competitive tendering or quotation process to secure new projects. Failure to continuously secure new projects could materially affect our sustainability and financial performance;
- Mismanagement or delay of project may materially affect our reputation and financial performance;
- We rely on building material suppliers and subcontractors to implement our projects;
- Under-performance by subcontractors or unavailability of subcontractors may adversely affect our operations, profitability and reputation;
- There may be net cash outflow during certain periods of our operations due to payment practice and this may affect our ability to secure new projects and expand our business;
- Changes in the supply and costs of building materials, subcontracting fees and other costs overruns may materially and adversely affect our operations and profitability; and
- Our success significantly depends on the key management and our ability to attract and retain additional facade works design team staff.

For other risks and uncertainties the Group facing, please refer to the section headed "Risk Factors" in the Prospectus.

於2020年3月31日，尚未動用的所得款項淨額乃作為計息存款存放於香港認可金融機構或持牌銀行。

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。於本報告日期，董事預計毋須對所得款項用途的計劃作出修改，且未動用所得款項淨額將按與建議分配一致的方式及擬定時間表應用及動用。

風險及不明朗因素

本集團認為風險管理實踐乃屬重要並盡最大努力確保已有效地充分降低經營及財務狀況面臨的風險。

- 我們的項目屬非經常性質，我們一般必須經過競爭激烈的投標或報價程序取得新項目。不能持續取得新項目或會嚴重影響我們的可持續性及財務表現；
- 項目管理不善或延誤或會對我們的聲譽及財務表現造成重大影響；
- 我們依賴建築材料供應商及次承判商以實行我們的項目；
- 次承判商表現欠佳或找不到次承判商或會對我們的經營、盈利能力及聲譽造成不利影響；
- 由於付款慣例，於我們經營的某些期間可能會產生現金流出淨額，這可能會影響我們取得新項目及拓展業務的能力；
- 建築材料供應及成本變動、分包費用及其他成本超支可能對我們的營運及盈利能力造成重大不利影響；及
- 我們的成功很大程度上取決於主要管理層以及我們吸引及挽留額額外牆工程設計團隊員工的能力。

有關本集團面臨的其他風險及不確定性，請參閱招股章程「風險因素」一節。

Report of the Directors

董事會報告

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company and through its subsidiaries, is principally engaged in the provision of aluminium works and related services in Hong Kong. Details and particulars of the Group's subsidiaries are set out in note 1 to the financial statements. There was no significant change in the Group's principal activities during the Year.

BUSINESS REVIEW

The review of the business of the Group for the Year and the discussion on the Group's business development are set out in the sections headed "Management Discussion and Analysis" and "Chairman's Statement" on pages 6 to 13, and pages 4 to 5 of this annual report, respectively. The Group's segment information and revenue for the Year are set out in notes 4 and 5 to the financial statements. The Group's key relationship with its stakeholders (including employees, customers and suppliers) who have a significant impact on the Group and on which the Group's success depends, is set out in this report. Principal risks and uncertainties facing the Group are set out in the section headed "Management Discussion and Analysis" on pages 6 to 13 of this annual report. These discussions form part of the Report of the Directors.

Environmental, Social and Governance Policies

The Group is committed to protecting the environment, fulfilling social responsibility and promoting employee benefits and development to achieve sustainable growth of its business. For more details of the Group's performances in environmental and social aspects, please refer to the "Environmental, Social and Governance Report" section of this annual report.

Compliance with Relevant Laws and Regulations

During the Year, the Group was not aware of material non-compliance with the relevant laws and regulations that had a significant impact on the business and operations of the Group.

董事會欣然向股東提呈本年度首份年報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，並透過其附屬公司主要於香港提供鋁質工程及相關服務。本集團附屬公司之詳情載於財務報表附註1。於本年度，本集團的主要業務活動並無重大變動。

業務回顧

本集團於本年度的業務回顧及本集團業務發展的討論分別載於本年報第6至13頁的「管理層討論與分析」一節及第4至5頁的「主席報告」一節。本集團於本年度的分部資料及收益載於財務報表附註4及5。本報告載列本集團與其具有重大影響的持份者（包括僱員、客戶及供應商）的主要關係，本集團的成功有賴該等持份者。本集團面臨的重大風險及不確定性載列於本年報第6至13頁的「管理層討論與分析」一節。該等討論構成董事會報告的一部分。

環境、社會及管治政策

本集團致力於保護環境、履行社會責任及提升僱員福利及發展，以實現其業務的可持續增長。有關本集團於環境及社會方面的表現的進一步詳情，請參閱本年報「環境、社會及管治報告」一節。

遵守相關法律及法規

於本年度內，本集團並不知悉嚴重違反對本集團業務及營運產生重大影響的相關法律及法規。

Report of the Directors

董事會報告

DIVIDEND POLICY

The Company has adopted a dividend policy, pursuant to which the Board, in declaring or recommending a payment of dividends, to allow shareholders of the Company to participate in the Company's profits whilst retains sufficient reserves for future growth of the Group.

The declaration and payment of any dividends by the Company would be subject to the Board's decision and any final dividend for a financial year of the Company would be subject to the shareholders' approval.

In deciding whether to recommend the payment of any dividends and the amount of any dividends, 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.

The payment of dividend by the Company is also subject to any restrictions under the Companies Law of the Cayman Islands and any other applicable laws, rules and regulations and the Articles of Association of the Company.

RESULTS AND DIVIDEND

The results of the Group for the Year and the state of affairs of the Company and of the Group as at 31 March 2020 are set out in the consolidated financial statements on pages 59 to 135 of this annual report. The Board has resolved not to recommend the declaration of final dividend to shareholders of the Company for the Year.

股息政策

本公司已採納股息政策，董事會據此宣派或建議派付股息，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。

本公司宣派及派付任何股息將視乎董事會決定而定，及本公司任一財政年度的任何末期股息須取得股東批准後方可作實。

董事會在決議是否建議派付任何股息及任何股息金額時將考慮（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。

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、規則及法規和本公司組織章程細則之任何限制。

業績及股息

本集團於本年度的業績以及本公司及本集團於2020年3月31日的事況載於本年報第59至135頁的綜合財務報表。董事會議決不建議就本年度向本公司股東宣派末期股息。

Report of the Directors

董事會報告

CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming annual general meeting is scheduled to be held on 24 August 2020 (the "AGM"). For determining eligibility to attend and vote at the AGM, the register of members of the Company will be closed from 19 August 2020 to 24 August 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 3 August 2020.

DONATION

Charitable donation made by the Group during the year ended 31 March 2020 amounted to approximately HK\$1 million (2019: Nil).

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 financial statements of this annual report.

MAJOR CUSTOMERS, SUBCONTRACTORS AND SUPPLIERS

The approximate percentages of the Group's revenue and cost of sales attributable to major customers and suppliers (which generally includes subcontractors and material suppliers) during the Year and year ended 31 March 2019 are as follows:

暫停辦理股份過戶登記手續

應屆股東週年大會預定於2020年8月24日舉行(「股東週年大會」)。為釐定出席股東週年大會並於會上投票的資格，本公司將由2020年8月19日至2020年8月24日(包括首尾兩日)期間暫停辦理股東登記手續，期間不會進行本公司的股份過戶登記。為出席股東週年大會及於會上投票，所有股份過戶文件連同相關股票必須最遲於2020年8月3日下午四時三十分前交回本公司香港股份過戶登記處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心54樓)。

捐款

本集團於截至2020年3月31日止年度作出的慈善捐款約為1百萬港元(2019年：無)。

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財務報表附註13。

主要客戶、次承判商及供應商

本集團主要客戶及供應商(通常包括次承判商及材料供應商)於本年度及截至2019年3月31日止年度應佔的收益及銷售成本的概約百分比如下：

		Year ended 31 March 2020 截至2020年 3月31日 止年度	Year ended 31 March 2019 截至2019年 3月31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	57.8	67.4
from the five largest customers in aggregate	五大客戶合共佔比	94.0	96.7
Approximate % of total cost of sales:	以下各項佔銷售成本總額 的概約百分比：		
from the largest supplier	最大供應商佔比	21.0	17.4
from the five largest suppliers in aggregate	五大供應商合共佔比	44.5	54.6

Report of the Directors

董事會報告

To the best of the knowledge of the Directors, none of the Directors, their close associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)) or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company’s issued share capital) had an any beneficial interest in these major customers or suppliers.

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.

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 main contractors for our design and build projects while we are mainly engaged by owners and tenants of properties, and their contractors for renovation projects. 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.

Subcontractors and Material Suppliers

The Group has developed a long-standing relationship with a number of subcontractors and material 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 subcontractors and material suppliers, the Group often requires them to satisfy certain criteria such as experience and capability, financial strength, track record, and reputation.

BANK BORROWINGS

Details of bank borrowings of the Group are set out in note 22 to the financial statements of this annual report.

就董事所深知，概無董事、彼等緊密聯繫人（定義見聯交所證券上市規則（「**上市規則**」））或就董事所知任何持有本公司已發行股本5%以上的股東於該等主要客戶或供應商中擁有任何實益權益。

與主要持份者的關係

董事認為僱員、客戶、次承判商及供應商對本集團的可持續發展至關重要。

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

本集團主要客戶包括我們設計及建築項目的主承包商，同時我們主要受聘於物業擁有人及租戶以及彼等裝修項目的承包商。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。

次承判商及材料供應商

本集團已與眾多次承判商及材料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。本集團於挑選次承判商及材料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。

銀行借款

有關本集團銀行借款的詳情載於本年報財務報表附註22。

Report of the Directors

董事會報告

SHARE CAPITAL

Details of movements during the Year in the share capital of the Company are set out in note 25 to the financial statements of this annual report.

RESERVES

Details of movements in the reserves of the Company and Group during the Year are set out in note 33 to the financial statements and in the consolidated statement of changes in equity on page 62 of this annual report.

DISTRIBUTABLE RESERVES

As at 31 March 2020, the Company had distributable reserves amounted to approximately HK\$68.2 million.

DIRECTORS

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

Executive Directors

Mr. Chen Yuet Wa (*Chairman and Chief Executive Officer*)

Mr. Chan Fai

Independent Non-Executive Directors

Mr. Chow Chi Fai (appointed on 12 December 2019)

Mr. Chan Hon Ki (appointed on 12 December 2019)

Mr. Yu Chi Wing (appointed on 12 December 2019)

In accordance with article 84 of the Company's articles of association (the "Articles of Association"), Mr. Chai Fai and Mr. Chow Chi Fai will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company. 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 8 to the 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.

股本

本公司於本年度的股本變動詳情載於本年報財務報表附註25。

儲備

本公司及本集團於本年度的儲備變動詳情載於財務報表附註33及本年報第62頁的綜合權益變動表。

可用於分配的儲備

於2020年3月31日，本公司可用於分配的儲備約為68.2百萬港元。

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

陳越華先生(主席及行政總裁)

陳輝先生

獨立非執行董事

周志輝先生(於2019年12月12日獲委任)

陳漢淇先生(於2019年12月12日獲委任)

于志榮先生(於2019年12月12日獲委任)

根據本公司組織章程細則(「組織章程細則」)第84條，陳輝先生及周志輝先生將於本公司應屆股東週年大會退任並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財務報表附註8。

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。

Report of the Directors

董事會報告

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.

Each of the independent non-executive Directors have entered into a letter of appointment with the Company for a term of two years commencing from the Listing Date, unless terminated by not less than three 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.

MANAGEMENT CONTRACTS

During the Year, no contract, other than the Directors' service contracts and appointment letters, 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 notes 8 and 9 to the financial statements.

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於三個月之書面通知予以終止。

各獨立非執行董事均已與本公司訂立委任函，任期自上市日期起為期兩年，惟由其中一方向另一方發出至少三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。

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(董事服務合約及委任函除外)。

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財務報表附註8及9。

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 March 2020, 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 our Shares

Name of Director 董事姓名	Capacity/Nature 身份／性質	Number of Shares 股份數目	Percentage of shareholding 股權百分比
Mr. Chen Yuet Wa 陳越華先生	Interest in a controlled corporation (note) 受控制法團權益(附註)	750,000,000	75%

Note: 750,000,000 Shares are registered in the name of Ornate Bright Limited ("Ornate Bright"), the entire issued capital of which is legally and beneficially owned by Mr. Chen Yuet Wa, our executive Director. By virtue of the SFO, Mr. Chen Yuet Wa is deemed to be interested in all the Shares held by Ornate Bright.

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2020年3月31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十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) 於本公司股份的好倉

附註：750,000,000股股份以華曜有限公司(「華曜」)的名義登記，其全部已發行股本由執行董事陳越華先生合法實益擁有。根據證券及期貨條例，陳越華先生被視作於華曜持有的所有股份中擁有權益。

(ii) Long position in the shares of associated corporation

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/Nature 身份／性質	Number of share held 所持股份數目	Percentage of Interest 權益百分比
Mr. Chen Yuet Wa 陳越華先生	Ornate Bright 華曜	Beneficial Owner 實益擁有人	1	100%

(ii) 於相聯法團股份的好倉

Save as disclosed above, as at 31 March 2020, 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 recorded in the register required to be kept under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange under the Model Code.

除上文所披露者外，於2020年3月31日，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。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2020, 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:

LONG POSITION IN THE SHARES

Name 名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares held 所持股份數目	Percentage of interest 權益百分比
Ornate Bright 華曜	Beneficial owner (note 1) 實益擁有人(附註1)	750,000,000	75%
Ms. Wong Chun Siu 黃春笑女士	Interest of spouse (note 2) 配偶權益(附註2)	750,000,000	75%

Notes:

- Ornate Bright is wholly-owned by Mr. Chen Yuet Wa.
- Ms. Wong Chun Siu is the spouse of Mr. Chen Yuet Wa and is deemed or taken to be interested in all the Shares in which Mr. Chen Yuet Wa has, or is deemed to have, an interest for the purposes of the SFO.

Save as disclosed above, as at 31 March 2020, 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.

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.

主要股東於股份及相關股份的權益及短倉

於2020年3月31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：

於股份之好倉

附註：

- 華曜由陳越華先生全資擁有。
- 黃春笑女士為陳越華先生的配偶，就證券及期貨條例而言，黃春笑女士被視為或被當作於陳越華先生擁有或視為擁有權益的所有股份中擁有權益。

除上文所披露者外，於2020年3月31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。

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)之任何業務或權益與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其他利益衝突而須根據上市規則第8.10條予以披露。

Report of the Directors

董事會報告

NON-COMPETITION UNDERTAKING

Each of Mr. Chen Yuet Wa and Ornate Bright, which is beneficially and wholly owned by Mr. Chen Yuet Wa, as a covenantor (each a “**Covenantor**”, collectively, “**Covenantors**”) entered into a non-competition undertaking dated 12 December 2019 in favour of the Group (the “**Non-Competition Undertaking**”).

Each of the Covenantors 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 Undertaking. The Independent Non-executive Directors have also reviewed the compliance of the Non-Competition Undertaking from the Covenantors and were satisfied that the Covenantors have complied with the Non-Competition Undertaking from the Listing Date to the date of this report.

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 of Association, 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.

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.

不競爭承諾

陳越華先生與由陳越華先生實益及全資擁有的華曜(作為契諾人)(各自為「契諾人」，統稱「契諾人」)訂立日期為2019年12月12日以本集團為受益人的不競爭承諾(「不競爭承諾」)。

各契諾人已向本公司作出年度聲明，自上市日期起直至本年報日期，其一直遵守不競爭承諾條款。獨立非執行董事亦已審閱契諾人的不競爭承諾遵守情況，並信納契諾人已自上市日期至本報告日期已遵守不競爭承諾。

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。

根據組織章程細則，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。

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。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, 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.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, no contract of significance to which the Company, its holding companies, or any of its subsidiaries was a party, and in which the controlling shareholders' of the Company or any of its subsidiaries 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.

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.

CONNECTED/RELATED PARTY TRANSACTIONS

During the Year, there were no connected transactions or continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules which are required to comply with any of the reporting, announcement or independent Shareholders' approval requirements under the Listing Rules. Details of the significant related party transactions undertaken in the normal course of business are set out in the note 29 to the financial statements of this annual report. None of the related party transactions as disclosed constituted disclosable non-exempted connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules and the Company had complied with the relevant requirements of Chapter 14A of the Listing Rules during the Year.

董事於重大交易、安排或合約的權益

除另有披露者外，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。

控股股東於重大合約的權益

除另有披露者外，於本年度末或本年度內任何時間概無存續本公司、其控股公司或其任何附屬公司為訂約方而本公司或其任何附屬公司控股股東於當中直接或間接擁有重大權益的任何重大合約。

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。

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。

關連／關聯方交易

於本年度內，本公司並無進行上市規則第14A章所指須遵守上市規則項下的任何申報、公告或獨立股東批准規定的關連交易或持續關連交易。於正常業務過程中進行的重大關聯方交易詳情載於本年報財務報表附註29。概無所披露的關聯方交易構成上市規則第14A章下須予披露非獲豁免關連交易或持續關連交易，且本公司於本年度已遵守上市規則第14A章下有關規定。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

The share option scheme was conditionally adopted by the Company on 12 December 2019 (the **"Share Option Scheme"**) and shall be valid until 12 December 2029. Pursuant to the Share Option Scheme, certain eligible participants including, among others, the Directors and employees of the Group may be granted option to subscribe for shares. 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. A Summary of principal terms of the Share Option Scheme is set out in the paragraph headed "D. Share Option Scheme" in Appendix IV to the Prospectus.

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 100,000,000 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.

An offer of the grant of a share option shall be accepted by the eligible participants within a period of seven days from the date of offer of grant of the 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 seven days.

Unless approved by Shareholders in a general meeting, the amount of Shares which can be awarded to a substantial Shareholder or an independent non-executive Director or their respective associates in the Share Option Scheme in the 12-month period up to and including the date of such grant for any particular aforementioned person in aggregate, is at maximum 0.1% of the Shares in issue and having an aggregate value, based on the closing price of the Shares at the date of each grant, of a maximum of HK\$5.0 million.

購股權計劃

本公司於2019年12月12日有條件採納購股權計劃（「購股權計劃」）及有效期直至2029年12月12日止。根據購股權計劃，若干合資格參與者，包括（其中包括）本集團董事及僱員，可能獲授認購股份的購股權。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有價值的人力資源。購股權計劃的主要條款概要載於招股章程附錄四「D. 購股權計劃」一段。

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100,000,000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。

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7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7日內繳付。

除非在股東大會上獲得股東批准，否則於購股權計劃十二個月期間內直至上述任何特定人士授出日期（包括該日）可授予主要股東或獨立非執行董事或其各自聯繫人的股份數量最多為已發行股份的0.1%，且根據各授出日期的股份收市價計算，其總價值最高為5.0百萬港元。

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 be such price as determined by the Board and 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 of the option, 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 of the option; or (iii) the nominal value of a Share.

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 March 2020.

EQUITY-LINKED AGREEMENTS

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

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.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief or exemption available to the Shareholders by reason of their holdings of the Company's securities.

COMPLIANCE ADVISER'S INTERESTS

As notified by the Company's compliance adviser, First Shanghai Capital Limited ("First Shanghai"), as at 31 March 2020, except for the compliance adviser agreement entered into between the Company and First Shanghai dated 23 August 2019, neither First Shanghai 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 Listing Rules.

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應為董事會釐定的價格及不得少於以下之最高者：(i) 於授出購股權日期(須為交易日)股份於聯交所每日報價表所報收市價；(ii) 股份於緊接授出購股權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。

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2020年3月31日尚未行使。

股權掛鈎協議

除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。

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。

稅項減免及豁免

本公司並不知悉有任何因持有本公司證券而獲授的稅項減免或豁免。

合規顧問權益

據本公司合規顧問第一上海融資有限公司(「第一上海」)所告知，於2020年3月31日，除本公司與第一上海於2019年8月23日訂立之合規顧問協議外，第一上海及其董事、僱員或緊密聯繫人士概無於本公司擁有根據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

AUDIT COMMITTEE

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 March 2020.

INDEPENDENT AUDITORS

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

CORPORATE GOVERNANCE

The details of the Group's corporate governance practices are set out in the section headed "Corporate Governance Report" from pages 30 to 41 of this annual report.

On behalf of the Board

Chen Yuet Wa

Chairman and Chief Executive Officer

Hong Kong, 30 June 2020

審核委員會

審核委員會已審閱本集團截至2020年3月31日止年度的已審核綜合財務報表。

獨立核數師

安永會計師事務所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

有關本集團遵守企業管治常規的詳情載於本年報第30至41頁的「企業管治報告」一節。

代表董事會

主席兼行政總裁

陳越華

香港，2020年6月30日

Biographies of the Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Chen Yuet Wa, aged 42, is the founder of our Group, our Chairman, our executive Director, our chief executive officer and one of our Controlling Shareholders. He is also the chairperson of our nomination committee and a member of our remuneration committee. He is primarily responsible for overall business strategy, annual budget proposals and major business decision of our Group. He is also a director of each of our Group's subsidiaries.

Mr. Chen Yuet Wa found our Group in May 2007 and has more than 13 years of experience in the façade works industry. In April 2002, he established Wa Kee Company, a sole proprietorship in Hong Kong which principally engaged in the provision of aluminum window works in Hong Kong. Wa Kee Company subsequently ceased business in March 2011 after the establishment of Wah Kee in May 2007.

Mr. Chan Fai, aged 43, is one of our executive Directors. He is primarily responsible for project management and supervision of our subcontractors' work.

Mr. Chan has more than 18 years of experience in the construction industry in Hong Kong. Since April 2010, he has been working for our Group and is currently the general manager of Wah Kee.

Mr. Chan obtained a certificate of completion of apprenticeship issued by the director of apprenticeship in December 2002 and a higher diploma in building studies from the Vocational Training Council in July 2006.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chow Chi Fai, aged 49, was appointed as an independent non-executive Directors ("INED") on 12 December 2019. He is also the chairperson of our audit committee and a member of our remuneration committee. He is primarily responsible for supervising and providing independent judgment to our Board, our audit committee and remuneration committee.

Mr. Chow has over 20 years of experience in the accounting and finance industry. Since December 2008, he has been the financial controller and company secretary of Elife Holdings Limited (Stock Code: 223).

執行董事

陳越華先生，42歲，本集團的創辦人、主席、執行董事、行政總裁兼控股股東之一，亦為提名委員會主席及薪酬委員會成員。彼主要負責本集團的整體業務策略、年度預算方案及主要業務決策。彼亦為本集團各附屬公司的董事。

陳越華先生於2007年5月成立本集團，並於外牆工程行業擁有逾13年經驗。於2002年4月，彼於香港成立獨資企業華記公司，主要在香港從事提供鋁窗工程業務。於2007年5月成立華記後，華記公司隨後於2011年3月停止業務。

陳輝先生，43歲，為我們的執行董事之一。彼主要負責項目管理及監督次承判商工作。

陳輝先生於香港建築行業擁有逾18年經驗。自2010年4月起，彼一直任職於本集團，目前為華記總經理。

陳輝先生於2002年12月獲得由學徒事務署頒發的學徒畢業證書，且於2006年7月獲得職業訓練局建築學高級文憑。

獨立非執行董事

周志輝先生，49歲，於2019年12月12日獲委任為獨立非執行董事（「獨立非執行董事」）。彼亦為審核委員會主席及薪酬委員會成員。彼主要負責監督董事會、審核委員會及薪酬委員會並向其提供獨立判斷。

周先生於會計及金融業擁有逾20年經驗。2008年12月至今，彼一直擔任易生活控股有限公司（股份代號：223）財務總監及公司秘書。

Biographies of the Directors and Senior Management

董事及高級管理層履歷

Mr. Chow obtained a bachelor's degree in accountancy from the University of South Australia in Australia in June 1995. Mr. Chow was admitted as a member of Hong Kong Institute of Certified Public Accountants since March 1999.

Mr. Chan Hon Ki, aged 41, was appointed as an INED on 12 December 2019. He is also the chairperson of our remuneration committee and a member of our audit committee and nomination committee. He is primarily responsible for supervising and providing independent judgement to our Board, our audit committee, remuneration committee and nomination committee.

Mr. Chan has more than 14 years of accounting and auditing experience. Mr. Chan is currently the executive director, financial director, chief executive officer and joint company secretary of Aux International Holdings Limited (stock code: 2080) and the INED of Chen Lin Education Group Holdings Limited (stock code: 1593).

Mr. Chan obtained a bachelor of commerce degree in accountancy, finance and information systems, and business administration from the University of Canterbury in New Zealand in April 2000. He was admitted as a member of The Association of Chartered Certified Accountants in April 2004 and a member of the Hong Kong Institute of Certified Public Accountants in July 2012.

Mr. Yu Chi Wing, aged 36, was appointed as an INED on 12 December 2019. He is also a member of our audit committee and nomination committee. He is primarily responsible for supervising and providing independent judgement to our Board, our audit committee and nomination committee.

Mr. Yu has more than 15 years of advisory, accounting, taxation and auditing experience. In September 2016, Mr. Yu founded JR & Co., Certified Public Accountants. He is currently an INED of Fameglow Holdings Limited (Stock Code: 8603).

Mr. Yu obtained a bachelor of arts degree with a major in accountancy and a minor in corporate finance from the Hong Kong Polytechnic University in June 2005. He was admitted as a member in January 2012 and is currently a practising member of the Hong Kong Institute of Certified Public Accountants.

周先生於1995年6月獲澳洲南澳大學會計學學士學位。周先生自1999年3月起為香港會計師公會會員。

陳漢淇先生，41歲，於2019年12月12日獲委任為獨立非執行董事。彼亦為薪酬委員會主席以及審核委員會及提名委員會成員。彼主要負責監督董事會、審核委員會、薪酬委員會及提名委員會並向其提供獨立判斷。

陳先生擁有逾14年的會計及審計經驗。陳先生目前於奧克斯國際控股有限公司(股份代號：2080)擔任執行董事、財務總監、行政總裁及聯席公司秘書及於辰林教育集團控股有限公司擔任(股份代號：1593)獨立非執行董事。

陳先生於2000年4月獲得紐西蘭坎特伯雷大學會計、金融及信息系統商學學士學位。彼於2004年4月獲認可為特許公認會計師公會會員，並於2012年7月為香港會計師公會會員。

于志榮先生，36歲，於2019年12月12日獲委任為獨立非執行董事。彼亦為審核委員會及提名委員會成員。彼主要負責監督董事會、審核委員會及提名委員會並向其提供獨立判斷。

于先生擁有逾15年的諮詢、會計、稅務及審計經驗。于先生於2016年9月創辦卓翹會計師事務所。彼目前為亮晴控股有限公司(股份代號：8603)獨立非執行董事。

于先生於2005年6月獲得香港理工大學會計學學士學位，副修企業金融。彼於2012年1月獲認可為香港會計師公會會員且目前為執業會員。

Biographies of the Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Lam Mau Yuen, aged 47, is the senior design manager of our Group. He is responsible for overseeing general technical and engineering works, tender preparation and compliance matters. Mr. Lam has been working for our Group since March 2017. Prior to joining our Group, Mr. Lam worked for various construction and engineering related companies and he has more than 20 years of experience in the construction industry. Mr. Lam obtained a higher certificate in building studies from the Vocational Training Council in July 2002.

Mr. Lee Kai Ming, aged 31, is our financial controller and company secretary. He is responsible for overseeing our financial reporting, financial planning, treasury, financial control and company secretarial matters. Mr. Lee has over five years of experience in the accounting industry and he has been working for our Group since February 2018. Mr. Lee obtained a bachelor of business administration in accountancy from The Hong Kong Polytechnic University in October 2012. He was admitted as a certified public accountant of Hong Kong Institute of Certified Public Accountants in September 2016.

Mr. Lee Ka Keung, aged 36, is a senior quality control manager of our Group. He is primarily responsible for overseeing the execution of projects and supervising workers at construction sites. He has been working for our Group since June 2011. Prior to joining our Group, Mr. Lee worked for several construction companies and he has more than 10 years of experience in the construction industry in Hong Kong. Mr. Lee obtained a diploma and a higher diploma in building services engineering from the Vocational Training Council in July 2005 and February 2011, respectively. Mr. Lee completed a construction safety supervisor course organised by the Construction Industry Training Authority in November 2007.

高級管理層

林茂源先生，47歲，本集團的高級設計經理，彼負責監督一般技術和工程、招標籌備及合規事宜。自2017年3月起，林先生一直任職於本集團。加入本集團前，林先生曾於多間建築及工程相關公司工作且彼於建築行業擁有逾20年經驗。林先生於2002年7月獲得職業訓練局頒發的建築學高級文憑。

李啟明先生，31歲，為我們的財務總監兼公司秘書。彼負責監督財務報告、財務規劃、金庫、財務控制和公司秘書事務。李先生於會計行業擁有逾5年的經驗，且自2018年2月起，李先生一直任職於本集團。李先生於2012年10月獲得香港理工大學會計學工商管理學士學位。於2016年9月，彼獲認可為香港會計師公會的會計師。

李嘉強先生，36歲，本集團高級質量控制經理。彼主要負責監督項目執行及監管建築工地工人。自2011年6月起，彼一直任職於本集團。於加入本集團前，李先生於多間建築公司工作且彼於香港建築行業擁有逾10年經驗。李先生於2005年7月及2011年2月分別獲得職業訓練局屋宇裝備工程學文憑及高級文憑。於2007年11月，李先生完成由建造業訓練局舉辦的建造業安全督導員課程。

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.

The Company has adopted all the code provision in the Corporate Governance Code (the "CG Code") in Appendix 14 to the Listing Rules as its own code on corporate governance practices. 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.

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 five members, including two executive Directors and three independent non-executive Directors.

The composition of the Board is as follows:

Executive Directors

Mr. Chen Yuet Wa (*Chairman and Chief Executive Officer*)
Mr. Chan Fai

Independent Non-Executive Directors

Mr. Chow Chi Fai
Mr. Chan Hon Ki
Mr. Yu Chi Wing

Biographical details of each Director are set out on pages 27 to 29 of this annual report.

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持份者權益的基礎，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、問責精神及有效內部監控。

本公司已採納上市規則附錄14所載之企業管治守則（「企業管治守則」）的所有守則條文作為其自身的企業管治常規守則。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。

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。董事會由五名成員組成，包括兩名執行董事及三名獨立非執行董事。

董事會成員如下：

執行董事

陳越華先生（主席兼行政總裁）
陳輝先生

獨立非執行董事

周志輝先生
陳漢淇先生
于志榮先生

各董事之履歷詳情載於本年報第27至29頁。

Corporate Governance Report

企業管治報告

The Company has signed a letter of appointment with each of the independent non-executive Directors on 12 December 2019. The principal particulars of these appointment letters are (a) each of them agreed to act for an initial term of two year commencing from the Listing Date with a director's fee, which may be terminated by not less than three 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 the Articles of Association, 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.

No Board meeting was held during the period from the Listing Date to 31 March 2020.

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.

本公司已於2019年12月12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，初步為期兩年，且享有董事袍金，該委任函可由一方向另一方發出不少於三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。

根據組織章程細則，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。

自上市日期至2020年3月31日止期間，本公司並無舉行董事會會議。

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。

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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. Chen Yuet Wa. In view of Mr. Chen Yuet Wa'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. Chen Yuet Wa 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. 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.

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陳越華先生兼任。鑒於陳越華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，董事會相信由陳越華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。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。

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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.

The Directors confirmed that they have complied with the code provision A.6.5 of the CG Code on Directors' training. During the period under review, all Directors have participated in continuous professional development by attending seminars/in-house briefing/reading materials to develop and refresh their knowledge and skills.

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.

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:

Director 董事	Board Committee 董事委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Chen Yuet Wa	陳越華先生	—	M	C
Mr. Chan Fai	陳輝先生	—	—	—
Mr. Chow Chi Fai	周志輝先生	C	M	—
Mr. Chan Hon Ki	陳漢淇先生	M	C	M
Mr. Yu Chi Wing	于志榮先生	M	—	M

Notes:

C: Chairman of the relevant committees
M: Member of the relevant committees

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。

董事確認，彼等遵守有關董事培訓的企業管治守則第A.6.5條守則條文。於回顧期間，全體董事均通過參加研討會／內部簡報／閱讀材料參與職業的不斷發展，以發展及更新彼等的知識及技能。

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：

附註：

C — 相關委員會主席
M — 相關委員會成員

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AUDIT COMMITTEE

The Company established the Audit Committee on 12 December 2019 with written terms of reference in compliance with the Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Mr. Chow Chi Fai, Mr. Chan Hon Ki and Mr. Yu Chi Wing. Mr. Chow Chi Fai is the chairman of the Audit Committee. 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 auditors and approving the remuneration and terms of engagement of the external auditors; (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.

During the period from the Listing Date to 31 March 2020, the Audit Committee did not hold any meeting.

The Audit Committee met on 30 June 2020 and, among other matters, reviewed the Group's audited consolidated results for the Year including the accounting principles and practice adopted by the Group and recommended to the Board for consideration the same at the forthcoming AGM of the Company to be held on 24 August 2020.

NOMINATION COMMITTEE

The Company established the Nomination Committee on 12 December 2019 with written terms of reference in compliance with the CG Code. The Nomination Committee comprises two independent non-executive Directors, namely Mr. Chan Hon Ki and Mr. Yu Chi Wing, and one executive Director, namely Mr. Chen Yuet Wa. Mr. Chen Yuet Wa is the chairman of the Nomination Committee. 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.

審核委員會

本公司已於2019年12月12日參考上市規則及企業管治守則規定成立審核委員會並制定書面職權範圍。審核委員會由三名獨立非執行董事組成，即周志輝先生、陳漢淇先生及于志榮先生。周志輝先生為審核委員會主席。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。

於上市日期至2020年3月31日期間，審核委員會並未舉行任何會議。

審核委員會於2020年6月30日舉行會議，審議事項其中包括審核本集團本年度的經審核綜合業績，包括本集團採用的會計原則及慣例，並建議董事會於2020年8月24日即將舉行的本公司股東週年大會上審議前述業績。

提名委員會

本公司已於2019年12月12日遵照企業管治守則成立提名委員會並制定書面職權範圍。提名委員會由兩名獨立非執行董事(即陳漢淇先生及于志榮先生)，以及一名執行董事陳越華先生組成。陳越華先生為提名委員會主席。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。

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During the period from the Listing Date to 31 March 2020, the Nomination Committee did not hold any meeting.

The Nomination Committee held a meeting on 30 June 2020, among other matters, (i) reviewed the structure, size and composition of the Board; (ii) assessed the independence of the INEDs; and (iii) reviewed and made a recommendation on the re-election of Directors at the forthcoming AGM.

REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 12 December 2019 with written terms of reference in compliance with the Listing Rules and the CG Code. The Remuneration Committee comprises two independent non-executive Directors, namely Mr. Chan Hon Ki and Mr. Chow Chi Fai and one executive Director, namely Mr. Chen Yuet Wa. Mr. Chan Hoi Ki is the chairman of the Remuneration Committee. 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.

No remuneration committee meeting was held during the period from the Listing Date to 31 March 2020.

The Remuneration Committee held a meeting on 30 June 2020, among other matters, reviewed and recommended to the Board for consideration of certain remuneration-related matters of the Directors and senior management.

Full details of remuneration of the Directors and the five highest paid employees are set out in notes 8 and 9 to the financial statements of this annual report.

於上市日期至2020年3月31日期間，提名委員會並未舉行任何會議。

提名委員會於2020年6月30日舉行會議，審議事項其中包括(i)檢討董事會的結構、規模及組成；(ii)評估獨立非執行董事的獨立性；及(iii)於即將舉行的股東週年大會上檢討並就重選董事提出建議。

薪酬委員會

本公司已於2019年12月12日遵照上市規則及企業管治守則成立薪酬委員會並制定書面職權範圍。薪酬委員會由兩名獨立非執行董事（即陳漢淇先生及周志輝先生），以及一名執行董事陳越華先生組成。陳漢淇先生為薪酬委員會主席。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。

自上市日期至2020年3月31日止期間，本公司並無舉行薪酬委員會會議。

薪酬委員會於2020年6月30日舉行會議，審議事項其中包括檢討董事及高級管理層的若干薪酬相關事項及作出推薦建議供董事會考慮。

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財務報表附註8及9。

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

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
- 委員會或董事會可能不時釐定的任何其他相關因素。

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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.

COMPANY SECRETARY

Mr. Lee Kai Ming, was appointed as the company secretary on 12 December 2019. The company secretary reports to the chief executive officer directly and is responsible to the Board for ensuring that the Board procedures, applicable laws, rules and regulations are followed as well as the Board activities are efficiently and effectively conducted. He is also responsible for ensuring that the Board is fully appraised of the relevant corporate governance developments relating to the Group and facilitating the induction and professional development of the Directors. During the Year, Mr. Lee Kai Ming has undertaken no less than 15 hours of relevant professional training in accordance with Rule 3.29 of the Listing Rules.

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 auditors 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.

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。

公司秘書

李啟明先生於2019年12月12日獲委任為公司秘書。公司秘書直接向行政總裁報告，並對董事會負責，以確保遵循董事會的程序、適用法律、規則及規例以及高效及有效地開展董事會活動。彼亦負責確保董事會全面評估與本集團有關的相關企業管治發展，並促進董事的入職及專業發展。於本年度，李啟明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。

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於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關系統的有效性。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。

Corporate Governance Report

企業管治報告

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.

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.

AUDITORS' REMUNERATION

For the Year, Ernst & Young was engaged as the Group's independent auditors. The statement of the auditors 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 auditors, Ernst & Young, and its affiliated firms, in respect of their audit and non-audit services was as follows:

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供內部使用或刊發，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。

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，安永會計師事務所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安永會計師事務所及其聯屬公司的審核及非審核服務薪酬如下：

		HK\$'000 千港元
Audit services	審核服務	1,500
Non-audit services	非審核服務	
— Services provided in connection with the Listing	— 提供與上市有關的服務	2,598

Corporate Governance Report

企業管治報告

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.

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 of Association (as amended from time to time), and the applicable legislations and regulations, in particular the Listing Rules (as amended from time to time):

- (a) Pursuant to article 58 of the Articles of Association, 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;

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。

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**」）的程序乃受組織章程細則（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) 根據組織章程細則第58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；

Corporate Governance Report

企業管治報告

- (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 Unit 01-02, 20/F, Millennium Trade Centre, No. 56 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionists;
- (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（地址為香港新界葵涌葵昌路56號貿易之都20樓01-02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;
- (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) 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
- (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) 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.
- (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。

Corporate Governance Report

企業管治報告

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 Unit 01-02, 20/F, Millennium Trade Centre, No. 56 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong.

Procedures for putting forward proposals at shareholders' meeting

There are no provisions in the Articles of Association or the Companies Law of the Cayman Islands for Shareholders to put forward proposals at general meetings of the Company. Shareholders who wish to put forward proposals may request the Company to convene an extraordinary general meeting in accordance with the procedures set out above.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

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

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，地址為香港新界葵涌葵昌路56號貿易之都20樓01-02室，註明收件人為公司秘書。

在股東大會提出建議的程序

組織章程細則或開曼群島公司法並無有關股東於本公司股東大會上提呈建議之條文。擬提呈建議之股東可要求本公司根據上文所載程序召開股東特別大會。

章程文件的重大變動

於上市日期直至本年報日期，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

INTRODUCTION

Wah Wo Holdings Group Limited (“**WWHG**” or “**the Group**”) is an established contractor engaged in façade works with a focus on window in Hong Kong. Façade works can be classified into window, window wall system, curtain wall system and other façade members. We principally provide design and build services for new buildings and renovation services for built premises. Our services generally include developing designs, conducting structural calculations and preparing shop drawings, as well as management and coordination of various aspects of a project which involve procurements of building materials from materials suppliers and/or subcontracting of installation works to our subcontractors, on-site project management and post-project completion and maintenance services.

The Group incorporates environmental, social and governance (“**ESG**”) approaches into its daily management to achieve the optimum balance on its economic performance, environmental protection, social responsibility, and stakeholder satisfaction.

The Board is fully committed to formulating and implementing ESG strategies. Its ESG performance is supervised by the board members. Relevant risks and opportunities have been embedded into the Group’s strategic goals, which are also closely aligned with the overall mission and vision on sustainability. While developing the Group’s goals, we firmly adhered to principles of good corporate governance and had carefully considered our activities’ influences on the environment and the Hong Kong society. Corporate social responsibilities were also integrated into the Group’s business strategy and management approach.

The Group is delighted to present the Environmental, Social and Governance Report (“**ESG Report**”) for the year ended 31 March 2020 (“**Reporting Period**”) in the following to illustrate and highlight our efforts and performance in achieving sustainable development in both the environment and social aspects.

緒言

華和控股集團有限公司(「**華和**」或「**本集團**」)為一家於香港發展成熟的外牆工程承判商，專注於窗戶方面。外牆工程可分為窗戶、窗口牆系統、幕牆系統及其他外牆組件。我們專注於就新建樓宇提供設計及建造服務及就現有樓宇提供翻新服務。我們的服務通常包括準備設計、進行結構計算及繪製施工圖以及項目各方面的管理及統籌，當中包括自材料供應商採購建築材料及／或分包安裝工程予我們的次承判商、現場項目管理及項目後竣工及維修服務。

本集團將環境、社會及管治(「**環境、社會及管治**」)方針融入日常管理，務求在經濟表現、環境保護、社會責任及持份者滿意度方面取得最佳平衡。

董事會完全致力於制定及實施環境、社會及管治策略。董事會成員負責監督其環境、社會及管治表現。相關風險及機遇已於本集團戰略目標中體現，有關目標亦與可持續發展的總體使命及遠景高度一致。在制定本集團目標時，我們堅定遵循良好企業管治的原則，並已審慎考慮我們的活動對環境及香港社會的影響。本集團亦將企業社會責任納入其業務策略及管理方針。

本集團欣然於下文呈列截至2020年3月31日止年度(「**報告期間**」)的環境、社會及管治報告(「**環境、社會及管治報告**」)，以闡述及強調我們為實現可持續發展而在環境及社會方面作出的努力及表現。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

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

We recognize the importance of quality control and has established an adequate quality management system. The quality management system of WWHG for the design, supply and installation of aluminum works is accredited by Hong Kong Quality Assurance Agency with the standards of the International Organization for Standardization (“**ISO**”) 9001:2015 on 28 November 2013 and the certificate will be valid until 27 November 2022. We have in-house quality assurance requirements specifying, inter alia, specific work procedures for performing various types of works and responsibilities of personnel of different levels. Our staff is required to comply with these quality assurance requirements.

To safeguard our employees and other stakeholders against health and safety risks associated with our operations, out of our project management team members, four of them were qualified to act as safety supervisors and had completed the construction industry safety supervisor course held by the Construction Industry Council or the safety & health supervisor (construction) course held by the Occupational Health & Safety Council as at the Latest Practicable Date.

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

關於本報告

本環境、社會及管治報告乃根據香港聯合交易所有限公司證券上市規則附錄二十七所載《環境、社會及管治報告指引》（「**環境、社會及管治報告指引**」）編製而成，旨在讓有關人士及持份者瞭解我們有關環境、社會及管治事宜的政策、措施及表現。為確保環境、社會及管治報告涵蓋全面，我們會持續關注不同的環境、社會及管治事宜，並評估其與我們環境、社會及管治報告的相關性。

我們深知質量控制的重要性，並已建立充足的質量管理體系。華和有關鋁質工程的設計、供應及安裝的質量管理體系於2013年11月28日獲香港品質保證局授予國際標準化組織（「**ISO**」）9001：2015標準認證，認證有效期直至2022年11月27日。我們設有內部質量保證要求，其中特別規定展開各種工作的具體工作程序及不同層級人員的責任。所有員工均須遵守該等質量保證要求。

為保障我們的僱員及其他持份者免受與我們營運相關的健康與安全風險，於最後實際可行日期，我們的項目管理團隊成員中有四名成員合資格擔任安全督導員，且已修完建造業議會舉辦的建造業安全督導員課程或職業安全健康局舉辦的安全健康督導員（建造業）課程。

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

Environmental, Social and Governance Report

環境、社會及管治報告

ENVIRONMENTAL

The Group is committed to complying with laws and regulations regarding environmental protection. It adopts effective measures to achieve resource efficiency, energy saving, and waste reduction. To reduce its impacts on the environment, the Group implements green office practices such as encouraging the use of recycled paper for printing and copying, double-sided printing and copying, and reducing energy consumption by switching off idling lights, air conditioners, and other electrical appliances. The Group strictly complies with applicable laws and regulations concerning environmental protection and pollution control, including, but not limited to: Air Pollution Control Ordinance, Noise Control Ordinance, and Waste Disposal Ordinance.

No material non-compliance with relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste had been identified during the Reporting Period.

A1. Emissions

A1.1 Air Emissions

The office did not generate direct air emissions. Renovation works carried out by sub-contractors may generate some indoor air pollutants, and the liability shall be borne by the sub-contractors. Meanwhile, the Group has deployed project managers at the site to supervise sub-contractors' work.

A1.2 Greenhouse Gas ("GHG") Emissions

Emissions from the Group were generated mainly from the consumption of mobile fuel (i.e. gasoline for the Group-owned vehicles). The Group-owned vehicles consuming fuel were used for daily business operations. Their combustion generated several air emissions including Nitrogen Oxides, Sulphur Oxides, and Respiratory Suspended Particles. Due to lack of data, only Nitrogen Oxides and Respiratory Suspended Particles could be calculated. The following presents the Group's Greenhouse Gas ("GHG") emissions for the Reporting Period:

環境

本集團致力於遵守有關環境保護的法律法規。本集團採取行之有效的措施實現資源效率、節能及減少廢棄物產生。為減少對環境造成的影響，本集團推行綠色辦公作法，例如鼓勵使用再生紙打印及複印、雙面打印及複印，以及通過關閉閒置電燈、空調及其他電器減少能源消耗。本集團嚴格遵守有關環保及污染管制的適用法律法規，包括但不限於《空氣污染管制條例》、《噪音管制條例》及《廢物處置條例》。

於報告期間，並無發現任何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的相關法律法規的重大不合規行為。

A1. 排放物

A1.1 廢氣排放

辦公室並無直接排放廢氣。次承判商進行的翻新工程可能會產生部分室內氣體污染物，而相關責任由次承判商承擔。同時，本集團已安排項目經理駐守現場，以監督次承判商的工作。

A1.2 溫室氣體（「溫室氣體」）排放

本集團的排放物主要源自汽車燃料（即本集團車輛使用的汽油）的耗用。耗用燃料的本集團車輛用於日常業務營運。燃料燃燒產生氮氧化物、硫氧化物及可吸入懸浮顆粒物等幾種廢氣排放物。由於缺乏數據，僅可計算氮氧化物及可吸入懸浮顆粒物。下文呈列本集團於報告期間的溫室氣體（「溫室氣體」）排放：

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GHG emissions from use of vehicles:

使用車輛產生的溫室氣體排放：

Aspects 1.1 層面 1.1	Unit 單位	2020 2020 年	2019 2019 年
Nitrogen Oxides 氮氧化物	gram 克	4,943	3,192
Respiratory Suspended Particles 可吸入懸浮顆粒物	gram 克	364	235

A1.3 Hazardous Waste

The Group did not generate a significant amount of hazardous waste due to its business nature. Thus, no data was recorded, and no policy has been formulated.

A1.3 有害廢棄物

因其業務性質使然，本集團並無產生大量有害廢棄物。因此，並無記錄相關數據，亦無制定相關政策。

A1.4 Non-hazardous Waste

During the Reporting Period, the Group complied with the Waste Disposal Ordinance. It generated a total of 46.4 tonnes of non-hazardous waste. The major categories of non-hazardous waste — office waste, and construction and demolition (C&D) waste — were generated. Office waste mainly included waste papers. It was assumed that all purchased paper was consumed and eventually disposed at landfills. It was estimated that 46.4 tonnes of C&D waste was generated. Due to the lack of data, the amount of waste produced was computed based on the cost of the waste disposal. For every HK\$200, it was assumed that 1 ton of wastes were produced.

A1.4 無害廢棄物

於報告期間，本集團遵守《廢物處置條例》。本集團共產生46.4噸無害廢棄物。所產生無害廢棄物的主要種類包括辦公室廢棄物以及建築及拆卸廢料。辦公室廢棄物主要包括廢紙。假設所有購買的紙張均被使用，並最終送往垃圾填埋場。估計會產生46.4噸建築及拆卸廢料。由於缺乏數據，所產生廢棄物的數量乃根據廢物處置成本計算。就每200港元而言，假設產生1噸廢棄物。

A1.5 Measures to Mitigate Emissions

To reduce emissions from vehicles, employees are encouraged to take public transports. The Group plans schedule and arranges the route of its vehicles to avoid unnecessary travel and/or congestion. To reduce its emissions relating to business travel, the Group avoids non-essential business travel and encourages employees to take low-emissions travelling methods.

A1.5 減低排放量的措施

為減少車輛排放，我們鼓勵僱員搭乘公共交通。本集團規劃時間表並安排其車輛路線，以避免不必要的出行及／或擁堵。為減少與商務出行有關的排放，本集團避免不必要的商務出行及鼓勵僱員選擇低排放的出行方式。

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A1.6 Wastes Reduction and Initiatives

The Group has developed Green Office Practice to encourage wise use of resources while promoting waste reduction at source. The Group promotes paperless office — documents and information are transmitted electronically to avoid paper consumption. When printing is inevitable, paper should be printed on both sides whenever possible. The Group also encourages employees to recycle paper, plastic bottle and tin can. No formal policy on waste reduction has been established to regulate its sub-contractors. Nevertheless, they are encouraged to reduce waste and reuse resources to minimize the environmental impacts.

A1.6 減少廢棄物及措施

本集團已制定綠色辦公常規，以鼓勵善用資源及推動從源頭減少廢棄物。本集團提倡無紙化辦公 — 通過電子方式傳輸文件及資料，以避免耗用紙張。在必須打印的情況下，應盡可能使用雙面打印。本集團亦鼓勵僱員循環利用紙張、膠樽及錫罐。本集團並無制定有關減少廢棄物的正式政策以規管其次承判商。儘管如此，我們亦鼓勵彼等減少廢棄物及重複利用資源，以將對環境造成的影響降至最低。

A2. Use of Resources

A2.1 Energy Consumption

The following presents the Group's direct energy consumption for the Reporting Period:

Direct Energy Consumption in total and intensity:

Aspects 2.1 層面 2.1	Unit 單位	2020 2020 年	2019 2019 年
Electricity Usage 用電	kWh 千瓦時	31,185	21,798
Electricity Usage Intensity 用電密度	kWh/office 千瓦時／辦公室	31,185	21,798

A2. 資源使用

A2.1 能源消耗

下文呈列本集團於報告期間的直接能源消耗：

直接能源總耗量及密度：

A2.2 Energy Use Efficiency Initiatives

The Group believes that reducing energy use could be mutually beneficial to the environment and the Group by reducing the operating costs and creating long-term value to its stakeholders. The Group encourages employees to switch off electrical appliances whenever not in use and all unnecessary lighting, air conditioners, and electrical appliances before they leave the office.

A2.2 能源使用效益計劃

本集團相信，減少能源使用可減少營運成本，並為其持份者創造長期價值，從而令環境及本集團雙雙獲益。本集團鼓勵僱員關掉閒置電器及在下班前關掉所有不必要的照明設施、空調及電器。

A2.3 Waster Consumption and Packaging Material

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

A2.3 用水及包裝材料

因我們的業務性質使然，除使用飲用水外，我們的業務毋須使用水或原材料。我們的業務亦不涉及使用包裝材料。因此，本集團並未將重心放在該等領域的政策制定上。

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A3. The Environmental and Natural Resources

The Group believes that corporate development should not come at the expense of the environment. By integrating environmental consideration into our business strategies, we aim to be an environmentally sustainable enterprise. In the coming years, we would continue promoting GHG emission reduction, energy and water resource conservation and efficient use of natural resources. We believe that not only can raising environmental awareness and reinforcing the positive behavioral changes bring benefits to our financial situation, but also to the future generations.

SOCIAL

B1. Employment and Labor Practices

The Group stringently complies with national and local laws and regulations concerning employment and labor practices, including but not limited to the Employment Ordinance, the General Holiday Ordinance, the Disability Discrimination Ordinance, and the Race Discrimination Ordinance.

B1.1 Employment Policies

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

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

A3. 環境及天然資源

本集團深信，企業發展不應以犧牲環境為代價。透過於業務策略中融入環保理念，我們旨在成為一間環境可持續公司。未來幾年，我們會繼續倡導溫室氣體減排、能源及水資源保育及天然資源的高效利用。我們相信這能提高環保意識、促進積極的行為變化，從而既有利於我們的財務狀況，又利於後世。

社會

B1. 僱傭及勞工常規

本集團嚴格遵守國家及地方有關僱傭及勞工常規的法律法規，包括但不限於《僱傭條例》、《公眾假期條例》、《殘疾歧視條例》及《種族歧視條例》。

B1.1 僱傭政策

僱員是我們最寶貴的資產。本集團以充分保障所有僱員、次承判商工人及我們建築地盤周邊社區的職業健康與安全為優先考慮。我們已制定全面的安全管理計劃，為監督及評估安全政策及措施的執行提供框架。我們努力根據勞工處不時發出的指引持續完善我們的安全生產政策。

我們亦以增強僱員的身心全面發展為目標。作為一名提供平等機會的僱主，本集團已制定政策確保在（其中包括）招聘、晉升、評估、紀律、薪酬及福利、補償及解僱、工時及休假相關事宜方面平等對待全體僱員。僱員的年齡、性別、家庭狀況、性取向、身體殘疾、種族及宗教不會影響其於本集團的職業。於報告期間，我們並無收到任何持份者有關歧視問題的投訴。毋庸置疑，我們已確保本集團不會僱傭童工或強迫勞動。

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

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

B1.2 Health and Safety

The management of the Group is responsible for the overall health and safety of employees. The Group strictly follows relevant laws and regulations such as the Occupational Safety and Health Ordinance. There was no material non-compliance with the applicable laws and regulations relating to occupational health and safety which had material impact to the Group.

We place emphasis on occupational health and work safety and provide safety training to our staff covering topics such as our safety measures and procedures for reporting accidents. Due to the nature of works, risks of accidents or injuries to workers are inherent. The Group understands that preventive measures are way more important than reactive measures. Therefore, sufficient first-aid boxes have been equipped in the office area in case any emergencies happen and also we devised a safety management plan to govern our workers and subcontractors. Looking ahead, we would continue to promote occupational health and safety to its employees and avoid any work injury or accident by all means.

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

除提供具競爭力的薪酬待遇外，我們透過員工發展及培訓計劃繼續支持及培養我們的僱員。

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

B1.2 健康與安全

本集團管理層負責僱員的整體健康與安全。本集團嚴格遵守《職業安全及健康條例》等相關法律法規。概無嚴重不遵守有關職業健康及安全的適用法律法規的情況會對本集團產生重大影響。

我們重視職業健康及工作安全，並向員工提供安全培訓，內容涵蓋我們的安全措施及事故報告程序等主題。因工作性質使然，意外事故或工傷為固有風險。本集團深明事前預防勝於事後應對。因此，我們已於辦公區配備充足的急救箱，以防發生任何緊急事故，且我們亦已制定安全管理計劃，以規管我們的工人及次承判商。展望未來，我們將繼續促進僱員的職業健康及安全，以及盡一切辦法避免任何工傷或意外事故。

我們已參考勞工處的工傷報告要求制定內部指引，工傷將根據內部指引報告。根據我們的安全管理計劃，我們確保僱員在使用、搬運、貯存及運載物品及物質方面，安全和不致危害健康；提供所有所需的資料、指導、訓練及監督，以確保安全及健康；提供及維持安全進出工作地點的途徑；及提供及維持安全健康的工作環境。

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During the Reporting Period, 2 incidents of work injuries arose, which led to 32.2 lost labor days (FY2019: 1 incident of work injury occurred, which led to 19.4 lost labor days). The Group is pleased to report that no fatality cases occurred during the Reporting Period.

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

B1.3 Development and Training

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

Our training programmes range from professional and technical training to personal development skills and our employees are required to attend an induction training to ensure they thoroughly understood the Group's safety and health policies. In addition, the Group provides adequate job and safety training to employees to equip them with the required safety knowledge and work skills to tackle situations and challenges to be encountered at diverse work sites. During the Reporting Period, the average training hours of each employee were approximately 76 hours (FY2019: 72 hours).

B1.4 Labor Standards

The Group strictly complies with relevant laws and regulations such as Employment Ordinance and the Disability Discrimination Ordinance of the Laws of Hong Kong. Background checks were conducted for new employees to ensure that no teenagers under the statutory minimum working age would be employed. All employees must provide their personal identity documents to prove their ages and identities. During the Reporting Period, no material case of non-compliance with local child and forced labor related laws and regulations were noted.

於報告期間，發生2宗意外工傷事件，誤工天數為32.2天(2019財年：發生1宗意外工傷事件，誤工天數為19.4天)。本集團欣然呈報，於報告期間並無發生人員死亡事件。

董事會負責監察本集團的健康及安全管理體系，以確保我們遵守相關法定要求。我們每月與管工舉行安全委員會會議，以檢討與我們業務有關的健康及安全問題。根據我們安全主管的指示，我們的管工負責監督安全管理體系的現場執行。

B1.3 發展及培訓

僱員的知識及技能水平對本集團的成功而言至關重要，因此，我們提供充足的培訓及發展計劃，讓僱員在工作中有出色的表現。

我們的培訓計劃涵蓋專業及技術培訓以及個人技能發展，且僱員須參加入職培訓，以確保彼等透徹理解本集團的安全及健康政策。此外，本集團向僱員提供充足的職業及安全培訓，以使彼等具備所需安全知識及工作技能，以處理將在不同工作地點遇到的情況及挑戰。於報告期間，每名僱員的平均培訓時數約為76小時(2019財年：72小時)。

B1.4 勞工準則

本集團嚴格遵守香港法例《僱傭條例》及《殘疾歧視條例》等相關法律法規。新聘僱員須進行背景核查，以確保不會僱傭低於法定最低工作年齡的未成年人。所有僱員必須提供其個人身份證明文件，以證實其年齡及身份。於報告期間，並無發現有不遵守當地與童工及強迫勞工相關法律法規的重大事件。

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B2. Operating Practices

B2.1 Supply Chain Management

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

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

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

During the Reporting Period, the Group did not identify any non-compliances in relation to safety and labor laws and regulations.

B2.2 Product Responsibility

The Group is committed to providing better services to the citizens and creating higher return for the stakeholders. As construction contractor, the Group addresses the significance of public health during the construction work.

B2. 營運慣例

B2.1 供應鏈管理

正如上文所述，我們的質量管理體系規管日常質量控制及改進，符合ISO 9001：2015的要求。我們的內部政策乃至採購流程受該標準規管。我們存有一份由董事會編製的認可供應商名單。只有符合我們嚴格質量標準的供應商可加入該名單，日後方可向其採購。

根據我們的政策，本集團將僅會向該等認可供應商採購物資，以確保採購質量。此外，經參考我們建造項目的質量要求，我們的項目人員或董事亦會拜訪供應商，與彼等溝通我們的要求，同時會檢視供應商倉庫，對貨品質量進行抽樣檢查。在項目現場收到貨品後，項目主管負責檢驗交付的貨品，以確保符合我們的質量要求，其後方會結付款項。

我們有關次承判商的質量管理與採購質量管理的作法類似，我們存有一份認可次承判商名單。我們的項目主管會定期檢查次承判商交付的工程質量及進度。我們已明確告知次承判商，在處理建築工地的安全及僱傭事宜時，必須遵守勞動法律及法規。

於報告期間內，本集團並無發現任何有關安全及勞動法律及法規的不合規事件。

B2.2 產品責任

本集團致力於向市民提供更優質的服務及為持份者創造更高回報。作為一名建築承建商，本集團清楚建築工程施工期間公眾健康的重要性。

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B2.3 Anti-corruption

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

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

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

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

B3. Community

B3.1 Community Investment

The Group strives to implement corporate social responsibility and actively participates in public welfare activities. No formal policy on community investment has been established. Nevertheless, during the Reporting Period, the Group has actively encouraged its employees to participate in various charitable events. We were also delighted to have made donations to the Community Chest of Hong Kong.

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

B2.3 反貪污

過去數年，本集團內並無發生任何涉嫌或實際賄賂、勒索、欺詐或洗錢事件。我們堅定地遵守我們遵照適用法律而制定的內部手冊所載反貪污政策及採購常規。嚴禁在任何採購活動、合約磋商或其他業務往來過程中收受回扣、佣金或任何形式的好處。

我們的手冊亦概述有關利益衝突、知識產權、私隱及資料保密、賄賂及貪污以及機會均等的指引。

內部手冊中的餽贈政策列明處理及收受禮物及利益所需遵循的程序及手續。

於報告期間，本集團內並無發生任何欺詐或貪污事件，且我們已全面遵守有關反賄賂及貪污的法律法規。

B3. 社區

B3.1 社區投資

本集團努力履行企業社會責任，並積極參與公益活動。本集團並無制定正式社區投資政策。儘管如此，於報告期間，本集團積極鼓勵僱員參與各種慈善活動。我們十分高興向香港公益金作出捐贈。

因業務性質使然，我們毋須為任何產品貼標籤或為服務做廣告。此外，我們一般不會處理個人數據，因而面臨違反私隱法律的風險極低。

Environmental, Social and Governance Report

環境、社會及管治報告

FUTURE APPROACH TO SUSTAINABLE DEVELOPMENT

In the future, we will:

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

未來實現可持續發展的方針

我們未來將：

- 繼續提高員工及次承判商的環保意識；
- 保持最高職業健康及安全標準，以保護我們的員工及業務營運所在地附近的社區；及
- 參與更多慈善服務，進一步展現我們對社區的關懷。

Independent Auditor's Report

獨立核數師報告



To the shareholders of Wah Wo Holdings Group Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Wah Wo Holdings Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 59 to 135, which comprise the consolidated statement of financial position as at 31 March 2020, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致華和控股集團有限公司列位股東
(於開曼群島註冊成立的有限公司)

意見

我們已審計列載於第59至135頁的華和控股集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，該等綜合財務報表包括於2020年3月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2020年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

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

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在對綜合財務報表整體進行審計並形成意見的背景下進行處理的，我們不對該等事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述亦以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分所闡述的責任，包括與該等關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對綜合財務報表重大錯誤陳述風險的評估而設計之審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們進行審計時如何處理關鍵審計事項
Assessment of expected credit losses ("ECLs") of trade receivables and contract assets 評估貿易應收款項及合約資產的預期信貸虧損（「預期信貸虧損」）	
As at 31 March 2020, the carrying amounts of trade receivables and contract assets were approximately HK\$6.8 million and HK\$53.4 million, respectively, which in aggregate represented about 23% of the Group's total assets. 於2020年3月31日，貿易應收款項及合約資產的賬面值分別約為6.8百萬港元及53.4百萬港元，合共佔貴集團資產總額約23%。	We have performed the following procedures in relation to the ECLs of trade receivables and contract assets: 我們就貿易應收款項及合約資產的預期信貸虧損所執行的程序如下：
Significant management judgement is required to assess the recoverability of trade receivables and contract assets. Management performed a detailed analysis which considered customers' ageing profile, credit history and historical payment pattern for the estimation of ECLs on its trade receivables and contract assets. 評估貿易應收款項及合約資產的可收回性需要重大管理判斷。管理層已作出詳細分析，考慮客戶的賬齡組合、信貸歷史及過往付款模式，以估計應收款項及合約資產的預期信貸虧損。	(i) obtaining and evaluating management's assessment on the ECLs of trade receivables and contract assets with reference to the historical payment records and credit history of the Group's customers; (i) 參考貴集團客戶的過往還款及信貸歷史，取得及評估管理層對於貿易應收款項及合約資產預期信貸虧損的評估； (ii) testing the ageing of trade receivables at the end of the reporting period on a sample basis; (ii) 抽樣測試報告期末貿易應收款項的賬齡；

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 (continued) 關鍵審計事項 (續)

How our audit addressed the Key Audit Matter (continued) 我們進行審計時如何處理關鍵審計事項 (續)

Assessment of expected credit losses ("ECLs") of trade receivables and contract assets 評估貿易應收款項及合約資產的預期信貸虧損 (「預期信貸虧損」)

The accounting policies, significant accounting judgement and estimate, and disclosures for the recoverability of trade receivables and contract assets are included in notes 2.4, 3, 15 and 16 to the consolidated financial statements, respectively.

有關貿易應收款項及合約資產的可收回性的會計政策及披露分別載於綜合財務報表附註2.4、3、15及16。

- (iii) benchmarking the forecast economic conditions (i.e., gross domestic product) against public available information; and
- (iii) 根據公開資料對預測經濟狀況 (即國內生產總值) 進行基準比較；及
- (iv) reviewing the arithmetic accuracy of the calculation of the ECLs.
- (iv) 審閱預期信貸虧損計算的算術準確性。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

刊載於年度報告內的其他資料

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

貴公司董事需對其他資料負責。其他資料包括刊載於年度報告內的信息，但不包括綜合財務報表及我們的核數師報告。

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

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

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.

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities 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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅對全體股東作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負上或承擔任何責任。

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

Independent Auditor's Report

獨立核數師報告

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

核數師就審計綜合財務報表承擔的責任 (續)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- 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.
- 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.
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

Independent Auditor's Report

獨立核數師報告

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Leung Chi Kit.

Ernst & Young
Certified Public Accountants

22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

30 June 2020

核數師就審計綜合財務報表承擔的責任 (續)

- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責指導、監督和執行集團的審計。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中所識別出內部控制的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人是梁志傑。

安永會計師事務所
執業會計師

香港
中環添美道1號
中信大廈22樓

2020年6月30日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

Year ended 31 March 2020
截至2020年3月31日止年度

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
REVENUE	收益	5	245,474	232,957
Cost of sales	銷售成本	7	(184,554)	(177,070)
Gross profit	毛利		60,920	55,887
Other income and gain	其他收入及收益	5	1,265	460
Administrative expenses	行政開支		(26,645)	(15,762)
Reversal of impairment loss allowances	減值虧損撥備撥回		432	608
Finance costs	融資成本	6	(116)	(163)
PROFIT BEFORE TAX	除稅前溢利	7	35,856	41,030
Income tax expense	所得稅開支	10	(8,206)	(7,820)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內溢利及全面收益總值		27,650	33,210
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益持有人應佔 每股盈利		HK3.45 cents	HK4.43 cents
Basic and diluted	基本及攤薄	12	3.45 港仙	4.43 港仙

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2020
2020年3月31日

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	872	1,097
Right-of-use asset	使用權資產	14	742	221
Deposit	按金	17	143	–
Total non-current assets	非流動資產總值		1,757	1,318
CURRENT ASSETS	流動資產			
Contract assets	合約資產	15	53,441	70,652
Trade receivables	貿易應收款項	16	6,829	20,118
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	17	9,021	6,087
Due from a director	應收一名董事款項	18	–	5,864
Pledged deposits	質押存款	19	4,416	9,880
Cash and cash equivalents	現金及現金等值項目	19	182,117	25,155
Total current assets	流動資產總值		255,824	137,756
CURRENT LIABILITIES	流動負債			
Contract liability	合約負債	15	–	1,247
Trade and retention payables	貿易應付款項及應付保固金	20	6,927	13,255
Other payable and accruals	其他應付款項及應計費用	21	5,236	1,863
Interest-bearing bank borrowings	計息銀行借款	22	–	5,864
Lease liability	租賃負債	14	468	236
Tax payable	應付稅項		109	2,297
Provisions for rectification works	整改工程撥備	23	8,950	7,778
Total current liabilities	流動負債總額		21,690	32,540
NET CURRENT ASSETS	流動資產淨值		234,134	105,216
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		235,891	106,534

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2020
2020年3月31日

		Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Lease liability	租賃負債	14	279	—
Deferred tax liability	遞延稅項負債	24	95	36
Total non-current liabilities	非流動負債總額		374	36
Net assets	資產淨值		235,517	106,498
EQUITY	權益			
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益			
Issued capital	已發行股本	25	10,000	—
Reserves	儲備	26	225,517	106,498
Total equity	權益總額		235,517	106,498

Chen Yuet Wa
陳越華
Director
董事

Chan Fai
陳輝
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2020
截至2020年3月31日止年度

		Attributable to owners of the Company 歸屬於本公司擁有人				
		Share				
		Issued capital 已發行股本	premium account 股份溢價賬	Merger reserve 合併儲備	Retained profits 保留溢利	Total 總計
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
				(note 26(b)) (附註26(b))		
At 1 April 2018	於2018年4月1日		–	–	20	81,215
Profit and total comprehensive income for the year	年內溢利及全面收益總值		–	–	–	33,210
Dividends paid by subsidiaries to the then shareholder	附屬公司派付予當時股東的股息	11	–	–	–	(7,947)
At 31 March 2019 and at 1 April 2019	於2019年3月31日及2019年4月1日		–	–*	20*	106,478*
Profit and total comprehensive income for the year	年內溢利及全面收益總值		–	–	–	27,650
Capitalisation issue	資本化發行	25(c)	7,500	(7,500)	–	–
Issue of shares under initial public offering	根據首次公開發售發行股份	25(d)	2,500	122,500	–	–
Share issue expenses	股份發行開支		–	(23,631)	–	–
At 31 March 2020	於2020年3月31日		10,000	91,369*	20*	134,128*

* These reserve accounts comprise the consolidated reserves of HK\$225,517,000 (2019: HK\$106,498,000) in the consolidated statement of financial position.

* 該等儲備賬戶包括綜合財務狀況表中的綜合儲備225,517,000港元(2019年：106,498,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2020
截至2020年3月31日止年度

	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前溢利	35,856	41,030
Adjustments for:	就以下各項調整：		
Finance costs	融資成本	116	163
Bank interest income	銀行利息收入	(969)	(154)
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的收益	—	(15)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	337	349
Depreciation of right-of-use asset	使用權資產折舊	416	379
Reversal of impairment of contract assets, net	合約資產減值撥回，淨額	(280)	(165)
Reversal of impairment of trade receivables, net	貿易應收款項減值撥回，淨額	(152)	(443)
		35,324	41,144
Decrease/(increase) in contract assets	合約資產減少／(增加)	17,491	(36,926)
Decrease in trade receivables	貿易應收款項減少	13,441	14,263
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(3,077)	(999)
Increase/(decrease) in contract liability	合約負債增加／(減少)	(1,247)	1,247
Increase/(decrease) in trade and retention payables	貿易應付款項及應付保固金增加／(減少)	(6,328)	5,768
Increase in other payable and accruals	其他應付款項及應計費用增加	3,373	132
Changes in provisions for rectification works	整改工程撥備變動	1,172	2,611
Cash generated from operations	經營活動所得現金	60,149	27,240
Hong Kong profits tax paid	已付香港利得稅	(10,335)	(5,701)
Net cash flows from operating activities	經營活動所得現金流量淨額	49,814	21,539
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Interest received	已收利息	969	154
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(112)	(586)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目的所得款項	—	15
Increase in pledged deposits	質押存款增加	(9,170)	(9,880)
Repayment from a director	董事還款	11,689	—
Advance to a director	向一名董事墊款	(5,825)	(234)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(2,449)	(10,531)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2020
截至2020年3月31日止年度

	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Proceeds from issue of shares	發行股份所得款項 25(d)	125,000	—
Share issue expenses	股份發行開支	(23,631)	—
Interest paid	已付利息	(116)	(163)
Repayment of bank loans	償還銀行貸款	(5,864)	(637)
Payments of lease liability	租賃負債付款	(426)	(395)
Net cash flows from/(used in) financing activities	融資活動所得／(所用)現金流量淨額	94,963	(1,195)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目淨增加	142,328	9,813
Cash and cash equivalents at beginning of year	年初的現金及現金等值項目	25,155	15,342
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末的現金及現金等值項目	167,483	25,155
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Cash and bank balances	現金及銀行結餘	67,483	5,155
Non-pledged time deposits	非質押定期存款	114,634	20,000
Cash and cash equivalents as stated in the consolidated statement of financial position	綜合財務狀況表所載現金及現金等值項目 19	182,117	25,155
Non-pledged time deposits with original maturity of more than three months when acquired	於獲得時原到期時間為三個月以上的非質押定期存款	(14,634)	—
Cash and cash equivalents as stated in the consolidated statement of cash flows	綜合現金流量表所載現金及現金等值項目	167,483	25,155

Notes to Financial Statements

財務報表附註

31 March 2020
2020年3月31日

1. CORPORATE AND GROUP INFORMATION

Wah Wo Holdings Group Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at Unit 01-02, 20/F, Millennium Trade Centre, No. 56 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the provision of aluminium works related services.

Pursuant to the reorganisation (the “Reorganisation”) of the Group in connection with the listing of the shares on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), as explained in the paragraph headed “Reorganisation” in the section headed “History, Reorganisation and Group Structure” in the prospectus (the “Prospectus”) of the Company dated 31 December 2019, the Company became the holding company of the companies now comprising the Group on 3 August 2018.

The shares of the Company were listed on the Main Board of the Stock Exchange on 17 January 2020 (the “Listing”).

In the opinion of the directors, the immediate and the ultimate holding company of the Company is Ornate Bright Limited, a company incorporated in the British Virgin Islands (“BVI”).

1. 公司及集團資料

華和控股集團有限公司為在開曼群島註冊成立的有限責任公司。本公司的主要營業地點位於香港新界葵涌葵昌路56號貿易之都20樓01-02室。

於年內，本集團與其附屬公司（以下統稱「本集團」）主要從事提供鋁質工程相關服務。

根據本集團就股份於香港聯合交易所有限公司（「聯交所」）上市而進行的重組（「重組」），如本公司日期為2019年12月31日的招股章程（「招股章程」）「歷史、重組及集團架構」一節「重組」一段所闡釋，本公司於2018年8月3日成為現時組成本集團的公司的控股公司。

本公司股份於2020年1月17日在聯交所主板上市（「上市」）。

董事認為，本公司的直接及最終控股公司為Ornate Bright Limited，一家於英屬處女群島（「英屬處女群島」）成立的公司。

Notes to Financial Statements

財務報表附註

31 March 2020
2020年3月31日

1. CORPORATE AND GROUP INFORMATION

(continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料(續)

有關附屬公司的資料

本公司主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立／ 登記及營業地點	Issued ordinary share capital 已發行普通股 股本	Percentage of equity attributable to the Company		Principal activities 主要營業活動
			Direct 直接	Indirect 間接	
Sino Keen Limited [#] 華敏有限公司 [#]	BVI/Hong Kong 英屬處女群島／香港	US\$2 2美元	100	—	Investment holding 投資控股
Wah Wo Aluminium Work Company Limited [#] 華和鋁質工程有限公司 [#]	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Provision of aluminium works related services 提供鋁質工程相關服務
Wah Kee (R&M) Limited [#] 華記維修有限公司 [#]	Hong Kong 香港	HK\$10,000 10,000港元	—	100	Provision of aluminium works related services 提供鋁質工程相關服務

[#] Not audited by Ernst & Young, Hong Kong or any member firm of the Ernst & Young global network.

[#] 並非由香港安永會計師事務所或安永會計師事務所全球網絡的任何會計事務所成員公司審核。

2.1 BASIS OF PRESENTATION

Pursuant to the Reorganisation of the Company in connection with the Listing, the Company became the holding company of the companies now comprising the Group on 3 August 2018. The companies now comprising the Group were under the common control of Mr. Chen Yuet Wa (the "Controlling Shareholder") before and after the Reorganisation. Accordingly, these financial statements have been prepared on a consolidated basis by applying the principles of merger accounting as if the Reorganisation had been completed at the beginning of the earliest period presented.

The consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year ended 31 March 2019 included the results and cash flows of all companies now comprising the Group from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of the Controlling Shareholder, where this is a shorter period. The consolidated statement of financial position of the Group as at 31 March 2019 was prepared to present the assets and liabilities of the subsidiaries and/or businesses using the existing book values from the Controlling Shareholder's perspective. No adjustments were made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganisation.

All intra-group transactions and balances have been eliminated on consolidation.

2.2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. All HKFRSs effective for the accounting period commencing from 1 April 2019 have been early adopted by the Group in the preparation of the financial statements for the year ended 31 March 2019.

They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000") except when otherwise indicated.

2.1 呈列基準

根據本公司就上市而進行的重組，於2018年8月3日，本公司成為現時組成本集團的多間公司的控股公司。現時組成本集團的多間公司在重組前後均受陳越華先生（「控股股東」）共同控制。因此，該等財務報表乃採用合併會計原則綜合編製，猶如重組已於所呈列最早期初完成。

於截至2019年3月31日止年度，本集團的綜合損益及其他全面收益表、權益變動表及現金流量表包括自所呈列的最早日期起或自附屬公司及／或業務首次受控股股東共同控制之日起（以較短者為準）現時組成本集團的所有公司的業績及現金流量。本集團於2019年3月31日的綜合財務狀況表已從控股股東角度使用現有賬面值予以編製，以呈列附屬公司及／或業務的資產及負債。概不會因重組而進行任何調整以反映公平值或確認任何新資產或負債。

所有集團內交易及餘額已在綜合入賬時抵銷。

2.2 編製基準

該等財務報表乃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」），包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港公司條例之披露規定編製。於編製截至2019年3月31日止年度的財務報表時，本集團已提早採納自2019年4月1日開始的會計期間生效的所有香港財務報告準則。

該等財務報表已根據歷史成本慣例編製。除另有說明外，該等財務報表以港元（「港元」）列示，而當中所有金額均約整至最接近之千位（「千港元」）。

Notes to Financial Statements

財務報表附註

31 March 2020
2020年3月31日

2.2 BASIS OF PREPARATION (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above.

2.2 編製基準(續)

綜合基準

綜合財務報表包括本公司及其附屬公司截至2020年3月31日止年度之財務報表。附屬公司為由本公司直接或間接控制之實體(包括一間結構性實體)。當本集團對參與投資對象業務所得之浮動回報承擔風險或享有權利以及能透過對投資對象之權力(即本集團獲賦予現有能力以主導投資對象相關活動之既存權利)影響該等回報時,即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利之權利,則本集團於評估其是否擁有對投資對象之權力時會考慮一切相關事實及情況,包括:

- (a) 與投資對象其他投票持有人之合約安排;
- (b) 其他合約安排所產生之權利;及
- (c) 本集團之投票權及潛在投票權。

附屬公司之財務報表乃就本公司相同報告期使用貫徹一致之會計政策編製。附屬公司之業績乃自本集團獲取控制權之日開始作綜合計算,並繼續綜合入賬直至有關控制權終止之日為止。

即使導致非控股權益出現赤字餘額,損益及其他全面收入各部分仍歸屬於本集團母公司擁有人及非控股權益。所有有關本集團各成員公司間之交易的集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合賬目時全數抵銷。

倘有事實及情況顯示上文所述三個控制因素中有一個或以上出現變動,則本集團將重新評估是否仍控制投資對象。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to HKFRS 16	<i>COVID-19-Related Rent Concessions</i> ²
HKFRS 17	<i>Insurance Contracts</i> ³
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 June 2020

³ Effective for annual periods beginning on or after 1 January 2021

⁴ No mandatory effective date yet determined but available for adoption

2.3 已頒佈但尚未生效的香港財務報告準則

本集團尚未於該等財務報表應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第3號的修訂本	業務的定義 ¹
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號的修訂本	利率基準改革 ¹
香港財務報告準則第10號及香港會計準則第28號(2011年)的修訂本	投資者與其聯營公司或合資企業之間的資產出售或出資 ⁴
香港財務報告準則第16號的修訂本	COVID-19相關租金優惠 ²
香港財務報告準則第17號	保險合約 ³
香港會計準則第1號及香港會計準則第8號的修訂本	重大的定義 ¹

¹ 於2020年1月1日或之後開始的年度期間生效

² 於2020年6月1日或之後開始的年度期間生效

³ 於2021年1月1日或之後開始的年度期間生效

⁴ 尚未確定強制生效日期，惟可供採納

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 April 2020. The amendments are not expected to have any significant impact on the Group's results and financial position.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

有關預期適用於本集團的該等香港財務報告準則的進一步資料載述如下。

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號的修訂本旨在解決銀行同業拆息改革對財務申報之影響。該等修訂本提供可在替換現有利率基準前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂本規本訂公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。該等修訂本自2020年1月1日或之後開始的年度期間生效。可提前採納。該等修訂本預期不會對本集團財務報表產生任何重大影響。

香港會計準則第1號及香港會計準則第8號的修訂本提供重大的新定義。新定義列明，倘資料遭忽略、錯誤陳述或隱瞞時可合理預期會影響一般用途財務報表主要使用者根據該等財務報表作出的決定，則資料屬重大。該等修訂本澄清重大與否視乎資料的性質或重要性而定。倘可合理預期會影響主要使用者的決定，則資料錯誤陳述屬重大。本集團預期於2020年4月1日起採納該等修訂本。該等修訂本預期不會對本集團業績及財務狀況造成任何重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 重大會計政策概要

公平值計量

公平值為市場參與者之間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付的價格。公平值計量假設出售資產或轉讓負債的交易於該資產或負債的主要市場，或在無主要市場的情況下，則於對該資產或負債最有利的市場進行。本集團須可於該主要市場或最有利市場進行交易。資產或負債的公平值乃採用市場參與者為資產或負債定價時為實現其經濟利益最大化所使用的假設計量。

非金融資產公平值之計量則參考市場參與者可從使用該資產得到之最高及最佳效用，或將該資產出售予另一可從使用該資產得到最高及最佳效用之市場參與者所產生之經濟效益。

本集團使用適用於不同情況且具備足夠可用數據以計量公平值的估值技術，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要(續)

公平值計量(續)

於財務報表計量或披露公平值的所有資產及負債，均根據對公平值計量整體而言屬重大的最低層輸入數據按下述公平值層級進行分類：

- 第一級 — 基於相同資產或負債在活躍市場的報價(未經調整)
- 第二級 — 基於可直接或間接觀察對公平值計量而言屬重大的最低層輸入數據的估值技術
- 第三級 — 基於不可觀察且對公平值計量而言屬重大的最低層輸入數據的估值技術

就經常於財務報表確認的資產及負債而言，本集團於各報告期末根據對整體公平值計量而言屬重大的最低層輸入數據重新評估分類，釐定是否存在不同層級間轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Impairment of non-financial assets**

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than contract assets, deferred tax asset and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 重大會計政策概要 (續)**非金融資產減值**

倘若出現任何減值跡象，或當有需要為資產（合約資產、遞延稅項資產及金融資產除外）進行每年減值測試，則會估計該資產的可回收金額。除非資產產生的現金流量不能獨立於其他資產或多項資產所產生的現金流量（在此情況下，可回收金額按資產所屬的現金產出單位釐定），否則資產的可回收金額按資產或現金產出單位的使用價值與其公平值減出售成本的較高者計算，並按個別資產釐定。

減值虧損僅會在資產的賬面值高於其可收回金額時予以確認。評估使用價值時乃以除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映當時市場對金錢時間值的評估及該項資產的特有風險。減值虧損於產生期間在損益內與減值資產功能一致的開支類別中扣除。

本集團於各個報告期末均會作出評估，以確定是否有跡象顯示於過往年度確認的減值虧損不再存在或可能已經減少。如有任何上述跡象，則會估計可收回金額。先前就某項資產已確認的減值虧損僅會在用作釐定該資產可收回金額的估計出現變動時予以撥回，惟撥回的數額不得超出倘於過往年度並無就有關資產確認減值虧損而可能已釐定的賬面值（扣除任何折舊）。撥回有關減值虧損於其產生期間計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 重大會計政策概要(續)

關聯方

在下列情況下，有關人士將被視為與本集團有關：

- (a) 有關人士為一名人士或該人士之關係密切家庭成員，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 可對本集團發揮重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員；

或

- (b) 有關人士為符合任何以下條件的實體：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營或合營公司；
 - (iii) 該實體與本集團為同一第三方的合營公司；
 - (iv) 一實體為一第三方實體的合營公司，而另一實體為同一第三方實體的聯營公司；
 - (v) 該實體為本集團或屬本集團關聯方的實體的僱員離職後福利計劃；
 - (vi) 該實體受(a)項所識別人士控制或共同控制；
 - (vii) 於(a)(i)項所識別人士對該實體有重大影響或屬該實體（或該實體母公司）主要管理人員的其中一名成員；及
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Over the lease terms
Office equipment	20%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each of the financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 重大會計政策概要(續)**物業、廠房及設備以及折舊**

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價格及使資產達到其工作狀況及其預定用途所在地的任何直接應佔成本。

物業、廠房及設備項目投入運作後產生的開支(例如維修及保養)一般於產生期間自損益扣除。在滿足確認標準的情況下,主要檢查的支出資本化為資產的賬面值作為替代。倘若物業、廠房及設備的重要部分需要定期更換,則本集團會將該等部分確認為具有特定可使用年期的個別資產,並據此折舊。

折舊乃按直線法計算,以於各項物業、廠房及設備的可使用年期撇銷其成本至其剩餘價值。用於此目的的主要年度費率如下:

租賃物業裝修	於租期內
辦公室設備	20%
汽車	20%

如果部分物業、廠房及設備項目具有不同的使用年期,則該項目的成本在各部分之間合理分配,每個部分單獨折舊。對剩餘價值、可使用年期及折舊方法進行審查,並在適當時進行調整,至少於各財政年度末進行調整。

物業、廠房及設備項目(包括初步確認的任何重大部分)於出售時或預期其使用或出售不會產生未來經濟利益時終止確認。於資產終止確認年度於損益確認的任何出售或報廢收益或虧損為銷售所得款項淨額與相關資產賬面值之間的差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms.

2.4 重大會計政策概要(續)

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約賦予權利於一段時間內控制已識別資產的用途以換取代價，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃付款，而使用權資產指使用相關資產的權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用的日期)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。使用權資產在租期內按直線法計提折舊。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. 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, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4 重大會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 租賃負債

租賃負債於租賃開始日期按租賃期內作出的租賃付款之現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於某一指數或比率的可變租賃付款，以及預期在剩餘價值擔保下支付的款項。租賃付款亦包括本集團合理地肯定行使的購買選擇權之行使價，及如果租期反映本集團行使終止選擇權，則終止租賃而需支付的罰款。不取決於某一指數或比率的可變租賃付款於觸發付款的事件或條件發生的期間確認為支出。

在計算租賃付款的現值時，本集團使用於租賃開始日期的增量借款利率，原因為租賃中所隱含的利率不易確定。在開始日期之後，租賃負債的金額將會增加以反映利息的增加及就已作出的租賃付款作出扣減。此外，如有修改、租期發生變化、租賃付款變化(即指數或利率變動導致未來租賃付款變動)或購買相關資產的選擇權評估變更，租賃負債的賬面值將重新計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (that is those leases 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 leases of low-value assets to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 重大會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於其短期租賃(即自開始日期起計之租期為12個月或以下且不含購買選擇權的該等租賃)。其亦將低價值資產租賃確認豁免應用於被視為低價值的辦公設備租賃。短期租賃及低價值資產租賃的租賃付款在租賃期內按直線法確認為費用。

金融資產

初始確認及計量

金融資產在初始確認時乃分類為其後按攤銷成本、按公平值計入其他全面收益及按公平值計入損益計量。

金融資產在初始確認時的分類取決於其合約現金流量特徵以及本集團管理該等金融資產的業務模式。除並未包含重大融資組成部份的貿易應收款項或本集團已實行權宜措施不作調整重大融資組成部份影響的貿易應收款項外，本集團初始按其公平值加交易成本(如屬並非按公平值計入損益的金融資產)計量金融資產。不包含重大融資組成部份或本集團已就其採取可行權宜方法的貿易應收款項，根據香港財務報告準則第15號按下文「收益確認」所載列政策釐定的交易價格計量。

金融資產需產生僅為償還本金及未償還本金利息(「僅為償還本金及利息」)的現金流量，方可分類為按攤銷成本計量或按公平值計入其他全面收益計量。現金流量並非為僅為償還本金及利息的金融資產以按公平值計入損益分類及計量，而不論業務模式。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial assets** (continued)*Initial recognition and measurement (continued)*

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement of financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.4 重大會計政策概要 (續)**金融資產 (續)***初始確認及計量 (續)*

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式釐定現金流量是否來自收取合約現金流量、出售金融資產或兩者同時進行。按攤銷成本進行分類及計量的金融資產於以持有金融資產為目標的業務模式內持有，旨在收取合約現金流量，而按公平值計入其他全面收益進行分類及計量的金融資產於旨在持有以收取合約現金流量及出售的業務模式內持有。並非按上述業務模式持有的金融資產按公平值計入損益進行分類及計量。

凡以常規方式買賣金融資產，均於交易日（即本集團承諾買賣資產的日期）進行確認。以常規方式買賣乃指按照一般市場規定或慣例須於一定期間內交付資產的金融資產買賣。

按攤銷成本計量的金融資產後續計量 (債務工具)

按攤銷成本計量的金融資產其後使用實際利率法計量並可能受減值影響。當資產終止確認、修訂或減值時，於損益中確認收益及虧損。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重大會計政策概要(續)

終止確認金融資產

在下列情況下，主要金融資產(或在適用情況下，部分金融資產或一組類似金融資產的一部分)終止確認(即從本集團的綜合財務狀況表中刪除)：

- 從資產收取現金流量的權利已經到期；或
- 本集團已轉讓其收取資產現金流量的權利，或已承擔按「轉讓」安排在無重大延誤的情況下向第三方全額支付已收現金流量的責任；及(a)本集團已轉讓該資產的絕大部分風險及回報，或(b)本集團並未轉讓或保留該資產的絕大部分風險及回報，惟已轉讓該資產的控制權。

當本集團已轉讓其從資產收取現金流量的權利或已訂立轉讓安排時，其會評估其是否以及在何種程度上保留資產所有權的風險及回報。當其既未轉移亦未保留資產的絕大部分風險及回報，亦無轉移對資產的控制權時，本集團繼續在本集團繼續參與該資產的範圍內確認轉讓，亦同時確認相關負債。轉讓資產及相關負債按反映本集團所保留權利及責任的基準計量。

以轉讓資產擔保形式的持續參與按資產原始賬面值與本集團可能需要償還的最高代價金額中的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 重大會計政策概要(續)**金融資產減值**

本集團確認並非按公平價值計入損益的所有債務工具預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

一般方法

預期信貸虧損分兩個階段進行確認。就自初始確認起未有顯著增加的信貸風險而言，乃就於未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)計提預期信貸虧損。就自初始確認起已經顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的預期信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

於各報告日期，本集團評估金融工具信貸風險自初始確認以來是否大幅上升。於作出評估時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險及本集團會考慮合理可靠、毋須付出過多成本或努力即可獲得的資料，包括過往資料及前瞻性資料。

本集團會在合約付款逾期90日時考慮金融資產違約。然而，在若干情況下，倘內部或外部資料反映，在沒有計及本集團任何現有信貸提升措施前，本集團不大可能悉數收到未償還合約款項，則本集團亦可認為金融資產將會違約。金融資產於無合理期望可收回合約現金流量時撇銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 重大會計政策概要(續)

金融資產減值(續)

一般方法(續)

按攤銷成本計量的金融資產按一般方法進行減值，並按下列階段分類以計量預期信貸虧損，惟下文詳述應用簡化方法的貿易應收款項及合約資產除外。

- 階段1 — 金融工具的信貸風險自初始確認以來並無顯著增加，其虧損撥備按等同12個月預期信貸虧損的金額計量
- 階段2 — 金融工具的信貸風險自初始確認以來顯著增加(惟並非信貸減值的金融資產除外)，其虧損撥備按等同全期預期信貸虧損的金額計量
- 階段3 — 於報告日期已發生信貸減值的金融資產(惟並非購買或發起的信貸減值金融資產除外)，其虧損撥備按等同全期預期信貸虧損的金額計量

簡化方法

對於不包含重大融資成分或本集團採用實際權宜之計，不會就重大融資成分的影響調整的貿易應收款項及合約資產，本集團採用簡化方法計算預期信貸虧損。根據簡化方法，本集團不會追蹤信貸風險的變化，而是於各報告日期進行全期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Financial liabilities***Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and retention payables, other payable and accruals, interest-bearing bank borrowings and lease liability.

Subsequent measurement of loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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

2.4 重大會計政策概要(續)**金融負債***初步確認及計量*

金融負債於初步確認時分類為按公平值計入損益的金融負債、貸款及借款、應付款項或於實際對沖中指定為對沖工具的衍生工具(倘適用)。

所有金融負債初步按公平值確認，倘為貸款及借款以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項及應付保固金、其他應付款項及應計費用、計息銀行借款及租賃負債。

貸款及借款的後續計量

初始確認後，計息借款後續採用實際利率法按攤銷成本計量，除非貼現的影響並不重大，在這種情況下，按成本列賬。當終止確認負債時，收益及虧損在損益中及通過實際利率攤銷程序確認。

攤銷成本的計算法是考慮收購的任何貼現或溢價，以及作為實際利率不可分割部分的費用或成本。實際利率攤銷於損益計入融資成本。

終止確認金融負債

當債務責任遭解除或註銷或到期時，終止確認金融負債。

如果現有金融負債由同一貸款人以實質上不同的條款替換為現有金融負債，或者現有負債的條款大幅修改，則此類替換或修改被視為終止確認原先負債並確認為新的負債，且各賬面值之間的差額於損益確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

The Group provides for rectification works in relation to the provision of construction services for general repairs of defects occurring during the defect liability period. Provision for rectification works is recognised based on past experience of the level of work carried out for rectification, discounted to its present value as appropriate.

2.4 重大會計政策概要(續)

金融工具抵銷

如果目前有法定可執行權利抵銷已確認的金額且有意以淨額結算，或變現資產同時償還債務，則金融資產及金融負債予以抵銷，淨額在財務狀況表中列報。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手頭現金、活期存款以及流動性強並易兌換為已知金額現金且所涉價值變動風險不高而一般自取得起三個月內到期的短期投資，減去應要求償還並構成本集團現金管理組成部分的銀行透支。

就綜合財務狀況表而言，現金及現金等值項目包括手頭現金以及銀行存款，包括用途不受限制的定期存款。

撥備

當由於過去的事件而產生現有責任(法律上或具建設性的)並且很可能需要資源的未來流出來履行責任時，該撥備可予以確認，條件是可以對責任金額作出可靠的估計。

當貼現的影響重大時，就撥備確認的金額為預計履行該責任所需的未來支出於各報告期末的現值。因時間推移而出現貼現現值金額增加，計入損益。

本集團就於缺陷責任期間發生的缺陷提供一般修理的建設服務作出整改工程。整改工程撥備乃根據以往對整改工作水平的經驗確認，並酌情貼現至其現值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**Income tax**

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries/jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

2.4 重大會計政策概要 (續)**所得稅**

所得稅包括即期及遞延稅項。與損益以外的已確認項目有關的所得稅於損益之外確認，如可於其他全面收益或直接於權益中確認。

即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局的金額計量，以截至報告期末已頒佈或實質上已頒佈的稅率（及稅法）為基礎及經考慮本集團經營所處國家／司法管轄區的解釋及常用準則。

遞延稅項採用負債法，對所有於報告期末就資產及負債的計稅數額與用於財務報告的賬面值的不同而引致的暫時性差異作出撥備。

遞延稅項負債就所有應課稅暫時差額確認，惟：

- 當遞延稅項負債產生於商譽的初始確認或非業務合併的交易中的資產或負債時，並且在交易時不影響會計溢利或應課稅損益；及
- 對於與附屬公司投資相關的應課稅暫時性差異，當暫時性差異轉回的時機可以控制且暫時性差異很可能在可預見的未來不會轉回時。

遞延稅項資產就所有可抵扣暫時性差異、未動用稅項抵免的結轉及任何未動用的稅項虧損確認。遞延稅項資產在可能有未來應課稅溢利可用以抵銷可抵扣暫時差額、未動用稅項抵免及未動用稅項虧損結轉的情況下確認，惟下列情況除外：

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 重大會計政策概要(續)

所得稅(續)

- 與可抵扣暫時性差異相關的遞延稅項資產是在非業務合併的交易中初始確認資產或負債時產生的，並且在交易時不影響會計溢利或應課稅損益；及
- 對於與附屬公司投資相關的可抵扣暫時性差異，遞延稅項資產僅在可預見的未來可能發生暫時性差異轉回的情況下確認，並且可以利用未來應課稅溢利用以抵扣暫時性差異。

遞延稅項資產的賬面值於各報告期末檢討，並於不再可能有足夠應課稅溢利以動用全部或部分遞延稅項資產時減少。未確認遞延稅項資產於各報告期末重新評估，並於可能有足夠應課稅溢利以收回全部或部分遞延稅項資產時確認。

根據於各報告期末之前已頒佈或實質上已頒佈的稅率（及稅法），遞延稅項資產及負債按照預期適用於資產變現或負債結算期間的稅率計算。

當且僅當本集團有法定可執行權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或收回時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同的應稅實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2.4 重大會計政策概要(續)

政府補貼

倘有合理保證將可獲得政府補貼，且符合所有附帶條件，則補貼可按公平值確認。倘補貼與開支項目相關，則有系統地確認為擬定彌償所支銷成本的期間的收入。

倘有關補貼涉及一項資產，則其公平值會計入遞延收益賬，並於有關資產的預期可使用年內按年等額分期計入損益表，或自有關資產的賬面值中扣除並以減少折舊費用方式計入損益表。

收益確認

來自客戶合約的收益

來自客戶合約的收益於向客戶轉移貨品或服務的控制權時確認，轉讓金額應為能反映本集團預期就交換該等貨品或服務有權獲得的代價。

倘合約代價包括可變金額，估計代價為本集團將貨品或服務轉移予客戶而有權獲得的金額。可變代價在合約開始時作出估計並受其約束，直至與可變代價相關的不確定因素其後消除時累計收益金額不大可能會出現重大撥回。

倘合約包含融資部分，就貨品或服務轉移予客戶而為客戶提供重大利益超過一年時，收益按應收金額的現值計量，使用合約開始時在本集團與客戶之間訂立的獨立融資交易中反映的貼現率貼現。倘合約包含為本集團提供超過一年的重大財務利益的融資部分時，根據合約確認的收益包括根據實際利率法計算的合約負債所附加的利息開支。對於客戶付款與承諾貨品或服務轉移之間的期限為一年或不足一年的合約，交易價格不會根據香港財務報告準則第15號應用可行權宜方式就重大融資部分的影響進行調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Construction services

Revenue from the provision of construction services is recognised over time, using an output method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The output method recognises revenue by reference to completion of specific transaction assessed on basis of the work certified up to the end of the reporting period as a percentage of total contract value for each contract.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 重大會計政策概要(續)

收益確認(續)

建築服務

提供建築服務的收益隨時間確認收益，使用輸出法計量完整履行服務的進度，因為本集團履約將產生或增強由客戶控制的資產（如產生或增強資產）。輸出法通過參考完成特定交易確認收益，根據截至報告期末的已認證工作評估為各合約總合約價值之百分比。

其他收入

利息收入按累計基準確認，採用實際利率法，將金融工具預計年期或較短期間（如適用）內的估計未來現金收入準確折現至金融資產的賬面淨額。

合約資產

合約資產乃就換取已向客戶轉讓的貨品或服務而收取代價的權利。倘本集團於客戶支付代價或付款到期前將貨品或服務轉讓予客戶，則就附帶條件的已賺取代價確認合約資產。

合約負債

當客戶於本集團轉移相關貨品或服務前已收取付款或付款到期時（以較早者為準）確認合約負債。當本集團根據合約履約（即向客戶轉移相關貨品或服務的控制權）時，合約負債會確認為收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised. Other contract costs are expensed as incurred.

Employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 重大會計政策概要(續)

合約成本

除資本化為存貨、物業、廠房及設備以及無形資產之成本外，為履行與客戶的合約所產生的成本如滿足以下所有條件，則資本化為資產：

- (a) 該成本與實體明確識別的一項當前或預期取得的合約直接相關。
- (b) 該成本產生或增加了實體未來用於履行(或持續履行)履約責任的資源。
- (c) 該成本預期能夠收回。

資本化合約成本乃按符合確認相關資產的收益模式的系統基準攤銷並自損益扣除。其他合約成本於產生時支銷。

僱員福利

退休金計劃

本集團根據《香港強制性公積金計劃條例》為所有僱員經營一項定額供款強制性公積金退休福利計劃(「強積金計劃」)。根據強積金計劃規則，須按僱員基本薪金的某個百分比作出供款，並於供款成為應付時在損益內扣除。強積金計劃的資產與本集團資產分開並由獨立管理基金持有。本集團所作僱主供款於向強積金計劃作出時全數歸屬予僱員。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 重大會計政策概要(續)

借款成本

收購、興建或生產合資格資產(即需要頗長一段時間方可作其擬定用途或出售之資產)之直接應佔借款成本,乃予以資本化作該等資產成本之一部份。倘該等資產已大致可供作其擬定用途或出售,有關借款成本不再予以資本化。在特定借款撥作合資格資產之支出前暫時用作投資所賺取之投資收入,將從資本化之借款成本中扣除。所有其他借款成本於產生期間支銷。借款成本包括利息及實體借款資金所產生的其他成本。

股息

當股東於股東大會上批准後,末期股息確認為負債。

中期股息同時提呈及申報,因為本公司的組織章程大綱及章程細則賦予董事申報中期股息的權力。因此,中期股息在提呈及申報時即被確認為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 重大會計政策概要(續)

外幣

該等財務報表以港元呈列，港元為本公司的功能貨幣。本集團各實體確定其自身的功能貨幣，並使用該功能貨幣計量各實體的財務報表中包含的項目。本集團實體所記錄的外幣交易初步按其於交易日期的現行功能貨幣匯率入賬。以外幣計值的貨幣資產及負債按報告期末的功能貨幣匯率換算。結算或換算貨幣項目產生的差額於損益確認。依據過往成本計量換算以外幣計值的非貨幣項目時使用初始交易日期的匯率。

在終止確認預付代價相關的非貨幣性資產或非貨幣性負債時，為釐定初始確認相關資產、開支或收入採用的匯率，初始交易日期為本集團初步確認預付代價產生的非貨幣性資產或非貨幣性負債之日。如有多次支付或收取預付款項，本集團則須釐定各項支付或收取預付代價的交易日期。

3. 主要會計判斷及估計

於編製本集團財務報表時，管理層須作出會影響收益、開支、資產及負債的呈報金額及其有關披露及或然負債的披露的判斷、估計及假設。該等假設及估計的不明朗因素可能導致需要對未來有關資產或負債的賬面值作出重大調整。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(continued)*

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Group has the primary responsibility for fulfilment of the contract, quality and warranty of the overall work and has discretion in selecting subcontractors and determining the pricing for subcontractors. Thus, the Group is acting as the principal and recognises revenue on a gross basis. The determination of the progress of the construction service involves judgements. The Group recognises revenue based on progress confirmation from customers. The confirmation reflects the progress towards complete satisfaction of the performance obligation, which is measured based on direct measurements of the value of units delivered or surveys of work performed. The customers will provide a final statement when the whole project is completed and may have adjustments on accumulated confirmation according to the actual engineering quantity till the day of completion. In addition, when determining the transaction price, the Group considers factors such as whether there is any financing component. The Group considers whether the payment schedule is commensurate with the Group's performance and whether the delayed payment is for financing purposes. The Group has, therefore, recognised revenue based on the progress confirmation over the period during which the service is rendered and transferred to customers.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 主要會計判斷及估計 (續)

判斷

於應用本集團的會計政策的過程中，除涉及估計的判斷外，管理層作出以下對財務報表中所確認金額影響最為重大的判斷：

客戶合約收益

本集團主要對履行合約、整體工程質量及保修負責，並酌情選擇次承判商及釐定次承判商的定價。因此，本集團以主事人身份行事，在總額基礎上確認收益。確定施工服務的進度涉及判斷。本集團根據客戶的進度確認來確認收益。確認反映完全履行履約責任的進展情況，該履約責任是根據所交付單位價值的直接計量或測量已進行工程而定。客戶將在整個項目完成後提供最終報表，並可根據實際工程量對累計確認進行調整，直至竣工當日為止。此外，在釐定交易價格時，本集團會考慮是否存在任何融資成分等因素。本集團考慮付款時間表是否與本集團的表現相稱，以及延遲付款是否出於融資目的。因此，本集團已就向客戶提供及轉讓服務的期間根據進度確認確認收益。

估計不確定因素

於報告期末，有重大風險導致資產及負債賬面值於下一財政年度作出重大調整之未來相關主要假設及估計不確定因素之其他主要來源，如下所述。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)**Estimation uncertainty** (continued)*Provision for ECLs on trade receivables and contract assets*

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The information about the ECLs on the Group's contract assets and trade receivables is disclosed in notes 15 and 16, respectively, to the financial statements.

Provision for rectification works

Significant estimates are involved in the determination of provisions related to rectification works. Accordingly, management exercises considerable judgement in determining whether there is a present obligation as a result of a past event at the reporting date, whether it is more likely than not that such warranty services and rectification works will result in an outflow of resources and whether the amount of the obligation can be reliably estimated with reference to the relevant correspondence and contracts with customers. Management estimates the cost for rectification works with regard to the Group's experience in addressing such matters. As at 31 March 2020, the Group recognised provisions related to warranty costs and rectification works amounting to HK\$8,950,000 (2019: HK\$7,778,000) (note 23).

3. 主要會計判斷及估計 (續)**估計不確定因素** (續)*貿易應收款項及合約資產的預期信貸虧損撥備*

本集團採用撥備矩陣計算貿易應收款項及合約資產的預期信貸虧損。撥備率乃基於因就擁有類似虧損模式的多個客戶分部進行分組而逾期的日數計算。

撥備矩陣初步以本集團的過往觀察所得違約率為基礎。本集團將調整矩陣，以對照前瞻性資料調整過往信貸虧損經驗。舉例而言，倘預測經濟狀況（即本地生產總值）預期會於下一年惡化而可能導致建築界別的違約數目增加，則會調整過往違約率。於各報告日期，過往觀察所得違約率會更新及前瞻性估計的變動會予以分析。

對過往觀察所得違約率、預測經濟狀況及預期信貸虧損之間的關連性進行的評估屬重大估計。預期信貸虧損的金額對環境及預測經濟狀況的變動敏感。本集團的過往信貸虧損經驗及經濟狀況的預測亦未必反映客戶未來的實際違約情況。有關本集團合約資產及貿易應收款項預期信貸虧損的資料分別披露於財務報表附註 15 及 16。

整改工程撥備

在釐定與整改工程有關的撥備時涉及重大估計。因此，管理層作出重大判斷以決定於報告日期的現有責任是否源於已發生的事件、該保修服務及整改工程會否可能造成資源外流及責任的金額能否就與客戶的合約及相關事宜作可靠的估計。管理層根據本集團處理該等事宜的經驗就整改成本作出估計。於2020年3月31日，本集團確認的保修成本及整改工程撥備分別為8,950,000港元(2019年：7,778,000港元)(附註23)。

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4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of aluminium works related services. Information reported to the Group's chief operating decision maker for the purpose of resource allocation and performance assessment is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no further operating segment information is presented.

Geographical information

(a) *Revenue from external customers*

All of the Group's revenues from external customers were attributed to Hong Kong based on the location of the services provided.

(b) *Non-current assets*

All of the Group's non-current assets were located in Hong Kong based on the locations of the assets.

Information about major customers

Revenue from external customers contributing to 10% or more of the total revenue of the Group is as follows:

4. 經營分部資料

本集團主要從事提供鋁質工程及相關服務。就資源配置及表現評估向本集團主要營運決策者報告的資料集中於本集團整體經營業績，原因是本集團的資源已經整合，且並無任何獨立經營分部的財務資料。因此，不呈列經營分部資料。

地理資料

(a) *來自外部客戶的收益*

本集團所有來自外部客戶的收益均根據服務提供所在位置撥歸香港所有。

(b) *非流動資產*

本集團所有非流動資產根據資產所在位置均位於香港。

有關主要客戶的資料

在本集團收益總額中佔比10%或以上的外部客戶收益如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A	客戶 A	141,921	157,043
Customer B	客戶 B	41,356	26,480
Customer C	客戶 C	N/A* 不適用*	26,105

* Less than 10% of revenue

* 少於收益的10%

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5. REVENUE, OTHER INCOME AND GAIN

An analysis of revenue is as follows:

5. 收益、其他收入及收益

收益的分析如下：

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue from contracts with customers 客戶合約收益	245,474	232,957

Revenue from contracts with customers

(i) Disaggregated revenue information

客戶合約收益

(i) 細分收益資料

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Type of construction services provided Residential 住宅 Non-residential 非住宅	209,172 36,302	196,990 35,967
Total revenue from contracts with customers 客戶合約收益總額	245,474	232,957
Timing of revenue recognition Services transferred over time 收益確認時間 隨時轉移的服務	245,474	232,957

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liability at the beginning of the reporting period:

下表顯示於報告期初計入合約負債的當期報告期間確認的收益金額：

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Revenue recognised that was included in contract liability at the beginning of the reporting period 於報告期初計入合約負債之已確認收益 Construction services 建築服務	1,247	—

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5. REVENUE, OTHER INCOME AND GAIN

(continued)

Revenue from contracts with customers (continued)

(ii) Performance obligation

Information about the Group's performance obligation is summarised below:

Construction services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of issuance of the payment certificate. A certain percentage of payment is retained by customers until the end of the retention period as the Group's entitlement to the final payment is conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts.

Unsatisfied performance obligations related to construction contracts:

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Amounts of transaction prices expected to be recognised:		
Within one year	330,717	223,009
After one year	108,258	66,379
	438,975	289,388

The amounts of contract sum allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to construction services, of which the performance obligations are to be satisfied within three years. All the other amounts of contract sum allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

5. 收益、其他收入及收益(續)

客戶合約收益(續)

(ii) 履約責任

有關本集團履約責任的資料概述如下：

建築服務

履約責任隨著提供服務而逐漸履行，且款項一般於自發出付款證明起計30天內到期支付。客戶會保留一定比例之付款直至保固期結束，因為本集團收取最終付款之權利取決於客戶在合約規定之一段時間內是否對服務質量感到滿意。

有關建造合約之未完成履約責任：

分配至餘下履約責任(預計於一年後確認為收益)之合約金額與建築服務相關，其履約責任將於三年內履行。分配至餘下履約責任的所有其他合約金額預期將於一年內確認為收益。上文披露的金額不包括受約束的可變代價。

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5. REVENUE, OTHER INCOME AND GAIN

(continued)

An analysis of other income and gain is as follows:

5. 收益、其他收入及收益(續)

其他收入及收益分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other income and gain	其他收入及收益		
Bank interest income	銀行利息收入	969	154
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	—	15
Government grants*	政府補貼*	296	—
Others	其他	—	291
		1,265	460

* Government grants received from The Government of the Hong Kong Special Administrative Region to support the technology upgrades and the operation of the Group. There are no unfulfilled conditions or contingencies relating to the grants.

* 政府補貼來自香港特別行政區政府，用以支持技術升級及本集團運營。該補貼並無任何未達成條件或或然事項。

6. FINANCE COSTS

6. 融資成本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest on bank borrowings	銀行借款利息	103	150
Interest on lease liability	租賃負債利息	13	13
		116	163

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7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/ (crediting):

7. 除稅前溢利

本集團除稅前溢利於扣除／(計入)下列各項後入賬：

	Notes 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Contract costs	合約成本	184,554	177,070
Auditor's remuneration	核數師酬金	1,598	183
Depreciation of property, plant and equipment	物業、廠房及設備折舊	337	349
Depreciation of right-of-use asset	使用權資產折舊	416	379
Lease payments not included in the measurement of lease liabilities	未計入租賃負債計量的租賃付款	143	132
Employee benefit expense (including directors' remuneration (note 8))*:	僱員福利開支(包括董事酬金(附註8))*:		
Wages, salaries and bonuses	工資、薪金及花紅	28,427	24,007
Pension scheme contributions	退休金計劃供款	943	928
		29,370	24,935
Reversal of impairment of contract assets, net [#]	合約資產減值撥回，淨額 [#]	(280)	(165)
Reversal of impairment of trade receivables, net [#]	貿易應收款項減值撥回，淨額 [#]	(152)	(443)
Net provision for rectification works*	整改工程淨撥備*	3,065	3,489
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的收益	—	(15)

* For the year ended 31 March 2020, wages, salaries and bonuses of HK\$24,492,000 (2019: HK\$20,527,000), pension scheme contributions of HK\$837,000 (2019: HK\$814,000) and net provision for rectification works of HK\$3,065,000 (2019: HK\$3,489,000), respectively, are included in contract costs disclosed above.

[#] Included in "Reversal of impairment loss allowances" in the consolidated statement of profit or loss and other comprehensive income.

* 截至2020年3月31日止年度，工資、薪金及花紅為24,492,000港元(2019年：20,527,000港元)，退休福利計劃供款為837,000港元(2019年：814,000港元)及整改工程淨撥備為3,065,000港元(2019年：3,489,000港元)已計入上述披露合約成本。

[#] 計入綜合損益及其他全面收益表中的「減值虧損撥回」。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Fees	袍金	75	—
Other emoluments:	其他薪酬：		
Salaries and bonuses	薪金及花紅	1,531	1,942
Pension scheme contributions	退休金計劃供款	36	54
		1,567	1,996
		1,642	1,996

8. 董事及行政總裁之酬金

根據聯交所證券上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部，年內董事及行政總裁酬金披露如下：

(a) Independent non-executive directors

(a) 獨立非執行董事

		Fees 袍金 HK\$'000 千港元
2020	2020年	
Mr. Chow Chi Fai*	周志輝先生*	25
Mr. Chan Hon Ki*	陳漢淇先生*	25
Mr. Yu Chi Wing*	于志榮先生*	25
		75

* Mr. Chow Chi Fai, Mr. Chan Hon Ki and Mr. Yu Chi Wing were appointed as independent non-executive directors of the Company on 12 December 2019.

* 周志輝先生、陳漢淇先生及于志榮先生於2019年12月12日獲委任為本公司獨立非執行董事。

There were no other emoluments payable to the independent non-executive directors during the year (2019: Nil).

概無於年內須支付予獨立非執行董事的其他薪酬(2019年：無)。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors

		Fees	Salaries and bonuses	Pension scheme contributions	Total remuneration
		費用	薪金及花紅	退休金計劃供款	薪酬總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2020	2020年				
Executive directors:	執行董事：				
Mr. Chan Fai*	陳輝先生*	—	789	18	807
Mr. Chen Yuet Wa*	陳越華先生*	—	742	18	760
		—	1,531	36	1,567
2019	2019年				
Executive directors:	執行董事：				
Mr. Chan Fai*	陳輝先生*	—	768	18	786
Mr. Chen Yuet Wa*	陳越華先生*	—	706	18	724
Mr. Chen Zhenchuan*	陳振川先生*	—	468	18	486
		—	1,942	54	1,996

* Mr. Chan Fai and Mr. Chen Yuet Wa were appointed as executive directors of the Company on 18 May 2018. Mr. Chen Zhenchuan was appointed as an executive director of the Company on 18 May 2018 and resigned on 20 September 2018. Mr. Chen Yuet Wa was also appointed as the chief executive of the Company on 18 May 2018.

During the year, no remuneration was paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2019: Nil).

There was no arrangement under which a director or a chief executive waived or agreed to waive any remuneration during the year (2019: Nil).

8. 董事及行政總裁之酬金 (續)

(b) 執行董事

* 陳輝先生及陳越華先生於2018年5月18日獲委任為本公司執行董事。陳振川先生於2018年5月18日獲委任為本公司執行董事，並於2018年9月20日辭任。陳越華先生亦於2018年5月18日獲委任為本公司行政總裁。

於年內，本集團並無任何支付或應付予董事的酬金作為促使加入本集團或加入本集團後的獎勵或作為離職補償(2019年：無)。

於年內，概無董事或行政總裁放棄或同意放棄任何酬金的安排(2019年：無)。

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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included 1 (2019: 1) director, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries and bonuses	薪金及花紅	3,289	3,178
Pension scheme contributions	退休金計劃供款	69	67
		3,358	3,245

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

		2020 2020年	2019 2019年
Nil to HK\$1,000,000	零至1,000,000港元	4	4

9. 五位最高薪酬的僱員

於年內，五名最高薪酬的僱員包括1名(2019年：1名)董事，其薪酬詳情載於上文附註8。其餘最高薪酬的僱員(並非本公司董事或行政總裁)於年內的薪酬詳情如下：

薪酬介乎以下範圍內的非董事及非行政總裁的最高薪酬僱員人數如下：

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10. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

10. 所得稅

於年內，香港利得稅就香港產生的估計應課稅溢利按16.5%的稅率計提撥備，惟本集團一間附屬公司除外，該公司為符合自2018/2019年應課稅年度起生效的利得稅兩級制的實體。該附屬公司首筆2,000,000港元應課稅溢利之稅率為8.25%，而其餘應課稅溢利之稅率為16.5%。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Current — Hong Kong	即期 — 香港		
Charge for the year	本年度支出	8,142	7,697
Underprovision in prior years	過往年度撥備不足	5	—
Deferred (note 24)	遞延(附註24)	59	123
Total tax charge for the year	本年度稅項總支出	8,206	7,820

A reconciliation of the tax expense applicable to profit before tax at the Hong Kong statutory tax rate to the tax charge at the Group's effective tax rate is as follows:

按香港法定稅率計算的除稅前溢利適用的稅項開支與按本集團實際稅率計算的稅項開支對賬如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Profit before tax	除稅前溢利	35,856	41,030
Tax at statutory tax rate of 16.5% (2019: 16.5%)	按16.5%(2019年：16.5%)的法定稅率計算的稅項	5,916	6,770
Tax effect of the two-tiered profits tax rates regime	利得稅兩級制的稅務影響	(165)	(165)
Adjustments in respect of current tax of previous periods	過往期間即期稅項調整	5	—
Income not subject to tax	毋須課稅的收入	(125)	(21)
Expenses not deductible for tax	不可扣稅開支	2,605	1,285
Others	其他	(30)	(49)
Tax charge at the Group's effective tax rate	按本集團的實際稅率計算的稅項開支	8,206	7,820

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11. DIVIDENDS

The board of directors has resolved not to declare any final dividend by the Company for the year ended 31 March 2020 (2019: Nil).

During the year ended 31 March 2019, subsidiaries of the Company declared interim dividends in total of HK\$7,947,000 to the then shareholder.

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$27,650,000 (2019: HK\$33,210,000), and the weighted average number of ordinary shares of 801,913,000 (2019: 750,000,000) in issue during the year, on the assumption that the Reorganisation and the capitalisation issue, as further explained in note 25 to the financial statements, had been completed on 1 April 2018.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2020 and 2019.

11. 股息

董事會議決本公司不宣派截至2020年3月31日止年度的任何末期股息(2019年：無)。

截至2019年3月31日止年度，本公司附屬公司向當時的股東宣派中期股息合共7,947,000港元。

12. 本公司普通股權益持有人應佔每股盈利

每股基本盈利的金額乃根據本公司普通股股權持有人應佔年度溢利27,650,000港元(2019年：33,210,000港元)及年內已發行普通股的加權平均數801,913,000股(2019年：750,000,000股)計算，假設重組及資本化發行(如財務報表附註25進一步闡釋)於2018年4月1日完成。

本集團於截至2020年及2019年3月31日止年度概無任何已發行潛在攤薄普通股。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2020	2020年3月31日				
At 31 March 2019 and at 1 April 2019:	於2019年3月31日及2019年4月1日：				
Cost	成本	138	1,260	724	2,122
Accumulated depreciation	累計折舊	(56)	(670)	(299)	(1,025)
Net carrying amount	賬面淨額	82	590	425	1,097
At 1 April 2019, net of accumulated depreciation	於2019年4月1日，扣除累計折舊	82	590	425	1,097
Additions	添置	-	112	-	112
Depreciation provided during the year	年內計提折舊	(27)	(212)	(98)	(337)
At 31 March 2020, net of accumulated depreciation	於2020年3月31日，扣除累計折舊	55	490	327	872
At 31 March 2020:	於2020年3月31日：				
Cost	成本	138	1,372	724	2,234
Accumulated depreciation	累計折舊	(83)	(882)	(397)	(1,362)
Net carrying amount	賬面淨額	55	490	327	872

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13. PROPERTY, PLANT AND EQUIPMENT

(continued)

13. 物業、廠房及設備(續)

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 March 2019	2019年3月31日				
At 1 April 2018:	於2018年4月1日：				
Cost	成本	138	1,164	364	1,666
Accumulated depreciation	累計折舊	(28)	(444)	(334)	(806)
Net carrying amount	賬面淨額	110	720	30	860
At 1 April 2018, net of accumulated depreciation	於2018年4月1日，扣除累計折舊	110	720	30	860
Additions	添置	–	96	490	586
Depreciation provided during the year	年內計提折舊	(28)	(226)	(95)	(349)
At 31 March 2019, net of accumulated depreciation	於2019年3月31日，扣除累計折舊	82	590	425	1,097
At 31 March 2019:	於2019年3月31日：				
Cost	成本	138	1,260	724	2,122
Accumulated depreciation	累計折舊	(56)	(670)	(299)	(1,025)
Net carrying amount	賬面淨額	82	590	425	1,097

14. LEASES

The Group as a lessee

The Group has lease contracts for car parks, office premises and office equipment. The lease of office premises is negotiated for a term of 2 years (2019: 2 years). Car parks generally have lease terms of 12 months or less and office equipment is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

14. 租賃

本集團作為承租人

本集團就停車場、辦公場所及辦公設備訂有租賃合約。辦公場所租約商定為期2年(2019年：2年)。停車場租期一般為12個月或以下，及辦公設備個別價值較低。一般而言，本集團不可向本集團以外人士轉讓及轉租租賃資產。

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14. LEASES (continued)

(a) Right-of-use asset — leased property

The carrying amount of the Group's right-of-use asset and the movements during the year are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	221	600
Addition	添置	937	—
Depreciation charge during the year	年內折舊費用	(416)	(379)
At end of the year	於年末	742	221

(b) Lease liability

The carrying amount of lease liability and the movements during the year are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	於年初	236	631
New lease	新租賃	937	—
Accretion of interest recognised during the year	年內確認的增量利息	13	13
Payments during the year	年內付款	(439)	(408)
At end of year	年末	747	236
Analysed into:	按以下各項進行分析：		
Current portion	流動部分	468	236
Non-current portion	非流動部分	279	—
		747	236

The maturity analysis of lease liability is disclosed in note 32 to the financial statements.

14. 租賃(續)

(a) 使用權資產 — 租賃物業

年內本集團使用權資產的賬面值及變動如下：

(b) 租賃負債

年內租賃負債的賬面值及變動如下：

租賃負債的到期日分析於財務報表附註32中披露。

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14. LEASES (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

14. 租賃(續)

(c) 與租賃有關並於損益中確認的金額如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest on lease liability	租賃負債的利息	13	13
Depreciation charge of right-of-use asset	使用權資產的折舊開支	416	379
Expense relating to short term leases (included in administrative expenses)	與短期租賃有關的開支 (計入行政開支)	103	92
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃有關的開支 (計入行政開支)	40	40
Total amount recognised in profit or loss	於損益確認的總額	572	524

15. CONTRACT ASSETS/(LIABILITY)

15. 合約資產／(負債)

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Contract assets	合約資產		
— Unbilled revenue	— 未發票據收益	29,585	53,046
— Retention receivables	— 應收保固金	23,863	17,988
		53,448	71,034
Impairment	減值	(7)	(382)
		53,441	70,652
Contract liability	合約負債	—	(1,247)

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15. CONTRACT ASSETS/(LIABILITY) (continued)

Movements in gross carrying amounts of contract assets:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	年初	71,034	34,118
Additions in contract assets	合約資產增加	40,761	62,142
Transfer to trade receivables	轉撥至貿易應收款項	(58,252)	(25,216)
Write-off of contract assets	合約資產撇銷	(95)	(10)
At end of the year	年末	53,448	71,034

Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed and not yet billed because the rights are conditional upon the quality and quantity check by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time when the Group obtains the certification of the completed construction work from the customers.

Retention receivables included in contract assets represent the Group's right to consideration for work performed but not yet collectible because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

The decrease/increase in contract assets as at 31 March 2020 and 2019 was the result of the decrease/increase in the provision of construction services near the end of the year.

The Group's trading terms and credit policy with customers are disclosed in note 16 to the financial statements.

15. 合約資產／(負債)(續)

合約資產賬面總值變動：

計入合約資產之未發票據收益指本集團就已完成但尚未發票據之工程收取代價之權利，原因是相關權利須待客戶對本集團所完成建築工程檢查質量及數量後方可作實且有關工程須待客戶認可。倘為相關權利不受條件限制(屆時本集團通常已就所完成建築工程取得客戶認可)，合約資產會轉移至貿易應收款項。

計入合約資產之應收保固金指本集團就已完成但尚未收回之工程收取代價之權利，原因是相關權利須待客戶於合約規定的一定期間內對服務質素表示滿意後方可作實。倘為相關權利不受條件限制(通常為本集團就其所完成建築工程之服務質素提供保證期間之屆滿日期)，合約資產轉移至貿易應收款項。

於2020年及2019年3月31日合約資產減少／增加是由於近年未提供的建築服務減少／增加。

本集團與客戶的貿易條款及信貸政策披露於財務報表附註16。

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15. CONTRACT ASSETS/(LIABILITY) (continued)

The expected timing of recovery or settlement for contract assets is as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within one year	一年內	35,449	59,830
After one year	一年後	17,992	10,822
		53,441	70,652

The movements in loss allowance for impairment of contract assets are as follows:

		Note 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of year	年初		382	557
Reversal of impairment losses, net	減值虧損撥回，淨額	7	(280)	(165)
Amount written off as uncollectible	撇銷為無法收回的金額		(95)	(10)
At end of year	年末		7	382

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The provision rates of contract assets are based on days past due of trade receivables for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

15. 合約資產／(負債)(續)

合約資產的預計收款或結算時間如下：

合約資產減值虧損撥備變動如下：

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。計量合約資產預期信貸虧損的撥備率乃基於該等貿易應收款項，原因為合約資產及貿易應收款項均來自同一客戶群。合約資產的撥備率基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定。該計算反映概率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前狀況及未來經濟狀況預測的合理及可靠資料。

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15. CONTRACT ASSETS/(LIABILITY) (continued)

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

		2020 2020年	2019 2019年
Expected credit loss rate	預期信貸虧損率	0.01%	0.54%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	53,448	71,034
Expected credit losses (HK\$'000)	預期信貸虧損(千港元)	7	382

Movements in contract liability:

合約負債之變動：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	年初	1,247	—
Receipt from a customer	收取一名客戶的款項	—	1,247
Revenue recognised that was included in the contract liability balance at beginning of the year	年初計入合約負債結餘的已確認收益	(1,247)	—
At end of the year	年末	—	1,247

The contract liability primarily related to the Group's obligation to transfer services to customers for which the Group had received consideration from the customers.

合約負債主要與本集團向客戶轉移服務的責任有關，就此本集團已收取客戶代價。

16. TRADE RECEIVABLES

16. 貿易應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade receivables	貿易應收款項	6,832	20,273
Impairment	減值	(3)	(155)
		6,829	20,118

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16. TRADE RECEIVABLES (continued)

Trade receivables represented receivables for contract works. Management generally submits interim payment applications to customers on a monthly basis containing a statement setting out management's estimation of the valuation of the works completed in the preceding month. Upon receiving the interim payment application, the quantity surveyors of the customer will verify such valuation of works completed and issue an interim payment certificate within 30 days. Within 30 days after the issuance of the interim payment certificate, the customer will make payment to the Group based on the certified amount stipulated in such certificate, deducting any retention money in accordance with the contract. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the progress payment certificate date and net of loss allowance, is as follows:

16. 貿易應收款項(續)

貿易應收款項為合約工程應收款項。管理層通常每月向客戶提交臨時付款申請，當中載有管理層對上月已竣工工程的估值進行估計的報表。在收到臨時付款申請後，客戶的工料測量師將於30天內核實已竣工工程的估值，並發出臨時付款證書。在發出臨時付款證書後30天內，客戶將基於該證書中規定的核准金額向本集團支付款項，並按照合約扣除任何保固金。貿易應收款項並不計息。

於各報告期末根據進度付款證明日期並扣除虧損撥備後的貿易應收款項的賬齡分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 30 days	30天內	2,515	8,660
31 to 90 days	31至90天	2,697	11,404
Over 90 days	超過90天	1,617	54
		6,829	20,118

The movements in loss allowance for impairment of trade receivables are as follows:

貿易應收款項的減值虧損撥備變動如下：

	Note 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year		155	598
Reversal of impairment losses, net	7	(152)	(443)
At end of the year		3	155

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16. TRADE RECEIVABLES (continued)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than 120 days and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 March 2020

		Past due 逾期			Total 總計
		Current 即期	Less than 30 days 少於30天	31 to 90 days 31至90天	
Expected credit loss rate	預期信貸虧損率	0.01%	0.04%	0.12%	0.04%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	2,515	2,698	1,619	6,832
Expected credit loss (HK\$'000)	預期信貸虧損(千港元)	–	1	2	3

As at 31 March 2019

		Past due 逾期			Total 總計
		Current 即期	Less than 30 days 少於30天	31 to 90 days 31至90天	
Expected credit loss rate	預期信貸虧損率	0.54%	0.58%	1.32%	0.76%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	8,707	6,053	5,513	20,273
Expected credit loss (HK\$'000)	預期信貸虧損(千港元)	47	35	73	155

16. 貿易應收款項(續)

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定。該計算反映概率加權結果，貨幣時值及於報告日期可得的有關過往事項，當前狀況及未來經濟條件預測的合理及可靠資料。一般而言，貿易應收款項如逾期超過120天及毋須受限於強制執行活動則予以撇銷。

下表載列使用撥備矩陣計算的本集團貿易應收款項的信貸風險資料：

於2020年3月31日

於2019年3月31日

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17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

17. 預付款項、按金及其他應收款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Prepayments	預付款項	2,117	2,022
Deposits and other receivables	按金及其他應收款項	7,047	4,065
		9,164	6,087
Less: Portion classified as non-current assets	減：分類為非流動資產的部分	(143)	—
Portion classified as current assets	分類為流動資產的部分	9,021	6,087

The financial assets included in the above balances relate to deposits and receivables for which there was no recent history of default and past due amounts.

The Group has applied the general approach to provide for expected credit losses for deposits and other receivables and considered past events, current conditions and forecasts of future economic conditions in calculating the expected credit loss rate. As at 31 March 2020 and 2019, the expected credit loss rate for deposits and other receivables was assessed to be minimal.

計入上述結餘的金融資產與近期並無違約記錄的按金及應收款項以及逾期款項有關。

本集團已應用一般方法就存款及其他應收款項的預期信貸虧損計提撥備並在計量預期信貸虧損率時考量過去事件、當前狀況和未來經濟狀況的預測。於2020年及2019年3月31日，存款及其他應收款項預期信貸虧損率評估為微不足道。

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18. BALANCE WITH A DIRECTOR

The Group's balances with a director, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

Amount due from a director

		Maximum amount outstanding during the year 年內 未償還的 最高金額 HK\$'000 千港元	As at 31 March 2020 於2020年 3月31日 HK\$'000 千港元	Maximum amount outstanding during the year 年內 未償還的 最高金額 HK\$'000 千港元	As at 31 March 2019 於2019年 3月31日 HK\$'000 千港元
Mr. Chen Yuet Wa	陳越華先生	10,681	–	14,436	5,864

The amount due from a director was non-trade in nature, unsecured, interest-free and repayable on demand.

18. 董事結餘

本集團根據《香港公司條例》第383(1)(d)條及《公司(披露董事利益資料)規則》第3部披露的董事結餘如下：

應收一名董事款項

應收一名董事款項乃非貿易性質、無抵押、免息及應要求償還。

19. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		Note 附註	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘		67,483	5,155
Time deposits	定期存款		119,050	29,880
			186,533	35,035
Less: Time deposits pledged for banking facilities	減：用作銀行融資所抵押之定期存款	27(a)	(4,416)	(9,880)
Cash and cash equivalents	現金及現金等值項目		182,117	25,155

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

19. 現金及現金等值項目以及質押存款

銀行現金根據每日銀行存款利率按浮息賺取利息。短期定期存款之期限由一天至三個月不等，視乎本集團之即時現金需求而定，並按相關短期定期存款利率賺取利息。銀行結餘及質押存款乃存放於信譽良好及近期並無違約記錄的銀行。

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20. TRADE AND RETENTION PAYABLES

20. 貿易應付款項及應付保固金

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade payables	貿易應付款項	6,637	13,255
Retention payables	應付保固金	290	–
		6,927	13,255

An ageing analysis of the trade and retention payables as at the end of each of the reporting period, based on the date of invoice and payment certificate, is as follows:

於各報告期末根據發票及付款證明日期呈列的貿易應付款項及應付保固金的賬齡分析如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 30 days	30天內	5,664	11,686
31 to 90 days	31天至90天	445	1,371
Over 90 days	超過90天	528	198
Retention payables	應付保固金	6,637 290	13,255 –
		6,927	13,255

At 31 March 2020, retention payables were expected to be settled within one year.

於2020年3月31日，應付保固金預期於一年內結付。

Trade and retention payables are non-interest-bearing. The payment terms of trade payables are stipulated in the relevant contracts with credit periods of 30 days in general.

貿易應付款項及應付保固金並不計息。貿易應付款項的付款期限由相關合約規定，信貸期一般為30天。

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21. OTHER PAYABLE AND ACCRUALS

21. 其他應付款項及應計費用

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Other payable	其他應付款項	1,022	—
Accruals	應計費用	4,214	1,863
		5,236	1,863

At 31 March 2020, other payable was non-interest-bearing and with a credit period of 30 days.

於2020年3月31日，其他應付款項為不計息，信貸期為30天。

22. INTEREST-BEARING BANK BORROWINGS

22. 計息銀行借款

Interest-bearing bank borrowings of the Group are analysed as follows:

本集團的計息銀行借款分析如下：

		As at 31 March 2020 於2020年3月31日			As at 31 March 2019 於2019年3月31日		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	即期						
Bank loan — secured	銀行貸款 — 有抵押	N/A	N/A	—	Prime Rate ("PR") -1.75% 優惠利率 ("優惠利率") -1.75厘	2022	978
		不適用	不適用				
Bank loan — secured	銀行貸款 — 有抵押	N/A	N/A	—	Lower of Hong Kong Interbank Offer Rate +1.6% and PR-2.85% 低於香港銀行同業拆息 +1.6厘或優惠利率-2.85厘	2032	4,886
		不適用	不適用				
				—			5,864

The bank loans were fully repaid during the current year.

於本年度，銀行貸款已悉數償還。

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22. INTEREST-BEARING BANK BORROWINGS

(continued)

Notes:

- (a) The bank loans with an aggregate amount of HK\$5,864,000 as at 31 March 2019 containing a repayment on demand clause were classified as current liabilities.

Accordingly, portions of the bank loans due for repayment after one year as at 31 March 2019, with a total carrying amount of HK\$5,210,000 were classified as current liabilities. For the purpose of the above analysis, the loans were included within current interest-bearing bank borrowings and analysed into bank loans repayable within one year or on demand.

As at 31 March 2019, ignoring the effect of any repayment on demand clause and based on the maturity terms of these loans, the Group's bank borrowings were repayable as follows:

		2019 2019年 HK\$'000 千港元
Within one year	一年內	654
In the second to fifth years, inclusive	二至五年內(包括首尾兩年)	2,047
Beyond five years	五年以上	3,163
		5,864

- (b) As at 31 March 2019, the Group's bank borrowings were secured by:
- (i) the pledge of an industrial property of Ms. Wong Chun Siu, the spouse of the Controlling Shareholder;
 - (ii) the pledge of a residential property of the Controlling Shareholder;
 - (iii) the pledge of a time deposit of the Controlling Shareholder amounting to HK\$7,000,000;
 - (iv) the pledge of time deposits of the Group amounting to HK\$9,880,000; and
 - (v) a personal insurance policy of the Controlling Shareholder.

22. 計息銀行借款(續)

附註：

- (a) 於2019年3月31日，總額為5,864,000港元的銀行貸款(載有應要求償還條款)已獲分類為流動負債。

因此，於2019年3月31日，總賬面值為5,210,000港元的一年後到期償還的銀行貸款部分已獲分類為流動負債。為進行上述分析，該等貸款被計入即期計息銀行借款內，並分析為歸入一年內或應要求償還的銀行貸款。

於2019年3月31日，在不計及任何應要求償還條款的影響及基於該等貸款的到期期限，本集團的銀行借款應於以下期限償還：

- (b) 於2019年3月31日，本集團之銀行借款由：
- (i) 控股股東的配偶黃春笑女士之工業物業的質押所抵押；
 - (ii) 控股股東之住宅物業的質押所抵押；
 - (iii) 控股股東7,000,000港元定期存款之質押所抵押；
 - (iv) 本集團9,880,000港元定期存款之質押所抵押；及
 - (v) 控股股東的個人保單所抵押。

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22. INTEREST-BEARING BANK BORROWINGS

(continued)

- (c) As at 31 March 2019, the Group's bank borrowings were also guaranteed by:
- (i) a joint guarantee from the Controlling Shareholder and a then director of the Company, Mr. Chen Zhenchuan, of up to HK\$5,000,000;
 - (ii) an unlimited guarantee from the Controlling Shareholder; and
 - (iii) an unlimited guarantee from a subsidiary of the Company.
- (d) The Group's bank loans were all denominated in Hong Kong dollars.

22. 計息銀行借款(續)

- (c) 於2019年3月31日，本集團之銀行借款由：
- (i) 控股股東及陳振川先生(本公司當時一名董事)達5,000,000港元之共同擔保所擔保；
 - (ii) 控股股東無上限擔保所擔保；及
 - (iii) 本公司附屬公司無上限擔保所擔保。
- (d) 本集團銀行貸款全部以港元計值。

23. PROVISIONS FOR RECTIFICATION WORKS

23. 整改工程撥備

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
At beginning of the year	年初		7,778	5,167
Net provision during the year	年內撥備淨額	7	3,065	3,489
Amounts utilised during the year	年內所動用金額		(1,893)	(878)
At end of the year	年末		8,950	7,778

The Group generally provides defect liability periods of one to two years to its customers for its works performed, during which defective works are rectified or replaced.

The amount of the provision is estimated based on the past experience of the level of defective works and the estimation basis is reviewed on an ongoing basis and revised where appropriate.

本集團一般會就已完工工程向客戶提供一至兩年缺陷責任期，期間缺陷工程會進行整改或替換。

撥備之金額乃根據過往缺陷工程之經驗予以估計。估計之基準乃按持續基準予以檢討及於適當時作出修訂。

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24. DEFERRED TAX

The movements in deferred tax asset/(liability) during the year are as follows:

24. 遞延稅項

於年內遞延稅項資產／(負債)變動如下：

		Impairment 減值 HK\$'000 千港元	Depreciation allowances in excess of related depreciation 超過相關折舊的折舊撥備 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	191	(104)	87
Deferred tax charged to profit or loss during the year (note 10)	年內扣除自損益的遞延稅項(附註10)	(102)	(21)	(123)
At 31 March 2019 and at 1 April 2019	於2019年3月31日及2019年4月1日	89	(125)	(36)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	年內計入／(扣除自)損益的遞延稅項(附註10)	(89)	30	(59)
At 31 March 2020	於2020年3月31日	—	(95)	(95)

25. SHARE CAPITAL

25. 股本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Authorised: 10,000,000,000 (2019: 38,000,000) ordinary shares of HK\$0.01 each	法定： 10,000,000,000 股 (2019年：38,000,000 股) 每股0.01港元之普通股	100,000	380
Issued and fully paid: 1,000,000,000 (2019: 3) ordinary shares of HK\$0.01 each	已發行及繳足： 1,000,000,000 股(2019年：3 股) 每股0.01港元之普通股	10,000	—

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25. SHARE CAPITAL (continued)

A summary of movements in the Company's authorised and issued share capital is as follows:

25. 股本(續)

本公司法定及已發行股本的變動概要如下：

	Notes 附註	Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值 HK\$'000 千港元
Authorised:	法定：		
At 18 May 2018 (date of incorporation), at 31 March 2019 and at 1 April 2019	於2018年5月18日 (註冊成立日期)、 2019年3月31日及 2019年4月1日		
Increase in authorised share capital	法定股本增加 (a)	38,000,000 9,962,000,000	380 99,620
At 31 March 2020	於2020年3月31日	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
At 18 May 2018 (date of incorporation)	於2018年5月18日 (註冊成立日期)	1	—
Issue of shares	發行股份 (b)	2	—
At 31 March 2019 and at 1 April 2019	於2019年3月31日及 2019年4月1日	3	—
Capitalisation issue	資本化發行 (c)	749,999,997	7,500
Issue of shares under initial public offering	根據首次公開發售 發行股份 (d)	250,000,000	2,500
At 31 March 2020	於2020年3月31日	1,000,000,000	10,000

Notes:

- (a) On 12 December 2019, the authorised share capital of the Company was increased by HK\$99,620,000 by the creation of 9,962,000,000 additional ordinary shares of HK\$0.01 each, ranking pari passu in all respects with the existing shares of the Company.
- (b) On 3 August 2018, 2 ordinary shares of HK\$0.01 each, were allotted and issued by the Company to the Controlling Shareholder at HK\$1 per share.
- (c) Pursuant to the written resolution of the then sole shareholder of the Company passed on 12 December 2019, 749,999,997 ordinary shares of HK\$0.01 each were allotted and issued, credited as fully paid at par, by way of capitalisation from the share premium account to the Controlling Shareholder. The allotment and capitalisation issue were conditional upon the share premium account being credited as a result of the issue of shares in connection with the Company's initial public offering as detailed in note (d) below.
- (d) In connection with the Company's initial public offering, 250,000,000 new ordinary shares of HK\$0.01 each were issued at a price of HK\$0.5 per share on 16 January 2020 for a total cash consideration, before expenses, of approximately HK\$125,000,000. Dealing in the shares of the Company on the Stock Exchange commenced on 17 January 2020.

附註：

- (a) 於2019年12月12日，透過增設每股0.01港元的9,962,000,000股額外股份，本公司法定股本將增加99,620,000港元，與本公司現有股份在所有方面享有同等地位。
- (b) 於2018年8月3日，本公司按每股股份1港元之價格向控股股東配發及發行2股每股面值0.01港元之普通股。
- (c) 根據本公司當時唯一股東於2019年12月12日通過的書面決議案，每股面值0.01港元的749,999,997股普通股通過股份溢價賬資本化方式配發及發行予控股股東並按面值列賬繳足。配發及資本化發行乃按股份溢價賬因與本公司首次公開發售有關的股份發行而入賬，方可作實，詳情載於下文附註(d)。
- (d) 就本公司首次公開發售而言，於2020年1月16日，每股0.01港元的250,000,000股新普通股按每股0.5港元的價格發行，總現金代價(扣除開支前)約125,000,000港元。於2020年1月17日開始在聯交所買賣本公司股份。

26. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 62 of the financial statements.

(b) Merger reserve

The balances of the merger reserve at 31 March 2019 and 2020 represent the aggregate of the paid-up share capital of the subsidiaries now comprising the Group prior to the completion of the Reorganisation.

26. 儲備

(a) 本集團

本集團於本年度及過往年度的儲備金額及當中變動於財務報表第62頁的綜合權益變動表呈列。

(b) 合併儲備

於2019年及2020年3月31日之合併儲備結餘指重組完成前現時組成本集團之附屬公司之實繳股本之總和。

27. CONTINGENT LIABILITIES

- (a) At the end of the current and prior years, contingent liabilities not provided for in the financial statements were as follows:

27. 或然負債

- (a) 於本年度及過往年度末，未於財務報表撥備的或然負債如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Guarantees given to a bank for: Surety bonds	予銀行保證： 履約保證	4,352	42,567

The surety bonds were secured by:

- (i) the pledge of an industrial property of Ms. Wong Chun Siu, the spouse of the Controlling Shareholder as at 31 March 2019;
- (ii) the pledge of a residential property of the Controlling Shareholder as at 31 March 2019;
- (iii) the pledge of a time deposit of the Controlling Shareholder amounting to HK\$7,000,000 as at 31 March 2019;
- (iv) the pledge of time deposits of the Group amounting to HK\$4,416,000 as at 31 March 2020 (2019: HK\$9,880,000); and
- (v) a personal insurance policy of the Controlling Shareholder as at 31 March 2019.

履約保證以下列方式作抵押：

- (i) 控股股東之配偶黃春笑女士於2019年3月31日的工業物業抵押；
- (ii) 控股股東於2019年3月31日的住宅物業抵押；
- (iii) 控股股東於2019年3月31日金額為7,000,000港元的定期存款抵押；
- (iv) 本集團於2020年3月31日金額為4,416,000港元（2019年：9,880,000港元）的定期存款抵押；及
- (v) 控股股東於2019年3月31日的個人保單。

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27. CONTINGENT LIABILITIES (continued)

- (a) (continued)
The surety bonds were guaranteed by:
- (i) an unlimited guarantee from the Controlling Shareholder as at 31 March 2019; and
 - (ii) an unlimited guarantee from a subsidiary of the Company as at 31 March 2019.
- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. The directors of the Company are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

28. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 March 2020, the Group had a non-cash addition to right-of-use asset and lease liability of HK\$937,000 and HK\$937,000, respectively, in respect of renewal of a lease arrangement for office premises (2019: Nil).
- (ii) During the year ended 31 March 2020, pledged time deposits of HK\$14,634,000 with original maturity of more than three months when acquired were released from the maturity of surety bonds.
- (iii) During the year ended 31 March 2019, interim dividends of HK\$7,947,000 were declared by certain subsidiaries of the Company to the Controlling Shareholder. The amounts were settled through the current account with Mr. Chen Yuet Wa.

27. 或然負債(續)

- (a) (續)
履約保證由以下擔保：
- (i) 控股股東於2019年3月31日的無上限擔保；及
 - (ii) 本公司附屬公司於2019年3月31日的無上限擔保。
- (b) 在本集團建造業務的日常過程中，由於本集團或本集團次承判商的僱員在其僱傭期間或由此發生的意外事故中遭受人身傷害，因此本集團一直遭受若干索賠。本公司董事認為該等索賠獲保險充分保障，並不會對本集團的財務狀況或業績及營運造成任何重大不利影響。

28. 綜合現金流量表附註

(a) 主要非現金交易

- (i) 於截至2020年3月31日止年度，本集團就續新辦公場所租賃安排而分別錄得使用權資產及租賃負債的非現金增加937,000港元及937,000港元(2019年：無)。
- (ii) 截至2020年3月31日止年度，於收購時原到期日超過三個月的已抵押定期存款14,634,000港元已自履約保證到期起解除。
- (iii) 截至2019年3月31日止年度，本公司若干附屬公司向控股股東宣派7,947,000港元的中期股息。該等金額是通過陳越華先生的往來賬戶結付。

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28. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

2020

		Interest-bearing bank borrowings 計息銀行借款 HK\$'000 千港元	Lease liability 租賃負債 HK\$'000 千港元
At 31 March 2019 and 1 April 2019	於2019年3月31日及 2019年4月1日	5,864	236
Changes from financing cash flows	融資現金流量變動	(5,864)	(426)
New lease	新租賃	—	937
At 31 March 2020	於2020年3月31日	—	747

2019

2019年

		Interest-bearing bank borrowings 計息銀行借款 HK\$'000 千港元	Lease liability 租賃負債 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	6,501	631
Changes from financing cash flows	融資現金流量變動	(637)	(395)
At 31 March 2019	於2019年3月31日	5,864	236

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29. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel of the Group

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries, bonuses and allowances	薪金、花紅及津貼	1,531	1,942
Pension scheme contributions	退休金計劃供款	36	54
		1,567	1,996

Remuneration for key management personnel of the Group, including directors' and the chief executive's remuneration, is disclosed in note 8 to the financial statements.

(b) In addition to the balances, arrangements and transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salary payments to the sons of Mr. Chen Zhenchuan	支付予陳振川先生兒子的薪金付款	N/A [^] 不適用 [^]	324

The transactions were conducted on terms and conditions mutually agreed between the Group and the related parties.

[^] Mr. Chen Zhenchuan resigned as a director of the Company on 20 September 2018, the salaries paid to the sons of Mr. Chen Zhenchuan are therefore not considered as related party transactions thereafter.

29. 關聯方交易

(a) 本集團主要管理人員的薪酬

本集團主要管理人員(包括董事及行政總裁)的薪酬於財務報表附註8中披露。

(b) 除了在該等財務報表中另行詳列的結餘、安排及交易外，本集團於年內與關聯方進行的交易如下：

該等交易乃根據本集團及相關訂約方共同協定的條款及條件進行。

[^] 陳振川先生於2018年9月20日辭任本公司董事，因此支付予陳振川先生之子的薪金其後不視為關聯方交易。

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30. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

30. 按類別劃分的金融工具

於報告期末的各類金融工具的賬面值如下：

Financial assets

金融資產

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets at amortised cost:	按攤銷成本計量的金融資產：		
Trade receivables	貿易應收款項	6,829	20,118
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產	7,047	4,065
Due from a director	應收一名董事款項	—	5,864
Pledged deposits	質押存款	4,416	9,880
Cash and cash equivalents	現金及現金等值項目	182,117	25,155
		200,409	65,082

Financial liabilities

金融負債

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial liabilities at amortised cost:	按攤銷成本計量的金融負債：		
Trade and retention payables	貿易應付款項及應付保固金	6,927	13,255
Financial liabilities included in other payable and accruals	計入其他應付款項及應計費用的金融負債	2,970	117
Interest-bearing bank borrowings	計息銀行借款	—	5,864
Lease liability	租賃負債	747	236
		10,644	19,472

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財務報表附註

31 March 2020
2020年3月31日

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade receivables, the current portion of financial assets included in prepayments, deposits and other receivables, an amount due from a director, trade and retention payables, financial liabilities included in other payable and accruals, and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portions of financial assets included in prepayments, deposits and other receivables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group's own non-performance risk for interest-bearing bank borrowings as at 31 March 2019 was assessed to be insignificant.

The Group did not have any financial assets and financial liabilities measured at fair value as at 31 March 2019 and 2020.

31. 金融工具之公平值及公平值層級

管理層已評估現金及現金等值項目、質押存款、貿易應收款項、計入預付款項、按金及其他應收款項之金融資產之流動部分，應收一名董事款項、貿易應付款項及應付保固金、計入其他應付款項及應計費用的金融負債以及計息銀行借款與其賬面值相若，主要由於該等工具乃於短期內到期。

金融資產及負債的公平值以自願各方（強迫或清盤出售除外）現時交易兌換工具的金額入賬。以下方法及假設乃用於估計公平值：

計入預付款項、按金及其他應收款項之金融資產非流動部分之公平值乃按條款、信貸風險及餘下年期相若之工具之目前適用利率折現預期未來現金流量計算。

本集團本身於2019年3月31日有關計息銀行借款項下責任之不履約風險被評定為並不重大。

於2019年及2020年3月31日，本集團概無按公平值計量之金融資產及金融負債。

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財務報表附註

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2020年3月31日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and interest-bearing bank borrowings. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, financial assets included in prepayments, deposits and other receivables, an amount due from a director, pledged deposits, trade and retention payables, financial liabilities included in other payable and accruals and lease liability, which mainly arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors reviews and agrees the policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates related primarily to the Group's interest-bearing bank borrowings with floating interest rates. The Group did not use derivative financial instruments to hedge its interest rate risk. The Group mitigates this risk by closely monitoring the movements in interest rates and reviewing its available credit facilities and their utilisation regularly.

32. 財務風險管理目標及政策

本集團的主要金融工具包括現金及現金等值項目以及計息銀行借款。此等金融工具的主要目的是為本集團的經營業務提供資金。本集團擁有多項其他金融資產及負債，如貿易應收款項、計入預付款項、按金及其他應收款項內的金融資產、應收一名董事款項、質押存款、貿易應付款項及應付保固金、計入其他應付款項及應計費用的金融負債及租賃負債，均主要直接來自其經營業務。

本集團金融工具產生的主要風險為利率風險、信貸風險及流動資金風險。董事會檢討及批核管理各種有關風險的政策，有關風險概述如下。

利率風險

本集團面臨主要與本集團按浮動利率計息的計息銀行借款有關的市場利率變動的風險。本集團並非使用衍生金融工具來對沖其利率風險。本集團通過密切監察利率變動並定期檢討其可動用信貸融資及其使用情況，減低此方面的風險。

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財務報表附註

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2020年3月31日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings).

		Increase/ (decrease) in basis points 基點 上升/(下降)	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$'000 千港元
As at 31 March 2019	於2019年3月31日		
HK\$	港元	50	(29)
HK\$	港元	(50)	29

Credit risk

The Group mainly transacts with recognised and creditworthy third parties. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The directors of the Company consider that the Group's exposure to interest rate risk as at 31 March 2020 was not significant.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. The amounts presented are gross carrying amounts for financial assets.

32. 財務風險管理目標及政策(續)

利率風險(續)

下表列示在所有其他變數保持不變之情況下本集團除稅前溢利對利率合理上可能出現變動的敏感度(通過對浮動利率借款造成的影響)。

信貸風險

本集團主要與被肯定及有良好信譽之第三方交易。應收款項結餘乃按持續經營基準進行監控，本集團面臨壞賬的風險並不重大。

本公司董事認為2020年3月31日本集團面臨的利率風險並不重大。

最大風險敞口及年末所處階段

下表顯示基於本集團信貸政策的信貸質素及最大信貸風險敞口。該政策主要基於過往逾期資料(除其他毋須付出過多成本或精力即可獲得之資料外)以及於3月31日之年末所處的階段分類。所呈列的金額為該等金融資產的賬面總值。

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財務報表附註

31 March 2020
2020年3月31日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 March 2020

32. 財務風險管理目標及政策 (續)

信貸風險 (續)

最大風險敞口及年末所處階段 (續)

於2020年3月31日

		12-month ECLs 12個月預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損				Total 總計
		Stage 1 第一階段 HK\$' 000 千港元	Stage 2 第二階段 HK\$' 000 千港元	Stage 3 第三階段 HK\$' 000 千港元	Simplified approach 簡化方法 HK\$' 000 千港元		HK\$' 000 千港元
Contract assets*	合約資產*	—	—	—	53,448		53,448
Trade receivables*	貿易應收款項*	—	—	—	6,832		6,832
Financial assets included in prepayments, deposits and other receivables — Normal**	計入預付款項、按金及 其他應收款項的金融 資產 — 正常**	7,047	—	—	—		7,047
Pledged deposits — Not yet past due	質押存款 — 尚未逾期	4,416	—	—	—		4,416
Cash and cash equivalents — Not yet past due	現金及現金等值項目 — 尚未逾期	182,117	—	—	—		182,117
		193,580	—	—	60,280		253,860

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財務報表附註

31 March 2020
2020年3月31日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 March 2019

32. 財務風險管理目標及政策 (續)

信貸風險 (續)

最大風險敞口及年末所處階段 (續)

於2019年3月31日

		12-month ECLs 12個月預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損				Total 總計
		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Simplified approach 簡化方法 HK\$'000 千港元		
Contract assets*	合約資產*	—	—	—	71,034	71,034	
Trade receivables*	貿易應收款項*	—	—	—	20,273	20,273	
Financial assets included in prepayments, deposits and other receivables — Normal**	計入預付款項、按金及 其他應收款項的 金融資產 — 正常**	4,065	—	—	—	4,065	
Due from a director — Not yet past due	應收一名董事款項 — 尚未逾期	5,864	—	—	—	5,864	
Pledged deposits — Not yet past due	質押存款 — 尚未逾期	9,880	—	—	—	9,880	
Cash and cash equivalents — Not yet past due	現金及現金等值項目 — 尚未逾期	25,155	—	—	—	25,155	
		44,964	—	—	91,307	136,271	

* For contract assets and trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 15 and 16 to the financial statements, respectively.

** The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

* 對於本集團採用簡化減值方法的合約資產及貿易應收款項而言，基於撥備矩陣的資料分別於財務報表附註15及16中披露。

** 計入預付款項、按金及其他應收款項的金融資產的信貸質素尚未逾期，且無資料顯示金融資產的信貸風險自初步確認以來大幅增加時被視為「正常」，否則金融資產的信用質素被認為是「可疑」。

Notes to Financial Statements

財務報表附註

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32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

Management monitors the creditworthiness and payment patterns of each debtor closely and on an ongoing basis. The Group's trade receivables from contract work represent interim billings or retentions certified by the customers under terms as stipulated in the contracts. As the Group's customers in respect of contract works primarily consist of main contractors in the construction industry, property developers or owners with strong financial backgrounds, management considers that the risk of irrecoverable receivables from contract work is not significant.

Since the Group transacts only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk of the trade receivables are managed by analysis by customer/counterparty. At the end of the reporting period, the Group had certain concentrations of credit risk as 83% (2019:84%) and 100% (2019:99%) of the Group's trade receivables were due from the Group's largest customer and the five largest customers, respectively.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 16 to the financial statements.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank and other borrowings. The Group aims to maintain sufficient bank balances to meet its liquidity requirements.

32. 財務風險管理目標及政策(續)

信貸風險(續)

最大風險敞口及年末所處階段(續)

管理層會持續密切監察各債務人的信譽及還款模式。本集團的合約工程貿易應收款項指根據合約內訂明條款經客戶核實的中期賬單或保固金。由於本集團合約工程的有關客戶主要為建設行業的主承判商以及財力雄厚的物業開發商或業主，故管理層認為無法收回合約工程應收款項的風險並不重大。

由於本集團僅與被肯定及有良好信譽之第三方交易，故此毋須任何抵押品。貿易應收款項之信貸風險集中度按客戶／對手方進行分析管理。於報告期末，本集團有一定集中之信貸風險為83% (2019年：84%) 及100% (2019年：99%) 分別為應收本集團最大客戶及五大客戶款項。

有關本集團貿易應收款項所產生的信貸風險的進一步量化數據於財務報表附註16中披露。

本集團旨在透過利用銀行及其他借款維持資金持續性與靈活性之間的平衡。本集團的目標是維持充裕銀行結餘以應付其流動資金需求。

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財務報表附註

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32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The maturity profile of the Group's financial liabilities as at the end of each of the reporting period, based on the contractual undiscounted payments, is as follows:

32. 財務風險管理目標及政策(續)

流動資金風險

以下載列本集團於各報告期末根據合約未折現付款分析的金融負債到期狀況：

		2020 2020年			
		On demand 應要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables	貿易應付款項及 應付保固金	–	6,927	–	6,927
Financial liabilities included in other payable and accruals	計入其他應付款項及 應計費用內的金融負債	–	2,970	–	2,970
Lease liability	租賃負債	–	483	282	765
		–	10,380	282	10,662

		2019 2019年			
		On demand 應要求償還 HK\$'000 千港元	Less than 1 year 少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and retention payables	貿易應付款項及 應付保固金	–	13,255	–	13,255
Financial liabilities included in other payable and accruals	計入其他應付款項及 應計費用內的金融負債	–	117	–	117
Interest-bearing bank borrowings (note)	計息銀行借款(附註)	5,864	–	–	5,864
Lease liability	租賃負債	–	238	–	238
		5,864	13,610	–	19,474

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財務報表附註

31 March 2020
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32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

Note:

The above interest-bearing bank borrowings of the Group as at 31 March 2019 were term loans. The loan agreements contained a repayment on demand clause, giving the bank the unconditional right to call in the loans at any time, and therefore, for the purpose of the above maturity profile, the total amount was classified as "on demand".

In accordance with the terms of the loans which contained a repayment on demand clause, the maturity profile of those loans as at 31 March 2019, based on the contractual undiscounted payments and ignoring the effect of any repayment on demand clause, was as follows:

		2019 2019年 HK\$'000 千港元
Within 1 year	一年內	789
2 to 5 years	二至五年內	2,424
Over 5 years	超過五年	3,460
		6,673

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure and strives to maintain a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

Capital of the Group comprises all components of shareholders' equity.

32. 財務風險管理目標及政策(續)

流動資金風險(續)

附註：

本集團於2019年3月31日的上述計息銀行借款為定期貸款。貸款協議載有應要求償還條款，賦予銀行無條件隨時召回貸款的權利，因此，就上述到期情況而言，總金額被歸類為「應要求償還」。

按照載有應要求償還條款的貸款條款，根據按合約未折現付款及不計及任何應要求償還條款的影響，該等貸款於2019年3月31日的到期情況如下：

資本管理

本集團資本管理的首要目標，是保障本集團能夠持續經營及維持穩健的資本比率，從而繼續為股東帶來回報，並為其他持份者帶來好處。

本集團積極定期檢討及管理其資本架構，致力維持穩健的資本狀況，並因應經濟情況轉變及相關資產的風險特徵而調整資本架構。為維持或調整資本架構，本集團可能會調整向股東支付的股息、向股東退還資本或發行新股。於2020年3月31日及2019年3月31日，並未更改資本管理的目標、政策或程序。

本集團的資本包括股東權益的所有組成部分。

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財務報表附註

31 March 2020
2020年3月31日

33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

33. 本公司的財務狀況表

本公司於報告期末的財務狀況表資料如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
NON-CURRENT ASSET	非流動資產		
Investment in a subsidiary	投資於一間附屬公司	—	—
CURRENT ASSETS	流動資產		
Prepayments	預付款項	111	1,637
Due from a subsidiary	應收一間附屬公司款項	78,090	—
Cash and cash equivalents	現金及現金等值項目	324	—
Total current assets	流動資產總值	78,525	1,637
CURRENT LIABILITIES	流動負債		
Due to a subsidiary	應付一間附屬公司	—	9,109
Other payable and accruals	其他應付款項及應計費用	334	25
Total current liabilities	流動負債總額	334	9,134
NET CURRENT ASSETS/(LIABILITIES)	流動資產／(負債)淨額	78,191	(7,497)
Net assets/(liabilities)	資產／(負債)淨額	78,191	(7,497)
EQUITY/(DEFICIENCY IN ASSETS)	權益／(資產虧絀)		
Issued capital	已發行股本	10,000	—
Reserves (note)	儲備(附註)	68,191	(7,497)
Total equity/(deficiency in assets)	權益／(資產虧絀)總額	78,191	(7,497)

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財務報表附註

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33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

33. 本公司的財務狀況表(續)

附註：

本公司儲備概要如下：

		Share premium account 股份溢價賬 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 18 May 2018 (date of incorporation)	於2018年5月18日(註冊成立日期)	—	—	—
Loss and total comprehensive loss for the period from 18 May 2018 to 31 March 2019	自2018年5月18日至2019年3月31日止期間的虧損及全面虧損總額	—	(7,497)	(7,497)
At 31 March 2019 and at 1 April 2019	於2019年3月31日及2019年4月1日	—	(7,497)	(7,497)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總值	—	(15,681)	(15,681)
Capitalisation issue	資本化發行	(7,500)	—	(7,500)
Issue of shares under initial public offering	根據首次公開發售發行股份	122,500	—	122,500
Share issue expenses	股份發行開支	(23,631)	—	(23,631)
At 31 March 2020	於2020年3月31日	91,369	(23,178)	68,191

34. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 June 2020.

34. 財務報表的批准

財務報表於2020年6月30日經董事會批准及授權刊發。

Four-Year Financial Summary

四年財務摘要

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。

		For the year ended 31 March			
		截至三月三十一日止年度			
		2020	2019	2018	2017
		2020年	2019年	2018年	2017年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Revenue	收益	245,474	232,957	216,261	153,779
Gross profit	毛利	60,920	55,887	40,829	37,575
Profit before tax	除稅前溢利	35,856	41,030	32,455	31,572
Profit and total comprehensive income for the year	年內溢利及全面收益總值	27,650	33,210	27,174	26,398
Non-current assets	非流動資產	1,757	1,318	1,739	1,217
Current assets	流動資產	255,824	137,756	101,314	82,278
Total assets	總資產	257,581	139,074	103,053	83,495
Current liabilities	流動負債	21,690	32,540	21,582	28,800
Net current assets	流動資產淨值	234,134	105,216	79,732	53,478
Total assets less current liabilities	總資產減流動負債	235,891	106,534	81,471	54,695
Net assets	資產淨值	235,517	106,498	81,235	54,061
Equity attributable to owners of the Company	歸屬於本公司擁有人的權益	235,517	106,498	81,235	54,061

華和控股集團有限公司

Wah Wo Holdings Group Limited

